



MEETING AGENDA

**April 28, 2016
8:00 a.m.**

**Main Location:
University of Nevada, Las Vegas
Stan Fulton Building
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 March 24, 2016**
4. **Chairman/Committee Comments**
 - a. Program Alternative Analysis
5. **Research Staff Report**
- For Possible Action** 6. **Committee Workshop**
 - a. Convention Center Workshop
 - b. Stadium Proposal
 - c. Transportation Requests
 - Las Vegas Monorail
7. **May 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
March 24, 2016**

The meeting of the Southern Nevada Tourism Infrastructure Committee was called to order by Chairman Hill at 8:05 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. Tom Jenkin, Global President of Caesars Entertainment
Mr. Bill Noonan, Senior Vice President of Boyd Gaming
Mr. William Hornbuckle, President of MGM Resorts International
Ms. Kim Sinatra, Executive Vice President of Wynn Resorts
Mr. George Markantonis, President and COO of The Venetian and The Palazzo
Mr. Mike Sloan, Senior Vice President of Station Casinos

ADVISORY COMMITTEE MEMBERS PRESENT

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

2. PUBLIC COMMENT: 8:06 A.M.

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

3. ACCEPTANCE OF MINUTES FROM FEBRUARY 25, 2016: 8:07 A.M.

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

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 8:08 A.M.

Chairman Hill outlines what the committee schedule will look like over the next several months. In April, the Las Vegas Convention and Visitors Authority (LVCVA) will be invited back to further discuss the convention center and address follow-up items. In May, Chairman Hill anticipates that the representatives from Las Vegas Sands, Majestic Realty and University of Nevada, Las Vegas will be invited back to go through a similar exercise with the stadium proposals. The meeting in June will be used for finalizing recommendations. Then, by July, those recommendations should be ready to submit to the governor. Other potential recommendations will be split between the April and May meetings.

Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 8:10 A.M.

Mr. Jeremy Aguero, Principal at Applied Analysis, points the committee's focus to the comparative stadium costs information sheet, a specific request made by the committee. Applied Analysis has spent the past month working closely with the LVCVA and other entities to gather information on about 30 requests from February's meeting. Also, additional financial information from the LVCVA was distributed to the committee and posted to the SNTIC website. Mr. Aguero states he is working with Mr. Hobbs to continue developing the room tax analysis.

Mayor Goodman points out that in Mr. Aguero's issue brief, Cashman Field has been omitted. Mr. Aguero apologizes and states that it will be added to the southern Nevada venues.

Chairman Hill closes Agenda Item 5.

6. COMMITTEE WORKSHOP ON CONVENTION CENTERS:

**a. University of Nevada, Las Vegas Land Acquisition and Development Plans
Update: 8:13 A.M.**

Mr. Len Jessup, President at the University of Nevada, Las Vegas (UNLV), notes that his presentation is intended to be an update on the 42-acre land parcel that UNLV recently purchased. Mr. Jessup points out that when he was making his decision to come to UNLV, he noticed that there was clearly a collective aspiration to bring UNLV to the next level and have more of an impact on the community, both economically and socially. That effort and support has taken shape into the Top Tier strategic plan for the university. The vision at UNLV is to be recognized as a top tier public university that is high-performing in research, teaching and student experience, as well as being tightly engaged with the community. Mr. Jessup also recognizes that student achievement has to improve. He also points out that UNLV is landlocked but needs to expand and update the aging

infrastructure. Mr. Jessup believes that a new stadium, either on or near campus, contributes to the university's vision.

The Campus Improvement Authority Board (CIAB) was created by the Nevada Legislature in the 2013 session. The charter for the CIAB is to study the need for, feasibility of and financing alternatives for a large events center or stadium and other required infrastructure related to that project. In 2013, the legislature extended that charter through the fall of 2017. The CIAB complements the work of the Southern Nevada Tourism Infrastructure Committee. In the Las Vegas Stadium Report, the CIAB determined that there is a clear need for a stadium either on or near campus, and having this is critical to the success of athletics and the future of the university. Mr. Jessup also notes that the feasibility of a stadium was predicated on some form of public-private partnership.

Mr. Jessup notes that UNLV has purchased and is currently converting the Cottage Grove apartments on the north side of campus into university use. The campus is currently at about 29,000 students and is continuing to grow. There is often the perception that UNLV is a commuter school. However, three-quarters of the students are attending the university full-time and about 1,800 of those students live on-campus. Additionally, on-campus housing is at capacity, which is why UNLV decided to purchase the Cottage Grove apartments to add about 2,700 beds. This will bring the total of on-campus living to about 4,500 students who will be able to walk to a nearby stadium.

UNLV is a 330-acre campus that is landlocked but growing. The university has been buying nearby land parcels when available. The recent 42-acre purchase presented the university with the opportunity to buy a large, contiguous piece of land. Once the land was purchased, the university representatives went to the regents to move to long-term financing. Gerry Bomotti, Senior Vice President of Finance and Business, gave Mr. Jessup an update that the long-term financing is officially complete, giving the university 30-year financing on that property with an annual debt service of just over \$3 million. Now the question for the university is what to do with this property.

Mr. Jessup notes that two scenarios have been presented to the regents for the use of this land. The first is a campus village option that would include graduate or professional education and clinics. This enables the university to keep undergraduate students on the core campus while other capabilities are being developed on the newly acquired land. The second scenario is the stadium option, which would also have other buildings wrapped around it such as parking, retail and other university-related facilities. Mr. Jessup points out that clinical activity, such as a sports medicine clinic, would be ideal to have next to a stadium. Additionally, having the university's football team within walking distance from campus presents numerous opportunities for game day experiences. Mr. Jessup also poses the idea of enhancing the frontage of the campus along the two-mile strip from Koval to Tropicana to make it look more attractive to those coming to the stadium.

Commissioner Sisolak asks Mr. Jessup to discuss the prior stadium proposal. Since this was before Mr. Jessup's time, he defers the question to Mr. Don Snyder, Presidential Advisor for Strategic Initiatives. Mr. Snyder states there were three stadium alternatives

that were considered; a standard collegiate stadium, a Baylor University-type stadium and a domed stadium. These were focused on 50,000 to 55,000 seating capacity, and the recommendation was to focus on the Baylor model, which would cost approximately \$650 million.

Commissioner Sisolak asks Ms. Vassiliadis what can be done on the Runway Protection Zone (RPZ) land next to the proposed stadium site. Ms. Vassiliadis states the RPZ guidelines have become stricter with recent events that have happened around the country. Therefore, essentially nothing can go in this zone. The plan that has been shown thus far does have conflicts with federal regulations.

Commissioner Sisolak then asks what the financing plan was for the original stadium proposal. Mr. Jessup states it was a public-private partnership. Mr. Snyder states the proposed model did not go as far as creating a financing plan. The university was looking at about \$15 million per year of tax revenues that would bond out to about \$225 million, which would account for one-third of the project. The rest of the funding would come from a combination of things such as philanthropy, naming rights and ticket sales. Mr. Snyder points out that less than 20 percent of the revenues generated at the Thomas and Mack Center come from university events, so they expect the same to be true for a stadium.

Mr. Robert Lang, Professor at Greenspun College of Urban Affairs and Executive Director for Brookings Mountain West, is introduced to provide testimony from the Brookings perspective. Mr. Lang is not a current consultant for any party in this conversation. His viewpoints come from of a body of work specifically comparing Orlando to Las Vegas, as their economies are both based on tourism as the main export. Mr. Lang argues that Las Vegas should build everything that has been presented, including a rail system, a new stadium and a convention center expansion. He believes that diversity within Las Vegas's core has been the city's biggest success.

Mr. Lang believes Las Vegas is very well positioned in its airport, which is important because it provides a vital link to Las Vegas's business services, thus creating a competitive advantage for the city. Las Vegas is ranked fourth in origin and destination connections among domestic airports. Additionally, McCarran International Airport is only 3.6 miles from the Las Vegas Convention Center, making it closer to the industry's core than other destinations. Mr. Lang then notes that a stadium would be a key consumption export. Las Vegas exports consumption tourist services. The difference is that in other regions that have a stadium, the seats are primarily being occupied by residents who live within close proximity; a stadium in Las Vegas would be primarily occupied by tourists.

Mr. Lang presents some calculations to the committee. Live Entertainment Taxes (LET) in Nevada generate about \$150 million per year, most of which Mr. Lang believes are produced on the Las Vegas Strip. He suggests using about 25 percent of the LET to invest in a stadium. Mr. Lang poses the proposition that if a live entertainment venue were to expand, then most of the additional taxation would come from not just the LET but also an additional tax base from which to draw revenues to build the new facility.

Mr. Lang then compares convention center space, pointing out that Las Vegas has the most convention delegates and convention center space. In terms of total space per attendee, which takes into account the hotels within close proximity to the center, Orlando has an abundance of space because they have not adequately leveraged the non-main-convention space within the large hotels. This will be remedied when Orlando's rail system from the airport connects the convention center to nearby hotels. Also, when comparing tourist taxes, Las Vegas ranks 17th out of 50, which is above the median point for taxation. Mr. Lang points out that Orlando taxes its tourist the least due to the high-priced theme parks. Additionally, all of Orlando's room tax goes back into the county, but the revenue must be used for tourism-specific investments. Mr. Lang believes that Las Vegas surpasses Orlando in private tourism assets, but falls behind in public assets such as rail connections, highway connections, that main convention center and a large-scale stadium.

Mr. Lang believes Las Vegas needs more tax carve outs, stating that it is not what you tax, but what you keep and are able to invest. Las Vegas can demonstrate that additional tax carve outs can add more general revenue if they are targeted to areas that we know are stimulative of expanded tourist traits. Mr. Lang states that if Las Vegas does not continue to diversify within its core sector, the state will not have the resources to diversify the economy outside of tourism. He uses Atlantic City as an example of a tourism location that failed to diversify.

Ms. McMillan asks for a specific breakdown of Orange County's room tax distribution. Mr. Lang explains that most of the room tax goes to tourism promotion and the convention authority, but it can also be invested in several items such as a football stadium. Mr. Lang highlights that there is controversy in Orlando because the revenue is strictly limited to tourism.

Commissioner Sisolak asks if Mr. Lang believes that the elevated expressway that Clark County has proposed would cut down significantly on the commute time from the airport to the convention center. Mr. Lang states that he has not looked at the details of the project, but he points out that in the rest of the country, elevated roadways are being removed. Brookings has about 70 documented cases of these roadways coming down because they simply have not delivered what they promised. If drivers exit these elevated expressways and go to the Las Vegas Strip, then it will produce a large traffic jam. These elevated expressways would also cast UNLV and hotels into darkness. Other issues that arose throughout the nation are homeless people gathering under these roadways. Commissioner Sisolak disagrees with these statements. Mayor Goodman relates her personal experience with elevated roadways in New York City.

Mr. Hornbuckle asks what the priorities are since the proposed projects cannot be executed simultaneously. Mr. Lang notes that it is the committee's responsibility to prioritize. However, he feels that if some form of congestion relief is not built, then the other projects should not be considered.

Mr. Hornbuckle then asks for the distribution of the Live Entertainment Tax. Mr. Aguero states the LET goes directly into the state general fund with about \$150 million per year.

Commissioner Sisolak asks how the money from the general fund would be replaced if some were taken out to build a stadium. Mr. Lang states it could be argued that it would stimulate additional events and revenue.

Chairman Hill closes Agenda Item 6a.

b. Review of Las Vegas Sands/Majestic Realty Stadium Proposal: 9:40 A.M.

Mr. Craig Cavileer, President of Silverton Casino and Executive Vice President of Majestic Realty, introduces himself and notes that Sheldon Adelson, Founder, Chairman and CEO of Las Vegas Sands, and Edward Roski, President and Chairman of Majestic Realty, have joined in a collaborative partnership to develop a multi-event sports and entertainment facility within Las Vegas that will serve as a platform for UNLV football. The preferred location of the stadium site is the 42-acre land recently acquired by UNLV. Mr. Cavileer points out that currently on any given day, only 5 percent of the total tourist population in Las Vegas can gather for a large entertainment event.

Mr. Cavileer states the proposed stadium would be domed, cost \$1.3 billion and have a seating capacity of 65,000. It would be home to Rebel Football and be ready to host a National Football League (NFL) resident team. Las Vegas Sands and Majestic Realty would like legislative action to authorize the creation of a Stadium Authority Board, which would receive the donation of the stadium site. They would also like legislation for a reliable source of public revenue to fund a portion of the project's cost.

Mr. Bill Rhoda, President of CSL International, states that this project is different from any similar project throughout the nation due to the uniqueness of Las Vegas's tourism industry and its close proximity to southern California. From an NFL market comparison, the average metropolitan area is about 2.1 million residents. This would make Las Vegas the 23rd largest market with the highest population-per-franchise ranking.

Mr. Rhoda points out that public financing does not necessarily mean that the public issued the debt, but the security for that debt. On average, public-private financing is split about 50-50 due to stadiums getting more expensive and requiring teams to pick up a larger share of the stadium cost. Teams typically fill this funding gap with a Permanent Seat License (PSL), which is when the teams sell the right to purchase a ticket for a certain term. These funding models can change when dealing with team relocations to about 75 percent public and 25 percent private funding due to areas needing to recruit the teams, similar to the process of bringing Tesla to Nevada.

CSL International conducted an analysis to determine if there was demand for an NFL stadium in Las Vegas. Mr. Rhoda states there were 1,421 surveys completed both from local and non-local residents. Among non-local respondents, 77 percent reported a "very positive" attitude toward attending a Las Vegas NFL game; local respondents had a 67 percent "very positive" attitude. The results also showed about 23 percent of non-local respondents had an interest in purchasing season tickets. Mr. Rhoda stresses that about 65

percent of all respondents indicated that trips to Las Vegas to watch an NFL game would be in addition to their existing trips to the city.

Mr. Dale Koger, Senior Vice President for CSL International, discusses the preliminary cost model for four types of stadium proposals. An enclosed NFL-ready stadium would cost on average \$1.2 billion, which would be similar to the US Bank stadium in Minneapolis. Mr. Koger stresses that the non-NFL enclosed stadium model cannot be expanded to accommodate an NFL team. Additionally, CSL estimates that sponsorship revenue for an NFL stadium would be about \$26.4 million, compared to \$8 million for a non-NFL stadium.

Dr. Mark Rosentraub, Chair of the University of Michigan's Center for Sport and Policy, has been working with UNLV on the stadium concept for about four years. Dr. Rosentraub stresses that his analysis does not include events that can occur in an arena. It is projected that with the stadium housing 15 events, five of which are currently at Sam Boyd Stadium, about \$372 million in direct visitor spending would be generated each year. He projects that total incremental tax revenues for these 15 events would be \$45.6 million. This is slightly less than the \$49.4 million that CSL estimates using 26 events, 10 of which are existing.

Mr. Greg Carey, Chairman of Public Finance at Goldman Sachs, discusses how these financing deals get put together and the legal structures that govern them. Mr. Carey points out that with NFL stadiums, the private portion of the financing can be much larger, but then those entities will take most of the revenue that the stadium generates. Mr. Carey states the professional teams keep revenues generated from items such as ticket sales and team sponsorships, whereas the stadium takes revenues such as naming rights and concessions. The main issue with anchored tenants is that they control certain dates throughout the year.

Commissioner Sisolak asks for an explanation of the economic impact of events, such as UNLV football, and the average attendance figures in the projections, which seem high. Mr. Rhoda states that it is realistic that the 65,000 seats will sell out for NFL games. Dr. Rosentraub emphasizes that the economic impact model does not factor in UNLV football.

Chairman Hill asks what parameters the correct amount of public funding should be based on. Mr. Carey states that each project is different, but it depends greatly on the amount of the economic impact the stadium would bring to the county.

Mayor Goodman asks the panel to provide examples of stadiums which were built without an NFL team. Mr. Carey states that the revenue stream a stadium would bring without an NFL team is much less. Mr. Rhoda states Orlando's Citrus Bowl was built with the idea of putting "heads in beds" and does not have an NFL team. He emphasizes that Orlando and Las Vegas are the only two markets that could ever contemplate doing a project of this magnitude.

Commissioner Sisolak asks for examples of stadiums that share facilities between an NFL and collegiate team. Mr. Carey gives examples such as the Tampa Bay Buccaneers and the

University of South Florida, the Pittsburgh Steelers and the University of Pittsburgh, and the Philadelphia Eagles and Temple University.

Commissioner Sisolak asks how much of the incremental tax revenue goes to the state's general fund and how much stays in Clark County. Mr. Hobbs states all of the Live Entertainment Tax and Modified Business Tax goes to the state, and the sales tax is split with about 2 percent of the 8.15 percent going to the state. The rest of the taxes are local but may have state components, such as the room tax. Mr. Hobbs explains that if the overall public benefit measured by fiscal revenue generation is greater than what the public investment is, regardless of the source, then that is a positive scenario.

Mr. Robert Goldstein, President and COO of Las Vegas Sands, stresses that Las Vegas Sands and Majestic Realty are supporters of a renovate Las Vegas Convention Center. They believe that the community should continue to strive to make sure the LVCVA has what it needs to remain the top competitor of the convention industry. Mr. Goldstein states that Las Vegas Sands and Majestic Realty are not fantasizing about the idea of an NFL team; it is a real possibility and talks are being had with Mark Davis, owner of the Oakland Raiders, who is serious about wanting to come to Las Vegas.

Commissioner Sisolak asked if the company is locked into building the stadium on the 42-acres near UNLV. Mr. Goldstein states that they have not settled on a location, but they see obvious benefits to building a stadium on that site, including helping the university.

Ms. Vassiliadis states that any project on the 42-acre site requires a review by the Federal Aviation Administration (FAA). Both plans that were presented at the meeting do have conflicts with the current federal regulations required to operate McCarran International Airport, which is something that would have to be worked out. In addition, there are noise conflicts associated with stadiums that would need to be addressed. FAA does not approve nor deny a community project, but it does adjust the flexibility and capacity of the airport, which is McCarran International Airport's primary constraint. There are also traffic studies that the airport would be concerned about, as well as Instrument Flight Rules (IFRs). Ms. Vassiliadis points out that in regards to world events, airports are still targets and gatherings of large groups of people near airports is something that will be a concern.

Chairman Hill closes Agenda Item 6b.

7. APRIL MEETING PREVIEW: 12:04 P.M.

Mr. Agüero states he will continue to work through the prior requests as well as the requests that arose for the stadium proposals.

Chairman Hill closes Agenda Item 7.

8. COMMITTEE MEMBER COMMENTS: 12:05 P.M.

Commissioner Sisolak gives his gratitude to Mr. Aguero and the time he has put into responding to the committee's requests.

Chairman Hill closes Agenda item 8.

9. PUBLIC COMMENT: 12:06P.M.

Mr. Ed Uehling states these conversations remind him of discussions from his childhood about building projects that seemed too large-scale for that time. He believes we should look at different ways to raise money for these projects, such as selling land and taxing undesirable activities.

Mr. Stanley Washington states Las Vegas is behind in the world's demand for international soccer. He believes Mr. Lang's idea of connectivity was well idealized. Mr. Washington advises that there is no more diverse organization than the National Football League.

Ms. Yvanna Concela, Political Director for the Culinary Workers Union, states convention business is critical to Las Vegas. On behalf of the Culinary Workers Union, Ms. Concela urges the committee to make the expansion and renovation of the Las Vegas Convention Center the top priority. She also does not believe that public funding should be used for a project such as an NFL stadium that could be funded privately by the proponents of that project.

There are no more public comments. Chairman Hill closes Agenda Item 9.

10.ADJOURNMENT: 12:17 P.M.

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



SOUTHERN NEVADA
Tourism Infrastructure Committee

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Committee Request Materials
Convention Centers



Convention Center Follow-Up Information Requests Table of Contents

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3. **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? Additional follow up required
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Comparison of Convention Center Rental Rates

The Southern Nevada Tourism Infrastructure Committee requested information on rental rates for the Las Vegas Convention Center compared with other facilities in the United States. This section contains a survey of estimated daily rental rates from 20 competitive convention facilities ranked from highest to lowest.

**LAS VEGAS CONVENTION AND VISITORS AUTHORITY
CONVENTION CENTER RENTAL RATE SURVEY**

As of March 18, 2016

Reflects 2016 Published Non-Discounted Rates

Based on Sample Show with:

3 Show Days

6 Move In/Out Days

9 Total Days

City	Facility Name	Exhibit Space *	NSF of Sample Show	Est. Rental Cost For Show Days	Est. Rental Cost For Move Days	EST. TOTAL RENTAL COST	Effective Rental Rate Per NSF Per Day
			A	B	C	D	D / 100,000 NSF / 9 Days
New Orleans, LA	Ernest Morial Convention Center	1,068,508	100,000	\$165,000	\$114,000	\$279,000	\$0.310
Las Vegas, NV	Mandalay Bay Convention Center	1,043,030	100,000	\$120,000	\$120,000	\$240,000	\$0.267
New York, NY	Jacob K. Javits Convention Center	840,000	100,000	N/A	N/A	\$224,280	\$0.249
Las Vegas, NV	Sands Expo & Convention Center	1,035,600	100,000	\$108,000	\$108,000	\$216,000	\$0.240
San Diego, CA	San Diego Convention Center	615,000	100,000	\$124,500	\$62,250	\$186,750	\$0.208
Houston, TX	George R. Brown Convention Center	771,730	100,000	\$150,000	\$30,000	\$180,000	\$0.200
Anaheim, CA	Anaheim Convention Center	813,000	100,000	\$114,000	\$57,000	\$171,000	\$0.190
Orlando, FL	Orange County Convention Center	2,100,000	100,000	\$109,800	\$54,900	\$164,700	\$0.183
San Francisco, CA	Moscone Convention Center	800,914	100,000	\$132,000	\$23,700	\$155,700	\$0.173
Las Vegas, NV	Las Vegas Convention Center (as of 7/1/16)	1,940,631	100,000	\$99,000	\$49,500	\$148,500	\$0.165
Los Angeles, CA	Los Angeles Convention Center	720,000	100,000	\$96,000	\$48,000	\$144,000	\$0.160
Rosemont, IL	Donald E. Stephens Convention Center	840,000	100,000	N/A	N/A	\$140,000	\$0.156
Salt Lake City, UT	Salt Palace Convention Center	515,000	100,000	\$87,000	\$43,500	\$130,500	\$0.145
Indianapolis, IN	Indiana Convention Center	566,600	100,000	\$110,000	\$17,400	\$127,400	\$0.142
Chicago, IL	McCormick Place	2,600,000	100,000	\$54,000	\$108,000	\$124,000	\$0.138
Louisville, KY	Kentucky Expo Center	1,300,000	100,000	\$88,000	\$14,000	\$102,000	\$0.113
Atlanta, GA	Georgia World Congress Center	1,400,000	100,000	\$100,000	\$0	\$100,000	\$0.111
Denver, CO	Colorado Convention Center	584,000	100,000	\$56,700	\$28,350	\$85,050	\$0.095
Dallas, TX	Dallas Convention Center (Kay Bailey Hutchinson Conv Ctr)	724,526	100,000	\$51,600	\$14,595	\$66,195	\$0.074
Philadelphia, PA	Pennsylvania Convention Center	675,000	100,000	\$59,200	\$4,800	\$64,000	\$0.071
	Average		100,000	\$101,378	\$49,889	\$152,454	\$0.169

Compiled by the Las Vegas Convention and Visitors Authority

* Does not include meeting, ballroom or pre-function space.

NSF = Net Square Feet

Total Rental Cost may not equal Rental Cost for Show Days + Move Days due to required minimum rental costs

N/A - Separate estimate not available for Show and/or Move Days; included in total rental package costs

Sources: Individual Convention Centers



Comparison of Lodging Tax Distribution

The Southern Nevada Tourism Infrastructure Committee requested information about how much revenue generated from lodging taxes in major cities is distributed to tourism-related programs. This section contains a summary of lodging tax distributions in major cities throughout the United States. For a nationwide ranking of lodging tax rates, see section 20.

ROOM TAX COMPARISON OF MAJOR DESTINATIONS

USES OF TAXES CHARGED TO HOTEL ROOM NIGHTS

TRANSIENT LODGING TAX RATES: ROOM TAX + (WHERE APPLICABLE) SALES TAX *

Destination	City Tourism Promotion*	Conv Ctr Funding*	Other Tourism & Community Programs* (Arts, History, etc.)	Tourism Subtotal	Stadiums & Arenas* Subtotal	State Gov't	Local Gov't	Schools & Ed.*	Trans- portation*	Gov't Services Subtotal	Total Lodging Taxes
Chicago ^d			2.50%	2.50%	2.14%	6.17%	6.58%			12.75%	17.39%
Dallas	4.10%	4.72%	0.18%	9.00%	0.00%	6.00%				6.00%	15.00%
Denver	2.75%		0.10%	2.85%	0.10%	2.90%	8.00%		1.00%	11.90%	14.85%
Honolulu (Oahu)	1.80%	0.73%		2.53%	0.00%	4.00%	7.43%			11.43%	13.96%
Houston	1.65%	4.00% e	1.35%	7.00%	2.00%	6.00%	2.00%			8.00%	17.00%
Las Vegas^a	3.86%	incl w/ Tourism Promotion	0.38%	4.24%	0.00%	1.70%	4.64%	4.64%	1.42%	7.76%	12.00%
Los Angeles ^b	1.50%	g		1.50%	0.00%		14.00%			14.00%	15.50%
Miami	1.20%	2.00%	0.40%	3.60%	2.00%	6.00%	1.40%			7.40%	13.00%
New Orleans	1.00%	4.00%		5.00%	4.00%	1.50%	1.50%	1.50%	1.00%	4.00%	13.00%
New York ^c (w/ \$3.50 nightly fee)		0.00% + \$1.50/nt		0.00%	0.00%	4.00%	10.38% + \$2.00/nt		0.38%	14.75%	14.75% + \$3.50/nt
Orlando	1.32%	3.30%	0.18%	4.80%	1.20%	6.00%		0.50%		6.50%	12.50%
Philadelphia	3.80%	4.70%		8.50%	0.00%	6.00%	2.00%			8.00%	16.50%
Phoenix	1.20%	0.80%		2.00%	2.00%	5.50%	3.07%			8.57%	12.57%
San Diego ^g	2.00%	g		2.00%	0.00%		10.50%			10.50%	12.50%
San Francisco ^g	1.00%	g	1.25%	2.25%	0.00%	14.00%				14.00%	16.25%
Seattle ^b (w/ \$2.00 nightly fee)	0.00% + \$2.00/nt	9.00%		9.00%	2.00%	2.50%	1.10%		1.00%	4.60%	15.60% + \$2.00/nt
Washington DC	0.77%	3.68% f	See footnote (f)	4.45%	0.00%	10.05%				10.05%	14.50%
Average				4.19%	0.91%					9.42%	14.52%

may not foot due to rounding

*** Reflects only dedicated portions of lodging tax(es) for each stated use; may not reflect additional dollar amounts allocated from state or local gov't general funds or other sources.**

NOTES:

- a) Las Vegas figures are net of collection allocation (to Local Gov't) and outlay for NDOT debt service (to Transportation.)
- b) In Seattle, the 2% that is currently used for Kingdome debt and arts activity will be redirected to pay off debt on the Seattle Seahawks Stadium through 2020.
- c) In New York, there is not a dedicated portion of lodging tax for tourism promotion; funds for tourism promotion are allocated to NYC & Co. (destination marketing organization) by the City of New York and other sources.
- d) In Chicago, there is not a dedicated portion of lodging tax for tourism promotion; the Choose Chicago (destination marketing organization) budget comes from a combination of sources including the State of Illinois, the Metropolitan Pier and Exposition Authority, the City of Chicago and other sources; tax rates reflect an add'l 1% that goes into effect in FY17.
- e) Houston First receives 4% of the Houston Hotel Occupancy Tax and manages more than 10 city-owned buildings and properties, including the arts and theater district and the George R. Brown Convention Center.
- f) Events DC's operations budget is used to fund debt service at the Walter E. Washington Convention Center, the Marriott Marquis Hotel, and other tourism-related programs.
- g) Does not include CA State Tourism Assessment Tax applied to variety of goods and services consumed by tourists. For Accommodations, \$1,950 per \$1M of travel and tourism revenue.

ROOM TAX COMPARISON OF MAJOR DESTINATIONS

USES OF TAXES CHARGED TO HOTEL ROOM NIGHTS

LODGING TAX RATES*

ALLOCATED USE AS % OF TOTAL LODGING TAXES*

Destination	Lodging Tax	Add'l Sales Tax Charged to Rm Nts	Total Lodging Taxes	Portion for Tourism Uses*	Portion for Stadiums & Arenas*	Portion for Gov't Services*	Total
Chicago ^d	17.39%	0.00%	17.39%	14%	12%	73%	100%
Dallas	15.00%	0.00%	15.00%	60%	0%	40%	100%
Denver	4.10%	10.75%	14.85%	19%	1%	80%	100%
Honolulu (Oahu)	9.25%	4.71%	13.96%	18%	0%	82%	100%
Houston	17.00%	0.00%	17.00%	41%	12%	47%	100%
Las Vegas^a	12.00%	0.00%	12.00%	35%	0%	65%	100%
Los Angeles ^b	15.50%	0.00%	15.50%	10%	0%	90%	100%
Miami	6.00%	7.00%	13.00%	28%	15%	57%	100%
New Orleans	13.00%	0.00%	13.00%	38%	31%	31%	100%
New York ^c (w/ \$3.50 nightly fee)	5.88% + \$3.50/nt	8.88%	14.75% + \$3.50/nt	0%	0%	100%	100% + \$3.50/nt
Orlando	6.00%	6.50%	12.50%	38%	10%	52%	100%
Philadelphia	9.50%	7.00%	16.50%	52%	0%	48%	100%
Phoenix	7.07%	5.50%	12.57%	16%	16%	68%	100%
San Diego ^b	12.50%	0.00%	12.50%	16%	0%	84%	100%
San Francisco ^b	16.25%	0.00%	16.25%	14%	0%	86%	100%
Seattle ^b (w/ \$2.00 nightly fee)	7.00% + \$2.00/nt	8.60%	15.60% + \$2.00/nt	58%	13%	29%	100% + \$2.00/nt
Washington DC	14.50%	0.00%	14.50%	31%	0%	69%	100%
Average			14.52%	29%	6%	65%	100%

may not foot due to rounding

*** Reflects only dedicated portions of lodging tax(es) for each stated use; may not reflect add'l dollar amounts allocated from state or local gov't general funds or other sources.**

NOTES:

- a) Las Vegas figures are net of collection allocation (to Local Gov't) and outlay for NDOT debt service (to Transportation.)
b) In Seattle, the 2% that is currently used for Kingdom debt and arts activity will be redirected to pay off debt on the Seattle Seahawks Stadium through 2020.
c) In New York, there is not a dedicated portion of lodging tax for tourism promotion; funds for tourism promotion are allocated to NYC & Co. by the City of New York and other sources.
d) In Chicago, there is not a dedicated portion of lodging tax for tourism promotion; the Choose Chicago (destination marketing organization) budget comes from a combination of sources including the State of Illinois, the Metropolitan Pier and Exposition Authority, the City of Chicago and other sources; tax rates reflect an add'l 1% that goes into effect in FY17.
e) Houston First receives 4% of the Houston Hotel Occupancy Tax and manages more than 10 city-owned buildings and properties, including the arts and theater district and the George R. Brown Convention Center.
f) Events DC's operations budget is used to fund debt service at the Walter E. Washington Convention Center, the Marriott Marquis Hotel, and other tourism-related programs.
g) Does not include CA State Tourism Assessment Tax applied to variety of goods and services consumed by tourists. For Accommodations, \$1,950 per \$1M of travel and tourism revenue.



Las Vegas Convention and Visitors Authority Budget Savings Alternatives

The Southern Nevada Tourism Infrastructure Committee requested that the Las Vegas Convention and Visitors Authority (“LVCVA”) provide an alternative budget that reduces spending by \$15 million to \$30 million. The LVCVA is working on this request.



Private Activity Use Restrictions on LVCVA Leases

The Southern Nevada Tourism Infrastructure Committee requested information about the “99 Day Rule” restriction on lease agreements at LVCVA facilities. This section contains a summary and explanation of the applicable Internal Revenue Service regulations regarding this rule.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Private Activity Use Restrictions ("99 Day Rule")

March 2016

Las Vegas Convention Center (LVCC) expansions and renovations are funded through tax-exempt municipal bonds that are subject to complex "private-use" limitations in order to maintain tax-exempt status and lower borrowing rates in compliance with Internal Revenue Code (IRC). Consequently, the LVCVA permits facility leases to be executed for a number of future years, as long as the cumulative number of chargeable days does not exceed ninety-nine (99).

Treasury regulations state that interest on state and local government bonds is taxable if the bonds are private activity bonds, unless a specific exemption is included in the Internal Revenue Code. The private business use test is met if more than ten percent (10%) of the proceeds of an issue are used in the trade or business of a non-governmental person (IRC § 141). Treasury regulation 1.141-3(d)(3)(i)(a) states that certain private business uses of 100 days or less are not considered to be "private use" and therefore are not counted in assessing compliance with the 10% private use limitation.

The Las Vegas Convention Center (LVCC) is leased almost entirely to private entities for tradeshow/conventions, so we must comply with 1.141-3 in order to maintain tax-exempt financing eligibility. This is the rationale for establishing the "99-day limitation" for cumulative executed lease dates. Shows can, and do, reserve additional dates in future years past contracted dates. They then execute those additional contracts as current show dates conclude, opening new days under the 99-day window.

Unlike tradeshow facility leases that meet this 99-day exception, the LVCVA is required to consider its long-term space leases to its building partners (e.g., concessionaire and printing and shipping services) as private uses that are taken into account in assessing compliance with the 10% private use limitation.



LVCVA Land Acquisitions

The Southern Nevada Tourism Infrastructure Committee requested information about land acquisitions by the Las Vegas Convention and Visitors Authority. This section includes a list of land acquisitions since 2006. The list includes details about the acquired parcel such as appraised value, purchase price and land purpose. A map showing the acquired parcels in relation to the Las Vegas Convention Center is also included.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

LAND ACQUISITION SUMMARY

July 2006 to March 2016

	Address	APN	Acreage	Appraiser Name	Appraisal Value	Actual Purchase Price	Purchase vs. Appraised Price (% Difference)	Land Purpose	Board Approval Date	Transaction Date	Other Costs Associated with Acquisition (excludes demolition and site improvements)	
1	3333 Cambridge	162-15-501-011	0.48	Gary Kent	\$2,400,000	\$1,800,000	-25.0%	Platinum lot; add'l parking, storage and freight marshaling areas	10/10/06	10/30/06	\$0	No additional costs
2	3260 Joe W. Brown	162-10-802-001	0.45	Sheli Lowe with Integra Realty Resources	\$4,100,000	\$3,600,000	-12.2%	Office space; white lot; add'l parking	7/11/06	12/28/06	\$0	No additional costs
3	806 - 820 Sierra Vista	162-15-501-013/014/015/019	1.4	Morgan Grace	\$7,200,000	\$7,010,000	-2.6%	Platinum lot corner; add'l parking, storage and freight marshaling areas	4/10/12	4/16/12	\$0	No additional costs
4	3332 Swenson	162-15-501-009	0.3	Heidi Meidenbauer with Lubawy & Associates	\$1,120,000	\$350,395	-68.7%	Platinum lot; improved access to Swenson Road; add'l parking, storage & freight marshaling area	8/14/12	8/14/12	\$0	No additional costs
5	552/560/594 Sierra Vista	162-15-101-024/025/026	4.85	Keith Harper	\$15,850,000	\$15,010,327	-5.3%	Bronze lot; add'l parking and space for outdoor exhibits and/or expansion	5/8/12	10/22/12	\$0	No additional costs
6	500 & 650 Sierra Vista	162-15-101-022/027	5.31	Valuation Consultants	\$21,615,000	\$21,000,000	-2.8%	Bronze Lot; add'l parking and space for outdoor exhibits and/or expansion	10/8/13	10/15/13	\$150,664	Apartment tenant relocation costs and facility management fees net of operating revenue from rental income.
7	Riviera, 2901 LV Blvd.	162-09-703-001	26.36	Tio DiFederico	\$161,600,000	\$155,000,000	-4.1%	Space for LVCC expansion and outdoor exhibits; access to Strip frontage	2/20/15	2/20/15	\$32,490,447	Contributions to Business Closure Escrow (\$27M); Insurance; Morgan Stanley advisory services; legal fees; utilities/maintenance through June 2015.
8	536 Sierra Vista	162-15-101-017	Cell Tower	Valbridge Property Advisors	\$300,000	\$300,000	0.0%	Cell tower; Bronze Lot	9/8/15	9/28/15	\$0	No additional costs
Total			39.15		\$214,185,000	\$204,070,722	-4.7%				\$32,641,111	

Land Strategy
2006 - 2016



Riviera Blvd

7

Gold Lot

Convention Ctr Dr

North Service Rd

North Hall

Central Hall

Silver Lot

Blue Lot

Desert Inn Rd

Key:

1. 3333 Cambridge
2. 3260 Joe W. Brown
3. 806/820 Sierra Vista
4. 3332 Swenson
5. 552/560/594 Sierra V.
6. 500 & 650 Sierra Vista
7. 2901 LV Blvd (Riviera)
8. 536 Sierra Vista

1

Platinum Lot

2

4

3

8

6

5

6

Sierra Vista Dr

Cambridge



Oversight and Governance of the Las Vegas Convention and Visitors Authority

The Southern Nevada Tourism Infrastructure Committee requested background information and relevant laws and regulations governing the Las Vegas Convention and Visitors Authority. This section includes a summary of the LVCVA planned oversight structure for the Las Vegas Convention Center District.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Oversight and Governance

March 2016

LVCVA Board of Directors

The existing LVCVA Board of Directors and the LVCCD sub-committee structure provides appropriate and responsible oversight. LVCVA's 14-member governing body (Board of Directors) is comprised of diverse representatives, reflecting expertise in both public and private sectors. The Board is charged by statute with oversight of all LVCVA activities.

Las Vegas Convention Center District (LVCCD) Committee

The Board established the LVCCD sub-committee to provide staff direction and oversee the scope of work proposed. The sub-committee will be instrumental in providing recommendations and assurances to the full board regarding decisions and planning for the LVCCD.

Audit Committee

The LVCVA has an Audit Committee comprised of board members designated as financial experts in conformance with general standards of the GFOA and Sarbanes-Oxley. The Audit Committee can provide similar duties as the CCSD Bond Oversight Committee.

Third-Party Oversight

Additional planned steps include the following:

- 1) A new Construction Advisory Group will be created and members appointed by the LVCVA including myself as President/CEO, the LVCVA's Owner's Rep, one (1) LVCVA Hotel Board member, and a selection of local resort staff representatives who are construction experts.
- 2) A third-party Construction Auditing Firm will be hired to provide audits of all construction payments.
- 3) Financial Advisors and Bond Counsel will review and advise on all LVCVA bond sales as standard operating procedure.
- 4) Bond Audits: Compliant bond covenants and intended use of the bond proceeds are audited annually by our independent external auditors and are subject to IRS audits at any time.



Las Vegas Convention and Visitors Authority Board of Directors Representation and Appointment

The Southern Nevada Tourism Infrastructure Committee requested information about the law pertaining to the composition of the LVCVA Board of Directors. This section contains the relevant portion of Nevada Revised Statutes 244A that governs board membership.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Board Member Representation and Appointment

March 2016

Any changes to the LVCVA Board of Directors requires legislative action. The LVCVA Board of Directors currently consists of 14 members as established by Nevada Revised Statutes § 244A.603 (2011). The current statute does not require the Chair of the LVCVA Board of Directors to be an elected official. LVCVA Board members are selected as follows in accordance with NRS § 244A.603:

1. In any county whose population is 700,000 or more...
 - (a) Two members by the board of county commissioners from their own number.
 - (b) Two members by the governing body of the incorporated city with the largest population in the county from their own number.
 - (c) One member by the governing body of the incorporated city with the second largest population in the county from their own number.
 - (d) One member by the governing body of the incorporated city with the third largest population in the county from their own number.
 - (e) One member by the governing body of the incorporated city with the smallest population in the county from their own number.
 - (f) One member by the governing body of one of the other incorporated cities in the county from their own number.
 - (g) Six members to be appointed by the members selected pursuant to paragraphs (a) to (f), inclusive, of which:
 - (1) Three members must be selected from a list of nominees submitted by the chamber of commerce of the incorporated city with the largest population in the county. If the nominees so listed are unsatisfactory to the members making the selection, they may, until satisfied, request additional lists of nominees. The members appointed pursuant to this subparagraph must be selected as follows:
 - (I) Two members who are representatives of tourism, at least one of whom must be a representative of the resort hotel business; and
 - (II) One member who is a representative of other commercial interests or interests related to tourism.
 - (2) Three members must be selected from a list of nominees submitted by the association of gaming establishments whose membership in the county collectively paid the most gross revenue fees to the State pursuant to NRS 463.370 in the preceding year. If the nominees so listed are unsatisfactory to the members making the selection, they may, until satisfied, request additional lists of nominees. The members selected pursuant to this subparagraph must be representatives of the resort hotel business, at least one of whom is engaged in that business in the central business district of the incorporated city with the largest population in the county.
2. If there is more than one incorporated city in the county that is eligible to appoint the member provided in paragraph (f) of subsection 1, the board of county commissioners

shall facilitate a biennial rotation of the authority to appoint that member among those cities.

3. Any vacancy occurring on a county fair and recreation board must be filled by the authority entitled to appoint the member whose position is vacant.

4. After the initial appointments of members appointed pursuant to paragraph (g) of subsection 1, all members must be appointed for 2-year terms. If any such member ceases to be engaged in the business sector which he or she was appointed to represent, he or she ceases to be a member, and another person engaged in that business must be appointed to fill the unexpired term. Any such member may succeed himself or herself.

5. The term of the member appointed pursuant to paragraph (f) of subsection 1 is 2 years, commencing on July 1 of each odd-numbered year.

6. The terms of members appointed pursuant to paragraphs (a) to (e), inclusive, of subsection 1 are coterminous with their terms of office. Any such member may succeed himself or herself.

Any proposed changes to the LVCVA board representation should consider the impacts on the organization's ability to access the tax-exempt municipal bond market. On February 22, 2016, the Internal Revenue Service (IRS) published new proposed regulations in the Federal Register providing guidance as to the definition of a "political subdivision" for purposes of tax-exempt bonds. The proposed requirements could make any substantial change to our Board of Directors problematic for any future issuance of tax exempt bonds, should those changes conflict with IRS definition of a political subdivision. Public comments on the Proposed Regulations may be submitted until May 23, 2016. A public hearing will be held on June 6, 2016.



Summary of Convention Center Renovation Projects

The Southern Nevada Tourism Infrastructure Committee requested information on comparable convention center renovation project costs. This section contains a list of recent projects that includes costs and a summary of the work done. The committee also requested information about the impacts of construction projects on convention centers operations. A summary of those impacts for three comparable convention centers is contained in this section, including how the centers mitigated construction disruptions and a listing of shows that relocated because of construction activity.



Summary of Recent Convention Center Renovation Projects

Below is a list of recent renovation projects at selected convention centers. Although some projects included building additional space, they primarily involved renovations of existing facilities and infrastructure.

Recent Convention Center Renovation Projects			
Facility	Status	Construction Period	Project Cost
Jacob K. Javits Convention Center , New York, NY The renovation and expansion project added 40,000 square feet of exhibition space and 60,000 square feet of support space. The renovation included roof repair and replacement, replacement of rooftop climate control units, updated interior lighting, and upgraded life safety and security systems. <i>Operations Impact:</i> Some areas of the center were taken out of service during the renovation. The newly added expansion enabled the center to remain open and fully operational and maintain the amount of exhibition space in service at all times.	Complete	2009 to 2013	\$463 million
Orange County Convention Center , Orlando, FL The largest renovation project in the venue’s history is taking place primarily within the center’s 4-million-square-foot West Building. The plan includes both aesthetics and life safety. Examples of improvements include curtain walls, lighting and utility upgrades, restroom renovations, and fire alarm systems. Additionally, an existing exhibit hall will be retrofitted to become flexible ballroom space. <i>Operations Impact:</i> The convention center is remaining open during the renovation, but some small areas, such as pedestrian walkways, were temporarily closed during the project.	Ongoing	2012 to 2016	\$187 million
Miami Beach Convention Center , Miami Beach, FL The expansion and renovation project will add 200,000 square feet to the facility, including a 60,000-square-foot grand ballroom, 59,000 square feet of breakout meeting spaces, 806 on-site rooftop parking spaces and an additional 12 acres of surrounding parks and landscaped areas. <i>Operations Impact:</i> At least two out of the four exhibit halls will remain operational throughout most of the renovation process. There will be periods when the entire building will be closed due to heavy construction and demolition.	Ongoing	2015 to 2018	\$515 million
Cobo Center , Detroit, MI The project included transforming an arena into a 40,000-square-foot ballroom, building a three-story glass atrium, upgrading environmental, communications and fire protection systems, increasing available parking, and reconfiguring meeting and breakout room spaces. <i>Operations Impact:</i> To avoid losing business by closing during construction, the project was completed in small pieces over a longer period so it could remain open. Exhibit halls were never closed. Some meeting room sections were closed in tandem.	Complete	2010 to 2015	\$279 million

¹ http://esd.ny.gov/Subsidiaries_Projects/CCDC/Data/GPPFinal031909a.pdf; <https://www.javitscenter.com/media/4435/jkcc-renovation-11-12-13-2.pdf>

² https://www.occc.net/pdf/Info_FacilityFacts.pdf; http://www.occc.net/pdf/Info_CIPFactSheet.pdf;

http://www.occc.net/global/press/CIP_details.asp?page=pressreleases&ID=10261052

³ <http://mbccfuture.com/>

⁴ http://cobocenter.s3.amazonaws.com/doc/Cobo_construction_fact_sheet-FINAL11-14%5b2%5d.pdf; https://www.cobocenter.com/about_us/renovation_update; Patrick Bero, CEO/CFO Detroit Regional Convention Facility Authority.



Convention Center Construction Impacts

When convention centers undergo extensive expansion or renovation projects, they must account for potential business disruptions caused by transforming major portions of their facilities into construction zones. To accommodate show customers, convention centers can adjust construction schedules, offer rental discounts and take other steps to maintain their business commitments. While these strategies can help keep shows on the schedule, they do not guarantee that shows won't relocate on either a temporary or permanent basis.

Below is a summary of experiences at several large convention centers during recent construction projects. The information is based on contacts with individual convention facilities and research of publicly available information.

Moscone Center

San Francisco, California

Renovation Project (construction period: August 2010 to June 2012)

The renovation project enhanced Moscone Center's wireless connectivity, upgraded the HVAC system, and improved aesthetics of the building with fresh paint reminiscent of the Golden Gate Bridge. In addition, the renovation upgraded support spaces and made positive sustainability initiatives with organic, local food vendors.

Construction Impacts

Renovation construction was scheduled on a start-and-stop basis around booked shows so as not to create a disturbance. Vendors were virtually unaffected and no discounts were necessary to appease clients, according to Naina Ayya, communications manager for Moscone Center.

Show Impacts

WonderCon – One of the largest comic book conventions in the nation with about 60,000 attendees, WonderCon moved out of Moscone Center in 2012 during the renovation project after nine years at that location. Show spokesman David Glanzer attributed the move to construction: "... with all of the finish work which still needs to be done — there just wasn't going to be enough space available for us inside of that building to properly present WonderCon. Not this year, anyway."¹

WonderCon moved to Anaheim Convention Center, where it remained through 2015. During that period, show organizers indicated a desire to return to Moscone but could not find appropriate booking dates.² Coincidentally, construction at Anaheim Convention Center prompted the show to move to Los Angeles Convention Center in 2016, though the show will return to Anaheim in 2017.³

Expansion Project (construction period: November 2014 to 2018)

The \$500 million Moscone Center expansion will add 525,000 square feet of new and repurposed space (305,000 of which is sellable exhibit hall, meeting room and ballroom space).

Construction Impacts

The Moscone Center intends to keep the convention center functional during construction. The facility has provided clients rent reductions for loss of exhibit space and additional move days for the loss of loading dock availability, according to Ayya. Some scheduled shows were forced to book exhibits at other locations due to the loss of programmable space. Despite the loss of some business, the tradeshow relocations are temporary as they have pledged to return to Moscone Center in 2018 or for their next scheduled show, she said.

¹ Huffington Post, "Should the Bay Area Be Concerned That WonderCon Is Foresaking Frisco for Anaheim?" http://www.huffingtonpost.com/jim-hill/leaked-plans-for-universa_b_1178600.html, March 25, 2012.

² Publishers Weekly, "WonderCon Still Hoping for Return to Bay Area," <http://www.publishersweekly.com/pw/by-topic/industry-news/comics/article/60172-wondercon-still-hoping-for-return-to-bay-area.html>, November 26, 2013.

³ Los Angeles Times, "WonderCon will go back to Anaheim in 2017, but L.A. wants it back for 2019,"

<http://www.latimes.com/entertainment/heroocomplex/la-et-hc-wondercon-back-anaheim-in-2017-20160325-story.html>, March 25, 2016.



Show Impacts

VMworld US – Because of construction, the show that attracts about 25,000 data center professionals moved from Moscone Center to Mandalay Bay Convention Center in 2016.⁴ The location for the 2017 show has not been announced.

American Geophysical Union – One of the largest earth and space science meetings in the world is moving to New Orleans in 2017 and Washington, D.C., in 2018 due to ongoing construction.⁵ The annual meeting, which draws more than 25,000 attendees, plans to return to Moscone in 2019.

SFMarket – Formerly known as the San Francisco International Gift Fair, the show announced in January 2016 that it was moving its summer expo to the nearby San Mateo Event Center because of construction at Moscone Center.⁶ The show has since been postponed, and no rescheduled dates or locations have been announced. The show typically attracts about 10,000 attendees between its two annual shows.

Miami Beach Convention Center

Miami Beach, Florida

Renovation Project (construction period: December 2015 to 2018)

The \$165 million renovation of Miami Beach Convention Center will add a new 60,000-square-foot ballroom, rooftop parking, and 12 additional acres of surrounding parks.

Construction Impacts

The facility is operating at half capacity, with two of four convention halls being closed for construction. The convention center has lost shows because of the construction inconvenience, and shows that stayed had to scale back in size in order to adapt to the building limitations. Director of Operations Angelo Grande was unable to provide specifics on lost business, but he did indicate the renovation process is posing challenges.

Show Impacts

Miami International Boat Show – The show and its more than 100,000 attendees moved to Miami Marine Stadium for its 2016 and 2017 events because of construction.⁷ A proposal to renovate the aging Miami Marine Stadium is being considered to make the venue the permanent location for the boat show.⁸

Original Miami Beach Antique Show – Billed as the world’s largest indoor antiques show with more than 20,000 attendees and 1,000 dealers, the event relocated its 2017 show to the Miami-Dade County Fair Expo Center. Show organizers are in discussions to return to Miami Beach Convention Center after construction is complete in 2018.⁹

Cruise Shipping Miami – Renovation construction prompted the conference of the cruise line industry move 30 miles up the coast to the Fort Lauderdale-Broward County Convention Center. The annual show attracts more than 800 exhibitors and 11,000 attendees. The show signed a contract to remain in Fort Lauderdale through 2018, with an option for 2019.¹⁰

⁴ Las Vegas Convention and Visitors Authority, <http://sntic.org/meeting/07/staff/SNTIC%20FEB2016MemoKeyInfo.pdf>

⁵ American Geophysical Union, <https://fromtheprow.agu.org/agu-announces-new-locations-for-the-2017-and-2018-fall-meetings/>

⁶ Gift Shop Magazine, “SF Market moves to San Mateo Event Center for August edition,” http://www.giftshopmag.com/press_release/2016/01/sf-market-moves-to-san-mateo-event-center-for-august-edition/, January 22, 2016.

⁷ Miami Herald, “Miami International Boat Show moving to Marine Stadium; renovations closer,” <http://www.miamiherald.com/news/local/community/miami-dade/article3791045.html>, November 12, 2014.

⁸ Miami Herald, “As Miami boat show launches at Miami Marine Stadium, historic structure languishes,” <http://www.miamiherald.com/news/local/community/miami-dade/article60021556.html>, February 12, 2016.

⁹ Original Miami Antique Show, <http://www.originalmiamibeachantiqueshow.com/show/about-the-show/>

¹⁰ Florida Sun Sentinel, “Cruise Shipping Miami moving to Fort Lauderdale in 2016,” <http://www.sun-sentinel.com/business/tourism/fl-cruise-shipping-fort-lauderdale-move-20150203-story.html>, February 3, 2015.



International Engineered Fabrics Conference & Exhibition – The IDEA16 conference of about 7,000 attendees moved to the Boston Convention and Exhibition Center for its 2016 event, citing the renovation at Miami Beach Convention Center.¹¹

Graphics of Americas Expo and Conference – One of the graphic communications industry’s largest annual events, the show organized by the Printing Association of Florida moved its 2017 show from Miami Beach to Fort Lauderdale. About 7,500 people attend each year. The GOA show will co-locate its 2017 event with the National Business Media Show, which typically hosts a handful of annual events around the country.

Cobo Center Detroit, Michigan

Renovation Project (construction period: September 2010 to June 2015)

The Cobo Center underwent a \$279 million renovation that added an atrium, a grand ballroom, two additional ballrooms and a 45,000-square-foot outdoor terrace.

Construction Impacts

Cobo Center remained open during the renovation and scheduled construction in small sections over a long period of time to minimize guest inconvenience. Construction moved swiftly during the relatively open spring and summer months; however, during the winter, which included the North American International Auto Show, appeasements were provided because of construction-related disruptions.

Over the course of one year, Detroit Regional Convention Facility Authority CEO Patrick Bero estimated four to five partial refunds were provided to clients. Bero also noted that significant pricing discounts were provided to entice formerly hosted conventions to return to the renovated Cobo Center after many years of absence. These discounts were provided to recapture market share lost from prior years, but no shows were lost as a result of the renovation.

Show Impacts

While Cobo Center did not lose any shows during the construction period, it should be noted that the facility hosted just 35 major events when construction began in 2010.¹²

¹¹ Association of Nonwoven Fabrics Industry, <http://www.inda.org/inda-announces-idea-will-move-to-boston-convention-exhibition-center-for-2016/>

¹² Trade Show Executive, “Record Year for Event Days Predicted at Detroit’s Cobo Center,” <http://www.tradeshowexecutive.com/archive/industry-news/record-year-event-days-predicted-detroits-cobo-center>, February 9, 2016.



Summary of Convention Center Expansion Projects

The Southern Nevada Tourism Infrastructure Committee requested information about recent and proposed expansion projects of convention centers in the United States. This section contains an update to the list provided at the February committee meeting that includes the total sellable space and total overall space added to the facilities by the expansions.



Summary of Recent Convention Center Expansion Projects

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 sellable space figures consist of new exhibit, meeting, and ballroom square footage.

Project details were collected from a variety of sources, including convention authorities, public agencies, and news reports.

Recent Convention Center Expansion Projects

Facility	Status	Project Cost	Additional Space	
			Sellable (SF)	Total (SF)
Las Vegas Convention Center , Las Vegas, NV The two-phase project would begin with expansion of the existing footprint by 1.4 million square feet. The expansion will serve as “swing space” to accommodate existing shows while current halls are renovated and receive additional meeting space.	Proposed	\$1.4 billion	950,000	2.0 million
Music City Center , Nashville, TN ¹ 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.	Completed	\$623 million	1.2 million	2.1 million
Jacob K. Javits Convention Center , New York, NY ² 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.	Proposed	\$1 billion	722,000	1.2 million
Boston Convention & Exhibition Center , Boston, MA ³ 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.	Proposed	\$1 billion	510,000	N/A*
Washington State Convention Center , Seattle, WA ⁴ Proposed in July 2015, the expansion project would add 1.26 million square feet in overall space to the convention center. The project includes co-development of residential units and commercial space.	Proposed	\$1.4 billion	430,000	1.26 million
San Diego Convention Center , San Diego, CA ⁵ 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.	Proposed	\$549 million	380,000	N/A*
Los Angeles Convention Center , Los Angeles, CA ⁶ 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.	Proposed	\$470 million	373,200	N/A*
Moscone Center , San Francisco, CA ⁷ 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.	Construction	\$500 million	300,000	300,000
Henry B. Gonzalez Convention Center , San Antonio, TX ⁸ 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.	Construction	\$325 million	270,000	270,000
Kentucky International Convention Center , Louisville, KY ⁹ Construction is scheduled to start in summer 2016, and the facility will remain closed through the end of the project in 2018. The expansion will add sellable space within the existing footprint of the current building.	Planned	\$180 million	240,000	0
Anaheim Convention Center , Anaheim, CA ¹⁰ 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.	Construction	\$190 million	200,000	200,000

* Unavailable due to preliminary nature of project.



Convention Center Project Sources

¹ Nashville

<http://www.nashvillemusiccitycenter.com/planners>

<http://nashvillecitypaper.com/content/city-news/council-approves-funding-convention-center>

² New York

<https://www.governor.ny.gov/news/7th-proposal-governor-cuomos-2016-agenda-dramatic-expansion-jacob-k-javits-center-attract-more>

³ Boston

<https://www.bostonglobe.com/business/2015/04/29/baker-administration-halts-convention-center-expansion/2VShiTsm1WWiYdTesOR3xJ/story.html>

http://visitsandiego.com/sites/default/files/Expansion%20Market%20Feasibility%20Analysis%20San%20Diego%20%20_9_2_2015%20-REVISED.pdf

⁴ Seattle

<http://www.wscaddition.com/>

http://www.wsc.com/sites/default/files/find-it/files/WSCC%20Addition%20Draft%20EIS_Appendices.pdf

<http://www.wsc.com/sites/default/files/find-it/files/WSCC%20Addition%20Draft%20EIS.pdf>

⁵ San Diego

<http://www.10news.com/sports/chargers-focusing-efforts-on-downtown-stadium-022316>

<http://www.voiceofsandiego.org/topics/land-use/everything-you-need-to-know-about-where-the-convention-center-expansion-stands/>

⁶ Los Angeles

<http://www.lacclink.com/assets/doc/Expansion-Modernization-FAQ.pdf>

<http://www.latimes.com/opinion/editorials/la-ed-convention-center-20160221-story.html>

<http://la.curbed.com/2016/2/16/11028502/los-angeles-convention-center-redesign-public-private-partnership>

⁷ 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>

⁸ San Antonio

<http://populous.com/project/henry-b-gonzalez-convention-center/>

<http://www.expressnews.com/business/local/article/Convention-Center-costs-remain-under-budget-6827797.php>

⁹ Louisville

<https://kyconvention.org/renovation.html>

¹⁰ 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>



Las Vegas Convention Center District Cost Estimates Compared with Mandalay Bay Expansion

The Southern Nevada Tourism Infrastructure Committee requested a comparison of the estimated cost for the proposed Las Vegas Convention Center District and the cost of the recent expansion of the Mandalay Bay Convention Center. This section includes information provided by MGM Resorts International regarding its project and associated costs.



Comparative Costs of Las Vegas Convention Center District and Mandalay Bay Convention Center Expansion

Summary of Las Vegas Convention Center District Estimated Costs

	Additional Space	Renovated Space	Total Cost	Cost Per SF
Phase Two	1,440,000 SF		\$860 million	\$600/SF
Phase Three	575,000 SF	3,200,000 SF	\$540 million	\$143/SF
Project Total	2,015,000 SF	3,200,000 SF	\$1.4 billion	\$268/SF

Source: Las Vegas Convention and Visitors Authority

Summary of Mandalay Bay Convention Center Expansion Costs

	Additional Space	Total Cost	Cost Per SF
Mandalay Bay Expansion	350,000 SF	\$70 million	\$200/SF

Source: MGM Resorts International

Notes on the Mandalay Bay Convention Center Expansion provided by MGM Resorts International:

- The Mandalay Bay expansion was built in a cost-effective manner not likely possible on a public job with public bidding rules and requirements.
- The Mandalay Bay project was a facility expansion, rather than a new build as proposed in Phase One of the Las Vegas Convention Center District.
- The cost-per-square-foot difference is attributable to the Mandalay Bay expansion being an extension of the existing trade show hall. The project consisted mainly of added exhibit square footage, pre-function space, supporting docks and restrooms. It did not involve ground-up construction as proposed with the Las Vegas Convention Center District, which includes full design, exhibit space, meeting rooms, support space (kitchens, storage, offices, etc.), food and beverage venues, pre-function space, and all supporting infrastructure.



Las Vegas Convention and Visitors Authority Pro Forma Financial Statement

The Southern Nevada Tourism Infrastructure Committee requested an overview of the Las Vegas Convention and Visitors Authority finances. This section contains the financial summaries for the LVCVA under both scenarios A and B as presented in the Las Vegas Convention Center District Financial Planning Document. Committee staff is actively reviewing the financial model.

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

JANUARY 2016

Scenario B: SUMMARY OF CUMULATIVE AND AVERAGE ANNUAL GROWTH REVENUE, EXPENDITURES & USES, FUND BALANCE (FY 2017 - FY 2030)

	REVISED															FY2017-FY2030	
	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	CUMULATIVE GROWTH	AVG ANNUAL GROWTH
TOTAL REVENUE	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		
GROWTH %	2%	17%	16%	3%	3%	1%	2%	4%	4%	3%	7%	0%	5%	6%	2%	72%	5%
TOTAL OPERATING EXPENDITURES	232,247,300	242,956,262	249,897,879	256,887,417	268,079,111	275,389,599	285,157,548	292,494,131	303,590,046	311,630,155	326,317,749	335,404,027	345,540,200	355,411,867	365,527,903		
GROWTH %	8%	5%	3%	3%	4%	3%	4%	3%	4%	3%	5%	3%	3%	3%	3%	46%	3%
TOTAL TRANSFERS OUT	78,724,925	103,223,626	157,003,426	156,325,461	163,481,946	155,914,185	167,454,084	160,903,366	168,264,037	175,741,972	183,239,326	180,424,248	188,106,715	190,782,630	193,616,113		
GROWTH %	(2%)	31%	52%	(0%)	5%	(5%)	7%	(4%)	5%	4%	4%	(2%)	4%	1%	1%	105%	8%
OP EXP PLUS TRANSFERS OUT	310,972,225	346,179,888	406,901,305	413,212,878	431,561,057	431,303,784	452,611,632	453,397,497	471,854,083	487,372,127	509,557,075	515,828,274	533,646,915	546,194,497	559,144,015		
GROWTH %	6%	11%	18%	2%	4%	(0%)	5%	0%	4%	3%	5%	1%	3%	2%	2%	61%	4%
FUND BALANCE as % OF OP EXP	9%	11%	10%	11%	10%	10%	7%	9%	10%	10%	14%	16%	20%	30%	40%		
GROWTH %	(41%)	17%	(6%)	10%	(9%)	1%	(37%)	31%	12%	5%	39%	16%	26%	48%	32%	13%	

Highlights FY 2017 -FY 2030: REVS/EXPS/FUND BALANCE

REVENUES: 5% = Average annualized growth of total revenues, inclusive of new revenues stream to support the LVCCD

EXP & USES: 4% = Average annualized growth of total operating expenditures plus uses for capital, debt and OPEB, inclusive of LVCCD

FUND BALANCE: 13% = Average annualized percent growth in ending fund balance; most significant growth in outlying years, as projections become more prone to unforeseen events, economic changes, legislative mandates or other impacts on actual results

AVERAGE ENDING FUND BALANCE FY 2017 - FY 2030:

15%

Statutory Requirement: **Minimum** ending fund balance of 4%
 LVCVA Policy targets 8% to 16% ending fund balance
 Industry Best Practices recommend 25% ending fund balance

- Represents ability to fund only 2 weeks of operating expenses in event of extraordinary or catastrophic economic conditions
 - Represents ability to fund 1 to 2 months of operating expenses in event of extraordinary or catastrophic economic conditions
 - Represents ability to fund 3 months of operating expenses in event of extraordinary or catastrophic economic conditions

**ALLOCATION OF
NEW REVENUE STREAMS:**

LVCCD CONSTRUCTION PERIOD - EXPANSION AND RENOVATION

	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
REVENUE (New 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
USES:														
LVCCD DEBT	(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	(30,000,000)	(63,256,565)	(48,492,390)	(58,366,228)	(33,113,268)	(13,003,976)	0	0	0	0	0	0	0	0
NET OVER/SHORT	2,725,500	2,194,435	4,940,979	(16,850,491)	(6,968,318)	(5,850,314)	2,715,675	4,978,275	7,350,337	9,714,775	12,175,537	14,736,575	17,286,850	19,951,087

(12,114,259)

NET SHORTFALL: LVCCD CONSTRUCTION PERIOD

[Shortfall Offset by LVCVA existing resources]

81,215,161

POST LVCCD COMPLETION

[Restricted to Capital Reserves for Future Reinvestment in the Facility]



Facility Repair and Maintenance Budget

The Southern Nevada Tourism Infrastructure Committee requested information about maintenance costs for the Las Vegas Convention Center. This section includes a list of actual expenditures for facility repair and maintenance in fiscal year 2015 and budgeted expenditures in fiscal year 2016.

Total budgeted expenditures for each facility in FY2016 are as follows:

Las Vegas Convention Center
\$1,486,600

Cashman Center
\$229,200

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Facility Repair & Maintenance *Prepared March 2016*

To help ensure the useful life of the facilities and equipment is fully realized, the LVCVA uses repair and maintenance expenditure accounts within the General Fund. 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. Over the last five years, R&M has represented 18% of the Operations Division annual budget, excluding personnel costs. R&M 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.

Actual R&M expenditures totaled \$1.9 million in FY 2015. R&M is budgeted slightly lower for FY 2016, at \$1.7 million. Should actual R&M requirements exceed the budgeted amounts, management may transfer appropriations from other operating accounts within the overall LVCVA budget.

Account	Account Name		Expenditures	
			FY15 Actual	FY16 Budget
LVCC - ITD	R & M Computers	Non-capital repairs of all computer equipment; including approximately 450 PC's, laptops, and Mac's.	4,735	15,000
LVCC - CLIENT SERVICES	R & M Equipment	Repair & maintenance of services equipment. Includes vacuums, carpet cleaners, parking lot sweepers, etc.	14,127	20,500
LVCC - ENGINEERING	R & M HVAC	Repair & maintenance of heating and cooling equipment; including over 140 air handlers and over 200 air conditioners. Cooling tower chemicals, air filter purchase and installation, and routine maintenance of heating and cooling equipment.	260,365	248,000
LVCC - ENGINEERING	R & M Electrical	Repair & maintenance of electrical and lighting equipment. Power panels, light switches, etc.	212,806	160,100
LVCC - ENGINEERING	R & M Mechanics/Fleet	Repair & maintenance of equipment used in fleet and over 100 sets of folding walls, as well as freight doors. Maintenance of 20 vehicles, 130 service carts, plus forklifts, sweepers, lifts, trailers and other rolling stock.	273,165	152,000
LVCC - ENGINEERING	R & M Plumbing	Repair & maintenance of plumbing equipment, pipes, etc. Includes grease trap cleanouts.	79,649	68,400
LVCC - ENGINEERING	R & M Carpenters/Painters	Repair & maintenance of carpentry projects throughout the building, including flooring and over 1,500 banks of doors.	234,705	189,000

LVCC - ENGINEERING	R & M Graphics	Repair & maintenance of building graphics equipment.	29,187	30,000
LVCC - ENGINEERING	R & M Facility Support	Repair & maintenance of furniture and equipment installed in LVCVA offices and areas.	181	-
LVCC - ENGINEERING	R & M Elevator/Escalator	Repair & maintenance of 23 elevators and 20 escalators. Includes maintenance agreements on same.	385,399	433,700
LVCC - ENGINEERING	R & M Building Engineers	Repair & maintenance of general building. Includes walls, floors, windows, office areas and any other area/system not designated elsewhere.	99,310	75,000
LVCC - COMMUNICATIONS	R & M Audio/Video	Repair and maintenance of audio/video equipment (microphones, speakers, etc.).	9,784	21,000
LVCC - COMMUNICATIONS	R & M Cable Systems	Repair and maintenance of cable systems. Cable systems provide cable drops to exhibitors.	23,013	3,700
LVCC - COMMUNICATIONS	R & M Radio Systems	Repair and maintenance of radio system (over 350 units). Radio system is the handheld communication system used by security, engineering, etc.	10,705	13,000
LVCC - FIRE PREVENTION	R & M Fire Systems	Repair & maintenance of fire systems, including fire alarms, fire extinguishers & fire hoses.	42,237	57,200
CASHMAN- CLIENT SERVICES	R & M Equipment	Repair & maintenance of services equipment. Includes vacuums, carpet cleaners, parking lot sweepers, etc.	6,105	5,200
CASHMAN- ENGINEERING	R & M Cooling Equipment	Repair & maintenance of cooling equipment; including over 20 air handlers and over 25 air conditioners. Cooling tower chemicals and routine maintenance.	39,651	41,900
CASHMAN- ENGINEERING	R & M Electrical Equipment	Repair & maintenance of electrical equipment. Power panels, light switches, etc.	14,525	23,100
CASHMAN- ENGINEERING	R & M Equipment	Repair & maintenance of equipment not specifically listed elsewhere.	5,498	6,700
CASHMAN- ENGINEERING	R & M Heating Equipment	Repair & maintenance of heating equipment. Routine maintenance of heat burners.	80	1,500
CASHMAN- ENGINEERING	R & M Lighting System	Repair & maintenance of lighting equipment.	25,671	18,200
CASHMAN- ENGINEERING	R & M Plumbing System	Repair & maintenance of plumbing equipment, pipes, etc. Includes grease trap cleanouts.	20,996	14,800

CASHMAN-ENGINEERING	R & M Theatre	Repair & maintenance of theatre and theatre equipment. Includes theatre labor during performances.	15,940	15,800
CASHMAN-ENGINEERING	R & M Message Boards	Repair and maintenance of message boards, electronic signage and scoreboard at Cashman.	10,200	10,200
CASHMAN-ENGINEERING	R & M Doors	Repair & maintenance of ten banks of doors, including public entrance/exit doors. Also includes locks for same doors.	8,068	4,000
CASHMAN-ENGINEERING	R & M General Building	Repair & maintenance of general building. Includes walls, floors, windows, office areas and any other area/system not designated elsewhere.	55,908	73,800
CASHMAN-COMMUNICATIONS	R & M Audio/Video	Repair and maintenance of audio/video equipment (microphones, speakers, etc.).	3,239	2,000
CASHMAN-COMMUNICATIONS	R & M Radio Systems	Repair and maintenance of radio system. Radio system is the handheld communication system used by security, engineering, etc.	3,000	3,000
CASHMAN-GROUNDS	R & M Equipment	Repair & maintenance of grounds equipment at Cashman. Includes specialized equipment used to maintain all baseball field.	9,385	9,000
			<u>1,897,635</u>	<u>1,715,800</u>



Capital Assets and Major Capital Programs

The Southern Nevada Tourism Infrastructure Committee requested information about the Las Vegas Convention and Visitors Authority's capital assets and programs. This section contains a list of pre-construction expenditures on infrastructure for the Las Vegas Convention Center District as well as a summary of current capital assets, a history of capital investments and a recent 10-year history of capital expenditures.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Capital Investment Supplemental Detail

“Pre-Construction” Costs - MPEP

April 2016

The LVCCD Financial Planning Document included a summary report: “10-Year History of LVCVA Capital Investments in Facilities.” This information sheet provides additional cost break-outs for the first line item of the report (“Central Restrooms, Data Center, Early Construction Mock-Ups, & Other Pre-construction”). The collective expenditures of just over \$115MM were all related to the LVCVA's Master Plan Enhancement Program (MPEP). Several of the projects were bid jointly, resulting in a combined cost presentation.

The MPEP planned for significant renovations and improvements to the Las Vegas Convention Center (LVCC). Significant work began in 2006; however, the program was suspended in 2009 due to the recession. Architectural design and schematic drawings were substantially completed and several early construction projects underway were completed. In total, approximately \$142MM was expended for MPEP-related programs. These expenditures were reported in our Comprehensive Annual Financial Reports (CAFR's) and audited for appropriate accounting and reporting presentation in compliance with all regulatory standards. The following table presents a cost breakdown for all major components of the MPEP:

Central Restrooms, Data Center, Early Construction Mock-Ups, & Other Pre-construction (MPEP):	
\$ 41.3	Architectural design and schematic drawings
26.8	Construction/Project Management (CM/PM) <i>(Pre-construction services*; contract admin; schedule impact control; change-order mitigation; field monitoring; surveys; inspections; testing; as-built conformance; doc control; post-const services)</i>
25.6	Utility Relocations & Installation: Convention Center Drive/Paradise/Silver Lot Storm Drains and Sewer programs to provide campus flood control
15.0	Central Restrooms; Data Command Center (DCC); Freight Doors
5.5	Design and Early Construction of Mock-up rooms N-258, N-260
0.5	Owner Controlled Insurance Program (OCIP)
0.5	Capitalized Bond Issuance Costs
0.3	Cumulative multi-project fees for permits, inspections, bid advertising, signage, security, construction auditors, and legal counsel
\$ 115.5	Sub-total: Aggregated MPEP line item on capital history summary
MPEP projects presented as individual line items on the Capital History Summary:	
\$ 17.5	Metro sub-station - Design/Build Construction Costs
2.4	Central Plant Upgrades and Chillers
1.7	Desert Inn Meeting Rooms Design and Pre-Construction*
1.5	Utility Installations & Relocations: Freight Door 10/Joe W Brown/NV Power Substation NV Energy Backup Feeder Line and SW Gas and Embarq data lines
2.1	DCC Telecom Upgrades / Avaya Phone System
0.8	North Lobby and Meeting Room Design and Pre-Construction*
\$ 26.0	Sub-total: MPEP projects reported individually on capital history summary
\$ 141.5	TOTAL MPEP

*Expenditures for pre-construction services included constructability reviews, scheduling, cost-estimating; sub-contract strategy development, work plans and project estimating. Pre-construction work was underway on several projects that were later suspended due to the recession.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Capital Assets by Category and History of Major Capital Programs

March 2016

The LVCVA has completed several expansions and capital improvement programs (CIP) since its inception. Below is a snapshot of the LVCVA's capitalized assets over its history reflecting cumulative investments in expansion and capital renovation programs as reported in our Comprehensive Annual Financial Statements. Please note that the table does not reflect expenditures by period, rather it demonstrates the consistent growth in total LVCVA assets as a result of continuous investments to the campus and facility. The LVCVA uses capital threshold amounts so that only material expenditures are recorded in capital assets. Amounts on this table are shown net of additions, disposals, and impairments. A narrative highlighting major programs follows this table.

Fiscal Year End	Land	Buildings, Other Campus Improvements & CWIP*	Furniture & Equipment	Sam Boyd Stadium	Intangibles**	Total Capital Assets***
1962	\$ 301,928	\$ 5,492,732	\$ 708,924	\$ -	\$ -	\$ 6,503,584
1965	\$ 301,928	\$ 5,517,502	\$ 801,392	\$ -	\$ -	\$ 6,620,822
1970	\$ 1,077,164	\$ 7,609,807	\$ 950,721	\$ 700	\$ -	\$ 9,638,392
1975	\$ 1,077,164	\$ 17,476,182	\$ 1,237,091	\$ 3,565,614	\$ -	\$ 23,356,051
1980	\$ 7,588,300	\$ 29,555,283	\$ 3,126,635	\$ 6,501,742	\$ -	\$ 46,771,960
1985	\$ 12,314,385	\$ 74,062,147	\$ 5,337,336	\$ -	\$ -	\$ 91,713,868
1990	\$ 12,314,385	\$ 87,531,322	\$ 4,863,128	\$ -	\$ -	\$ 104,708,835
1995	\$ 46,310,860	\$ 134,713,013	\$ 8,793,263	\$ -	\$ -	\$ 189,817,136
2000	\$ 57,108,481	\$ 214,317,058	\$ 11,844,520	\$ -	\$ -	\$ 283,270,059
2005	\$ 74,945,409	\$ 379,856,605	\$ 13,298,933	\$ -	\$ -	\$ 468,100,947
2010	\$ 163,406,143	\$ 529,712,431	\$ 16,535,891	\$ -	\$ 406,581	\$ 710,061,046
2015	\$ 396,102,617	\$ 493,159,344	\$ 17,933,670	\$ -	\$ 238,402	\$ 907,434,033

Significant Government Accounting Reporting Standards that Dictate Recording/Presentation Above:

* CWIP: Construction Work in Progress category is used for assets that are not completed at the end of a fiscal year. They are then transferred to the proper asset category when completed.

** Intangible assets of the LVCVA began to be recorded in compliance with GASB Statement No. 51 (Account and Financial Reporting for Intangible Assets) for periods beginning in FY 2010.

*** Asset acquisitions prior to December 1970 were recorded at independent appraised values. Subsequent to December 1970, assets are recorded at cost paid and repair and maintenance costs which did not improve or extend the life of the asset were expensed (not recorded as capital assets) as required by accounting standards.

HISTORICAL SUMMARY - MAJOR CIP:

- LVCVA was established in January 1957. In the first years of existence, the LVCVA acquired land and began construction of convention hall facilities at the Las Vegas Convention Center (LVCC), which included a 150,000 s.f. exhibit hall, rotunda, and meeting rooms. The original cost was \$4.5MM.
- The LVCVA acquired 20 acres of land and completed construction of the original 90,000 s.f. south campus exhibition space in 1967. The space is now within the current C2 Central Hall.
- The LVCVA constructed Sam Boyd Stadium (Las Vegas Stadium) at an original cost of approximately \$3.5MM in the early 1970's and continued to improve the facility, investing an additional \$3MM before it was transferred to UNLV in FY 1985.
- In 1979, the LVCVA funded the 18,000 s.f. expansion of Sam Boyd stadium to add additional seating, at a cost of \$2.8MM.
- Subsequent to legislative actions in the late 1970's, the LVCVA funded construction of Cashman Field which opened in 1983. Construction costs and additional improvements accumulated to nearly \$34MM by 1985.
- The LVCVA invested in additional expansion projects and renovations of the LVCC facilities in the 1970's and 1980's due to client demand for additional space. Expansions included adding 139,000 s.f. East Exhibit Halls (C3) in 1973; 202,000 s.f. in 1977 (C4,C4.1); and, an additional 127,000 s.f. in 1982 (C5,5.1). Other capital projects included the construction of a warehouse, and other updates to the building including meeting rooms, kitchen facilities, and a pedestrian bridge which added to the connectivity and use of the facility.
- In 1980, nearly \$6MM was invested in land adjacent to the LVCC to add parking and provide future space for expansion.
- Additional land was acquired during the 1990's and 2000's to meet growing client demand for expansions, including exhibit space, parking, outdoor exhibit space, and freight marshalling. A major facility expansion and improvement program was completed in FY 1992 adding 485,000 s.f. of exhibit and meeting space. Renovations included demolishing the original rotunda and adding a restaurant, atrium lobby, new kitchen facilities, and centralized administrative offices. This was the most extensive building expansion project at the LVCC since the original construction, with total investments of nearly \$55MM.
- In the latter half of the 1990's, the addition of 325,000 s.f. was added as the North Hall expansion was completed.
- Construction of the new 1.3 million s.f. South Halls was completed in FY 2002, adding significant exhibit and meeting room space at a recorded building cost of approximately \$159MM.
- A summary table of past expansions is attached to this document for easy reference.

MOST RECENT TEN-YEAR MAJOR CAPITAL AND CIP HISTORY:

The following narrative provides an overview of facility capital investments by major project that the LVCVA has undertaken over the last 10 years. This discussion aligns with the Ten-Year History of LVCVA Capital Investment in Facilities provided as an attachment in the Las Vegas Convention Center District Financial Planning Document.

Master Plan Enhancement Program (Early Construction, Mock-ups and Other Pre-Construction, 2006-2010)
Prior to the suspension of the MPEP project, due to the recession, we reached the substantial completion of all architectural design and schematic drawings (2006 – 2009). These project soft costs were covered by a master architect agreement and sub contracts with a wide variety of local architectural firms. In addition to the soft costs, a defined number of early construction projects were completed in preparation of the proposed primary program. These projects included extensive underground utility relocation, storm drain and water control measures, technology infrastructure data command center, and mockup test areas for proposed meeting rooms and restroom remodels.

- Central Hall Restroom (MPEP): Two restrooms and two food venues equaling approximately 11000 s.f. were constructed to provide replacement facilities for the renovation of the block house facility in the Central Halls, resulting in more usable space for clients.
- Data Center (MPEP): The Data Command Center (DCC) consists of approximately 3,400 s.f. of technical support space. The DCC has centralized communications and allowed for updates to audio, video, security, fire alarm, and telecommunication technology.
- Freight Doors (MPEP): The modification and addition of freight doors, loading docks and access ramps has improved overall operational performance for both the Las Vegas Convention Center and show contractors. The additional door has improved traffic flow around the building, cleared Silver Drive of show move-in/move-out traffic, and provided access to a new trash compactor.
- Utility Installation and Relocations (MPEP): Relocation of Southwest Gas and NV Energy utility lines located in and near Orange Drive to the public roadway in Desert Inn Road. These relocations were required to alleviate conflicts with the proposed Desert Inn Meeting Room foundation.
- Central Plant & Distribution Improvement (MPEP): Design and purchase of two 2,000-ton chillers and construction modification of concrete chiller pads, electrical systems and testing to enlarge capacity in preparation for full building capacity and future enhancements to the LVCC.

- Early Construction, Mockup and other Pre-construction (MPEP): North Lobby & Meeting Room Renovations: Design and pre-construction services for renovations to the North Lobby and Meeting Rooms in preparation for the enhancement to the LVCC.
- Desert Inn Meeting Room Structure (MPEP): Design, bidding, and construction documents were developed for the planned construction of an additional meeting room structure over Desert Inn Road.

LVMPD Substation / Area Command (MPEP)

- Through a collaboration with Las Vegas Metro, the LVCVA created a unique partnership resulting in what we believe is the only police station located on a major convention center campus in the U.S. The LVCVA provided the land and construction costs of the building, carrying annual debt service averaging approximately \$1MM annually. The facility is leased back to Metro for \$80K per year. This was the first project completed during the Master Plan Enhancement Program (MPEP). The facility is a 26,000 square foot station and 283 car parking facility that houses over 90 police officers.

Fire Substation

- The LVCVA partnered with the Clark County Fire Department by leasing the land for Fire Station 33. The station houses specialized engines equipped to handle chemical, biological and radiological hazards as well as paramedic rescue. The \$5.3MM, 14,000-square-foot facility includes a fourth bay for service vehicles.

Fire Sprinkler Upgrades

- Five-year project for design and upgrade to the Central and North Hall sprinkler systems to meet sprinkler density coverage required by the building insurance carrier, the National Fire Protection Association, and the Clark County Fire Department.

Business Partner Facility Improvement

- Yearly improvements to the LVCVA facilities are made through reserve funds set aside from gross revenues as dictated in the revenue contracts. These funds are used to improve and upgrade LVCVA assets that support the provision of services to clients and attendees. Examples include food preparation and kitchen equipment and renovations to concession areas, as well as telecommunications infrastructure and surveillance systems.

Carpet Replacement at LVCC

- Two-year project consisting of removing old carpet and installing approximately 78,000 square yards of new carpet in all LVCC public areas and certain public areas at Cashman.

Central Hall Roof Drain

- Design, removal, and reinstallation of new roof drainage and roof repairs in Central Hall.

Halide Lamp Replacement at the LVCC

- Multi-year project to purchase and install 2,886 new light fixtures in all LVCC Exhibit Halls to improve lighting quality and promote energy efficiency anticipating an annual energy cost reduction of an estimated 8 to 10 percent.

Telecommunications Upgrade

- Design and installation of the new telecommunications switch. Construction included associated infrastructure to connect with the new Data Command Center built at the LVCC in 2010.

NV Energy Back-up Feeder Line

- Two-year project to add additional power supply from NV Energy to support expansion of the facility to secure the single-remaining 10 Mega Volt Ampere feeder line from the Swenson Substation located approx. 3,700 feet from the LVCC.

Central Plant Ceramic Towers (new)

- Two-year project consisting of the engineering and purchase of two new ceramic cooling towers to replace wood cooling towers that were in operation since 1989. Ceramic towers provide condenser water cooling for three 1000-ton, two 1200-ton, and two 1500-ton chillers. These two new ceramic cooling towers, along with the three existing ceramic cooling towers, cool 3.2 million square feet of the LVCC.

Preliminary LVCCD Expansion & Renovation Project

- Design services and evaluations of the Las Vegas Convention Center District expansion provided by convention industry experts and architects. Services were provided by Convention Sports and Leisure, HNTB, Lucchesi Galati, and Cordell Corporation.

Emergency Notification System

- This is a multi-year project for an emergency notification system. As of June 30, 2015, LVCVA invested in speakers and strobes in the Central and South Halls as well as connecting off-site offices, the Cambridge Warehouse, Public Relations Buildings, and back of house areas to the main fire sprinkler system at the LVCC. Benefits include building code compliance and increased life safety communication. Additional phases of the program to complete the entire campus are planned.

Exterior Painting of Facility

- Design and painting of certain LVC exterior panels totaling 260,000 square feet, changing the color from mauve to various shades of grey while maintaining the integrity of the metal panels.

Acquisition of Real Property

- Acquisition of nearly 13 acres, comprised of several parcels contiguous to the LVCC campus, to expand space for parking, outdoor exhibits, and freight marshalling to support show requirements.
- Acquisition of 26.4 acres of Riviera parcel, 2901 S. Las Vegas Blvd South, contiguous to LVCVA Gold Lot off Paradise Road, providing the footprint for the LVCCD Phase Two expansion of exhibit space to meet current client demand and to grow new business.

FORWARD LOOKING CAPITAL PLANNING:

Capital planning is a dynamic and ongoing process that, in order to be effective, is forward-looking in incorporating changes in industry demands, operating environment, and other factors that materially affect capital requirements. Capital planning assists senior management and the governing body to ensure the facility's useful life and improvement match the demands of our clients. The most effective capital planning considers both long- and short-term capital needs.

Long-term capital planning: Projections for capital requirements over the forward-looking ten-year period are updated annually during the budget development cycle. These projections include definitive needs as well as potential expenditures that are anticipated based on an evaluation of the expected life cycles of major facility components.

Short-term capital planning: While planning for the long term, a formal budget with legal appropriations is adopted for only one fiscal year at a time in accordance with NRS. The annual budgeting process evaluates and prioritizes the projects identified in the Operations 10-year CIP forecast. Funding decisions are based on economic circumstances that affect cash available for Pay-As-You-Go ("PayGo") funding and capacity to support debt financing programs for multi-year high cost projects. Projects that are critical to the health, safety and security of the building for LVCC clients and attendees are prioritized for funding. The LCVCA accounts for capital assets and CIP in a dedicated fund. Resources are provided via cash transfers from the General Fund and/or from the proceeds of debt.

Ongoing Capital Planning (Non-LVCCD):

The Operations Division prepares a rolling ten-year CIP forecast, as discussed under long term planning. The current CIP schedule reflects projects totaling \$105MM. In addition to CIP, routine replacement and additions to FF&E are funded through our capital fund. These costs generally average 15% of total CIP expenditures, resulting in \$16MM in anticipated FF&E funding requirements over the coming ten-year period. Contingency for extraordinary (emergency or otherwise unanticipated) projects plus cost escalation is projected to add an additional 5% to 6% over the 10-year period (\$7MM), resulting in a ten-year required cash transfer to the capital fund totaling \$128MM.

Accordingly, the LVCCD pro-forma reflects cash transfers from the General Fund to the Capital Fund totaling \$128MM for the ten-year forward looking period from FY 2017 through FY 2026.

	CIP	FF&E	Emergency CIP & Cost Escalation	Combined CIP/FF&E
Ten-Year Operations Division CIP Forecast by Project	\$105 million	\$16 million	\$7 million	\$128 million
LVCCD Pro-Forma Transfers to Capital (Unrelated to the LVCCD Phases 2 & 3)				\$128 million

LVCCD Capital Planning:

In 2013, the LVCVA announced plans to recommence a major expansion and renovation program and move forward the vision originated in 2006. The Las Vegas Convention Center District (LVCCD) is a transformative project designed to launch Las Vegas 25 years ahead of the competition and protect the destination's position as the #1 tradeshow destination in North America. The project is detailed more thoroughly in the LVCCD Strategic Master Plan dated October 2015.

Financial planning for the project has been developed and updated as the program components evolved and as final phasing of the project was confirmed. The LVCVA has substantially accomplished Phase One of the program, through the acquisition and planned site improvement of the Riviera Hotel real property. The LVCCD Financial Planning Document includes a pro-forma reflecting forecasted revenues, operating expenditures, capital funding, and debt service requirements through FY 2030.

Adequate long-term planning is required to ensure the LVCVA maximizes the life of the expanded and renovated facilities subsequent to completion of LVCCD Phases Two and Three. A planned program of repairs, improvements, restorations, and renovations will protect the LVCC from obsolescence and ensure its long-term viability for evolving client needs. Future CIP will include the replacement of building subsystems such as roofs, electrical systems, HVAC systems and plumbing systems as they reach the end of their useful life. Major capital investments will also be required in the facility to replace old, obsolete infrastructure as they reach the end of their life cycle. Without significant set asides for reinvestment in the LVCC, the facility risks falling into a state of ever deteriorating condition and functionality and the maintenance and repair costs necessary to keep them functional will increase.

It is imperative that any new revenues to support the LVCCD construction program are restricted 100% for the LVCC to ensure its future viability and competitive advantage in the tradeshow market. To achieve this, dedicated capital allocations are built into the LVCCD Financial Planning Document pro-forma. Once construction PayGo requirements are completed, new revenues will slightly exceed the maximum debt service based on growth projections. The pro-forma reflects the balance as transfers to the Capital Fund, which will be restricted for future LVCC reserves and facility reinvestment. These funds will be used to fund PayGo or capital financing, dependent on the nature and cost of future CIP programs.

EXPANSION HISTORY - LAS VEGAS CONVENTION CENTER

Yr. Const. Started	Completion Date	Project	Square Feet
Oct-57	Apr-59	Original Construction	150,000
May-67	Nov-67	South Exhibit Hall	90,000
Mar-69	Dec-69	Completion of South Hall:	---
		(Area divided into exhibit space & meeting rooms)	
Feb-71	Dec-71	Las Vegas Stadium Seats	14,926
		Astroturf	94,000
Apr-71	Apr-73	East Exhibit Hall	139,000
Jul-74	Oct-75	Meeting Room Complex	70,000
Oct-74	Feb-75	Kitchen Expansion	7,000
Oct-75	Sep-77	East Exhibit Hall Expansion	202,000
Mar-77	Jan-78	Warehouse Expansion	39,000
Jan-78	Aug-79	Stadium Expansion (seats)	18,041
Jan-80	May-81	Meeting Room Complex 2nd Level	71,541
Feb-81	Jul-82	East Exhibit Hall Expansion (E & F)	127,000
Aug-81	Jun-82	Cafeteria	8,905
		Cashman Field Center	
Feb-82	Apr-84	Exhibit Space	100,000
		Meeting Rooms	17,568
		Auditorium/Theater Seats	1,938
		Baseball Seats	9,370
Mar-82	n/a	Pedestrian Bridge (Over D. I. Rd)	n/a
Sep-83	Nov-83	West Hall (Temporary exhibit space)	120,000
Jan-91	Jan-92	Conv. Center Expansion (Main Bldg)	485,000
Oct-95	Oct-95	Demolition of W. Hall (Temp exhibit)	-120,000
		(to accommodate Desert Inn Road)	
Mid 1997	Fall 1998	Conv. Center Expansion No. Hall	325,000
Early 2000	Jan-02	Conv. Center Expasion. So. Hall	1,300,000
Last Update: 1/12/05			
Source: Las Vegas Convention & Visitors Authority			



Outstanding Bonds and Refunding Analysis

The Southern Nevada Tourism Infrastructure Committee requested additional information about bond refunding activity by the Las Vegas Convention and Visitors Authority. This section includes a list of bond refunding activity within the past 10 years and a summary of current refunding opportunities and limitations.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Detail of Refunded Debt Savings for the Last 10 Years

April 2016

The LVCVA has taken advantage of market conditions which presented opportunities to refinance outstanding bonds for debt service savings. As the majority of LVCVA outstanding bonds were issued less than 10 years ago, the length of time before the bonds can be redeemed early makes the opportunity to achieve substantial savings through refunding transactions more challenging. Nevertheless, in the last 10 years, the LVCVA has achieved present value savings of approximately \$13.2MM (9.4% of the refunded par amount) by refunding bonds.

The LVCVA has long obtained the expertise of financial advisors to periodically assess the opportunity to refund bonds for present value savings. Utilizing these financial experts, the LVCVA has refunded 3 bonds for present value savings. Details about these transactions are provided below.

Fiscal Year Refunded	Net Present Value Savings	Refunding Bond	Principal Refunded for Savings	Refunding Bond Interest Rates	Final Maturity of Refunding Bond	Bond Refunded for Savings
2007	\$5.8 Million	5/2007 G.O. Bond	\$ 38,200,000	4-5.5%	2017	Part of 1996 G.O. Bond
2010	\$900 Thousand	Part of 2010B G.O. Bond	\$ 24,885,000	2-5%	2026	Remaining Amount of 1998A G.O. Bond
2015	\$6.5 Million	Part of 2015A G.O. Bond	\$ 77,985,000	2-5%	2021	Part of 4/05 Revenue Bond & 5/07 G.O. Bond
Total	\$13.2 Million					

The LVCVA currently has a total of 12 bonds outstanding which include the 3 bonds listed above. For discussion about the potential future opportunities and restrictions to refund current bonds, please see the previously provided analysis titled "Outstanding Bonds and Refunding Analysis".

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Outstanding Bonds and Refunding Analysis

Prepared March 2016

The LVCVA frequently assesses its outstanding debt obligations to determine if a refunding is advantageous. There are complex considerations for refunding tax-exempt bonds and they are subject to some limitations that may not apply to private financing.

The LVCVA engages qualified financial advisory services to evaluate potential refunding opportunities for market conditions, present value savings and efficiencies. Our financial advisors and bond counsel also advise on risks associated with refunding bonds with certain restrictions, such as make whole calls or federal subsidies (Build America Bonds). The implications of some of these restrictions may offset the present value savings.

In 2015, the LVCVA issued a refunding bond for the partial defeasance of three existing bonds, achieving a present value savings of \$6.52 million. We have been in discussions over the last several months about the issuance of additional refunding bonds and are evaluating the most appropriate time to take those to the market considering other budgetary activities.

Attached to this document is a summary of the LVCVA's current refunding opportunities and limitations.



JNA Consulting Group, LLC

Independent Public Finance Advisors

MEMORANDUM

To: Rana Lacer, CFO, LVCVA
From: Martin Johnson, President
Date: March 8, 2016
Re: Summary of refunding possibilities

GFOA guidelines and LVCVA's Debt Management Policy state that refunding bonds should achieve a minimum present value savings target of 3%. In other words, the value today of the future cash flow benefits of the refunding should be at least equal to 3% of the par amount of the refunded bonds. There are certain instances where an exception to this policy may be warranted. However, for advance refundings the 3% threshold should be used as a screening level for determining if a refunding is justified. Under Federal tax law, tax exempt bonds (including any subsequent refundings) may only be advance refunded once. Given this limitation it is important to achieve as much value as possible from a refinancing opportunity.

We continually review the LVCVA's outstanding bonds for refinancing opportunities. Savings are generated by issuing new bonds at a rate lower than the rate on the outstanding bonds. However, there are a number of factors affecting the amount of savings which can be generated by a refunding.

- 1) Call Feature - The ability to prepay bond early is built into almost every long term bond issue. Most of LVCVA's outstanding bonds have a "10-year par call" meaning the bonds can be redeemed at par at a date approximately 10 years after the original issuance date. However, the 2010A bonds only have a "make-whole" call which cannot be exercised under current market conditions.
- 2) Rate/Term - The higher the coupon rate and the longer the maturity date of an outstanding maturity generally the better the savings.
- 3) Efficiency - The inability to earn the allowable yield on the escrow investments ("negative arbitrage") results in a less efficient refunding and may result in insufficient savings to justify moving forward with a refunding even during periods of low interest rates. The inefficiency can be reduced or eliminated by investing the escrow at a rate closer to the yield of the refunding bonds and/or shortening the time the funds are invested.
- 4) Couponing - Investors are generally looking for higher coupons (mostly 5%) on the bonds they purchase. The impact of this "premium" couponing on long term maturities generally results in less savings on a refunding. While acceptable savings may still be achieved with these "premium coupons", the actual results may be less than what would normally be expected given the interest rate differential between the new and old bonds.

The following table shows LVCVA's outstanding bonds and the amount of each issue which is subject to prior redemption.

Series	Amount Outstanding	Callable Amount	Call Date
2007 GO/Revenue	\$5,925,000	\$0	n/a
2008 GO/Revenue	23,530,000	21,150,000	07/01/18 @ par
2010A GO/Revenue	70,770,000	70,770,000	Any time - "make-whole"
2010B GO/Revenue	44,885,000	29,535,000	01/01/20 @ par
2010C GO/Revenue	155,390,000	155,390,000	Any time - "make-whole" 07/01/20 @ par
2010D GO/Revenue	4,125,000	0	n/a
2012 GO/Revenue	23,975,000	14,910,000	07/01/22 @ par
2014 GO/Revenue	50,000,000	43,685,000	07/01/24 @ par
2007 Revenue	78,345,000	40,110,000	01/01/18 @ par
2010E Revenue	81,925,000	70,860,000	07/01/20 @ par

Following are some observations on the refunding potential of the outstanding bond issues listed above.

2007 Revenue Bonds - A portion of the bonds is callable January 1, 2018 at par and pass the first review threshold of achieving 3% present value savings. The outstanding bonds are secured solely by pledged revenue, there is no general obligation backing. The addition of general obligation backing would result in increased savings through a better interest rate but the authorization process would take approximately 5 months. There is some inefficiency in the escrow, but with only 18 months it is limited. We have been in active discussions to refund this issue in the near future.

2010E Revenue Bonds - A portion of the bonds is callable July 1, 2020 at par and pass the first review threshold of achieving 3% present value savings. Again, as a revenue bond a refunding of the 2010E bonds would improve if general obligation backing were added. The refunding of this issue is very inefficient due to the 4-year escrow term.

2008 GO/Revenue Bonds - A portion of the bonds are callable July 1, 2018 at par and pass the first review threshold of achieving 3% present value savings. With an 18 month escrow the inefficiency is lessened. Due to the smaller size of the outstanding bonds (~ \$20 million) refunding this issue along with another transaction would be beneficial to the savings. This refunding warrants further analysis.

2010A GO/Revenue Bonds (BAB) - The 2010A bonds are callable at any time under a "make-whole" call. However, under current market conditions the redemption premium exceeds the amount LVCVA can pay under Nevada law so the bonds are essentially noncallable until interest rates increase and reduce the premium.

2010B GO/Revenue Bonds - A portion of the bonds are callable January 1, 2020 at par and pass the first review threshold of achieving 3% present value savings. Additional analysis is necessary to determine if this refunding should be pursued due to the inefficiency created by the 42-month escrow term.

2010C GO/Revenue Bonds (BAB) - These bonds have a similar call feature to the 2010A bonds but also have a call feature allowing the bonds to be redeemed on July 1, 2020 at par. While the refunding passes the first review threshold of 3% present value savings, the 4-year escrow (assuming that call feature is used) results in an inefficient refunding. Additionally, there are other considerations when refunding BABs as discussed below.

2012 GO/Revenue and 2014 GO/Revenue Bonds - due to the rates on these bonds and the length of time before they can be redeemed there are no savings from refinancing these bonds.

A few other comments on refinancing opportunities:

- 1) Refunding Bond Structure – Refunding bonds issued for debt service savings will match the term of the existing bonds. Savings will occur in every year although savings in some years may be greater than others if there is a desire to target savings to specific year(s) to achieve a certain combined debt service structure.
- 2) Refunding of BABs is possible but there are complications. Make-whole call features can only be exercised on the LVCVA bonds if the premium is equal to or less than 9%. At current market rates, the premium exceeds this limit which eliminates the ability to use the make-whole call. Unless there is an additional optional call, as there is on the 2010C bonds, a refinancing of a BAB issue is not currently possible.
- 3) Due to the impact of sequestration and the potential for future changes it is difficult to determine today what amount of savings would be realized by refunding BABs. If the subsidy reduction is adjusted in the future, as it has been in the past, the prior debt service utilized for determining savings will change. The risk that the subsidy could be adjusted downward in amount or continued for a longer term or restored to its original level should be evaluated.
- 4) If the BABs are defeased upon issuance of the refunding bonds as is typically done, it is our understanding that the interest subsidy is terminated. For that reason, many advance refundings of BABs are accomplished through a “cross over” refunding. In this type of refunding the escrow pays the interest on the refunding bonds through the prior redemption date which results in any savings from the refunding beginning after that date. Given the lack of immediate cash flow benefit there may be less interest in refunding BABs today except to lock in current rates and eliminate future risk on the subsidy.
- 5) One way escrow inefficiency (negative arbitrage) can be reduced is by delaying the issuance of the refunding bonds which shortens the escrow term. The reduction in negative arbitrage is often enough to overcome some level of increased interest rates. Prior to advance refunding outstanding bonds with an inefficient escrow, a breakeven analysis should be performed to determine what level of increased interest rates could occur without adversely impacting the present value savings. Based on current market expectations that long term rates are likely to move higher, but not drastically, it may be that delaying the issuance of the refunding bonds will result in greater present value savings.
- 6) Combining issues for economies of scale can increase the level of savings a refunding may generate. When LVCVA issues bonds, new money or refunding, a review of outstanding bonds is done to determine if any refunding candidates may benefit from inclusion in the upcoming sale. Larger issues may be more marketable and receive better interest rates, issuance costs are shared, or other economies may be achieved.

We are currently in discussions on the issuance of refunding bonds which would generate more than \$6 million of total present value savings (all future savings discounted to today's dollars.) At the point in time that issue begins to move forward we will review the inclusion of other bonds which could increase the total present value savings up to an additional \$10 million. The decision to include additional bonds would be based on the process outlined above.



LVCVA Bond Capacity

The Southern Nevada Tourism Infrastructure Committee requested information about the bonding capacity of the LVCVA. This section includes a summary of bonding capacity that was included in the Las Vegas Convention Center District Financial Planning Document.

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.



Impact of Las Vegas Convention Center Renovations on Existing Trade Shows and Conventions

The Southern Nevada Tourism Infrastructure Committee requested information about the potential impacts that renovations to the Las Vegas Convention Center would have on existing trade shows and conventions. This section contains an analysis by the Las Vegas Convention and Visitors Authority on those potential impacts that includes an anonymized listing of shows that would be affected, their projected attendance and their total estimated economic impact.

CONVENTIONS IMPACTED BY RENOVATION (WITHOUT AN EXPANSION)

As of 3/18/16

The proposed expansion of the LVCC is designed to offer alternate "swing space" for existing clients to relocate portions of their shows during renovation.

Without an expansion, renovation of the LVCC's existing exhibit halls translates to the following potential impacts (based on activity in a sample year of 2017):

- **11 "Full Facility" conventions representing approximately 1 million attendees would be impacted during renovation of any of the halls.**

- **25 conventions representing approximately 1.11 million attendees would be impacted during renovation of the North Halls.**

- **25 conventions representing approximately 1.18 million attendees would be impacted during renovation of the Central Halls.**

- **22 conventions representing nearly 1.0 million attendees would be impacted during renovation of the South Halls.**

During renovation, the choice to re-locate conventions within Las Vegas or to a competing city is ultimately the decision of each tradeshow producer, but the majority of the conventions at the LVCC occur when space and/or dates are unavailable elsewhere in the destination.

* Reflects tradeshows and conventions; does NOT include public-invited/special events.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

LAS VEGAS CONVENTION CENTER ANALYSIS

CONVENTIONS IMPACTED BY RENOVATION (WITHOUT AN EXPANSION)

As of 3/18/16

Convention Attendees Potentially Impacted by Exhibit Hall Renovation (Without LVCC Expansion)

Sample Year	Attendance	North Halls	Central Halls	South Halls	"Full Facility"***
Convention 1	7,500			7,500	
Convention 2	48,000	48,000	48,000	48,000	48,000
Convention 3	2,500			2,500	
Convention 4	1,800		1,800		
Convention 5	3,000			3,000	
Convention 6	4,000	4,000			
Convention 7	4,000			4,000	
Convention 8	6,000		6,000		
Convention 9	4,000			4,000	
Convention 10	140,000	140,000	140,000	140,000	140,000
Convention 11	36,000	36,000	36,000	36,000	36,000
Convention 12	2,000			2,000	
Convention 13	20,000	20,000	20,000		
Convention 14	12,000	12,000			
Convention 15	45,000	45,000	45,000	45,000	45,000
Convention 16	39,000		39,000		
Convention 17	25,000	25,000	25,000		
Convention 18	5,500		5,500		
Convention 19	30,000	30,000	30,000		
Convention 20	4,500	4,500			
Convention 21	103,000	103,000	103,000	103,000	103,000
Convention 22	6,000	6,000			
Convention 23	10,000	10,000			
Convention 25	85,000	85,000	85,000	85,000	85,000
Convention 24	85,000	85,000	85,000	85,000	85,000
Convention 26	14,000		14,000		
Convention 27	6,000	6,000			
Convention 28	16,000	16,000	16,000		
Convention 29	10,000			10,000	
Convention 30	25,000		25,000		
Convention 31	3,000	3,000			
Convention 32	5,000	5,000			
Convention 33	5,000		5,000		
Convention 34	6,000			6,000	
Convention 35	129,000	129,000	129,000	129,000	129,000
Convention 36	11,000		11,000		
Convention 38	8,000			8,000	
Convention 37	8,000			8,000	
Convention 39	165,000	165,000	165,000	165,000	165,000
Convention 40	14,000		14,000		
Convention 42	46,000	46,000	46,000	46,000	46,000
Convention 41	44,000	44,000	44,000	44,000	44,000
Convention 43	40,000	40,000	40,000		
Convention 44	14,000			14,000	
Convention 45	6,000	6,000			
Sample Year Subtotal*	# of Attendees 1,303,800	1,113,500	1,178,300	995,000	926,000
	# of Conventions 45	25	25	22	11
	Est. Economic Impact \$1,855,310,000	\$1,584,510,000	\$1,676,720,000	\$1,415,890,000	\$1,317,700,000

* Reflects tradeshow and conventions; does NOT include public-invited/special events.

** Full Facility users reflect those clients that utilize most or all 3 banks of exhibit halls.



Hotel Room and Convention Space Inventory in Major U.S. Markets

The Southern Nevada Tourism Infrastructure Committee requested information about hotel room and convention space inventory in competitive markets around the United States. This section contains lists of room and exhibit space inventory for the largest U.S. markets.

DESTINATION COMPARISON: HOTEL ROOM INVENTORY

Updated 03/15/16

Rank	City	State	Room Count (2015)
1	Las Vegas	NV	149,213
2	Orlando	FL	117,371
3	Chicago	IL	111,486
4	New York	NY	106,555
5	Los Angeles	CA	98,135
6	Atlanta	GA	94,571
7	Houston	TX	78,228
8	Dallas	TX	77,502
9	Phoenix	AZ	62,572
10	San Diego	CA	60,530
11	Anaheim (Orange Co.)	CA	57,456
12	Miami	FL	51,583
13	Denver	CO	43,000
14	Detroit	MI	40,000
15	Minneapolis	MN	40,171
16	New Orleans	LA	38,000
17	St. Louis	MO	38,000
18	Honolulu (Oahu)	HI	36,058
19	Philadelphia	PA	35,000
20	Seattle	WA	34,591
21	Fort Lauderdale	FL	34,017
22	San Francisco	CA	33,735
23	Boston	MA	32,291
24	Indianapolis	IN	31,200
25	Washington, DC	DC	30,665

Sources: LVCVA, Individual Destination Marketing Organizations (DMOs) and STR

CONVENTION CENTER COMPARISON (Ranked by Exhibit Space*)

As of March 22, 2016

Rank	Convention Center	Location	Exhibit Space* (Gross Sq. Ft.)
1	McCormick Place	Chicago, IL	2,600,000
2	Orange County Convention Center	Orlando, FL	2,100,000
3	Las Vegas Convention Center	Las Vegas, NV	1,940,631
4	Georgia World Congress Center	Atlanta, GA	1,400,000
5	Kentucky Exposition Center	Louisville, KY	1,300,000
6	International Exposition Center (I-X Center)	Cleveland, OH	1,200,000
7	New Orleans Ernest N. Morial Convention Center	New Orleans, LA	1,068,508
8	Mandalay Bay Convention Center	Las Vegas, NV	1,043,030
9	Sands Expo & Convention Center/Venetian/Palazzo	Las Vegas, NV	1,035,600
10	Jacob K. Javits Convention Center	New York, NY	840,000
11	Donald E. Stephens Convention Center	Rosemont, IL	840,000
12	Anaheim Convention Center	Anaheim, CA	813,000
13	Moscone Convention Center	San Francisco, CA	800,914
14	George R. Brown Convention Center	Houston, TX	771,730
15	Kay Bailey Hutchinson Convention Center	Dallas, TX	724,526
16	Cobo Center	Detroit, MI	723,000
17	Los Angeles Convention Center	Los Angeles, CA	720,000
18	NRG Park (formerly Reliant Park)	Houston, TX	706,213
19	Walter E. Washington Convention Center	Washington, DC	703,000
20	Pennsylvania Convention Center	Philadelphia, PA	675,000
21	San Diego Convention Center	San Diego, CA	615,000
22	Phoenix Convention Center & Venues	Phoenix, AZ	612,000
23	Colorado Convention Center	Denver, CO	584,000
24	Indiana Convention Center & Lucas Oil Stadium	Indianapolis, IN	566,600
25	Boston Convention Center & Exhibition Center	Boston, MA	516,000
26	Calvin L. Rampton Salt Palace Convention Center	Salt Lake City, UT	515,000

Sources: LVCVA, Individual Convention Centers

* Does not include meeting, ballroom or pre-function space



Available Meeting Space Inventory in Southern Nevada

The Southern Nevada Tourism Infrastructure Committee requested information about the total available meeting and convention space in the Southern Nevada market. This section contains a list of available meeting and convention space by property.



LAS VEGAS MEETING SPACE SUMMARY

Combined Exhibit and Meeting Space Square Footage

As of December 31, 2015

Las Vegas Property	Meeting Square Feet
Las Vegas Convention Center	2,182,167
Mandalay Bay Resort & Casino	2,013,697
Sands Expo & Convention Center	1,200,000
MGM Grand Hotel and Casino	602,000
The Venetian-Palazzo Resort - Hotel - Casino	510,008
ARIA Resort & Casino	300,000
Caesars Palace	300,000
Bellagio	200,000
The Cosmopolitan of Las Vegas	200,000
Westgate Las Vegas Resort & Casino	200,000
Wynn Las Vegas	200,000
Bally's Las Vegas	175,000
The Mirage Hotel & Casino	171,959
South Point Hotel Casino & Spa	170,000
Rio All-Suite Hotel & Casino	160,000
Paris Las Vegas	140,000
Cashman Center	125,000
JW Marriott Las Vegas Resort, Spa & Golf	109,679
Planet Hollywood Resort & Casino	100,000
Red Rock Casino Resort Spa	100,000
Tropicana Las Vegas	100,000
Hilton Lake Las Vegas Resort & Spa	94,417
M Resort Spa & Casino	92,000
Hard Rock Hotel & Casino	81,000
SLS Las Vegas	80,000
Flamingo Las Vegas	73,000
Green Valley Ranch Resort & Spa	65,000
Encore at Wynn Las Vegas	60,000
Palms Casino Resort	60,000
Alexis Park All Suites Resort	50,000
The Westin Lake Las Vegas Resort & Spa	45,000
Texas Station Gambling Hall and Hotel	42,250
The Linq Hotel & Casino	40,000
Orleans Hotel and Casino	40,000
Tuscany Suites & Casino	40,000
Hooters Casino Hotel	38,500
Golden Nugget	31,000
Aliante Casino + Hotel + Spa	30,000
Four Seasons Hotel Las Vegas	30,000
Gold Coast Hotel and Casino	30,000
Monte Carlo Resort and Casino	30,000
Sam's Town Hotel and Gambling Hall	30,000
Harrah's Las Vegas Hotel and Casino	25,000
Suncoast Hotel and Casino	25,000
The Westin Las Vegas Hotel, Casino & Spa	25,000



LAS VEGAS MEETING SPACE SUMMARY

Combined Exhibit and Meeting Space Square Footage

As of December 31, 2015

Las Vegas Property	Meeting Square Feet
Plaza Hotel & Casino	23,000
New York-New York Hotel & Casino	21,500
Circus Circus Hotel, Casino and Theme Park	21,400
Delano Las Vegas	20,000
Eastside Cannery Casino Hotel	20,000
Luxor Hotel and Casino	20,000
Renaissance Las Vegas Hotel	20,000
Palace Station Hotel Casino	19,588
Treasure Island - TI Hotel & Casino	18,000
Stratosphere Casino and Hotel	17,000
The Platinum Hotel	15,000
Sunset Station Hotel Casino	13,000
Santa Fe Station Hotel Casino	12,855
Mandarin Oriental	12,360
Excalibur Hotel and Casino	12,226
Boulder Station Hotel-Casino	12,000
The Resort on Mount Charleston Hotel	12,000
Embassy Suites Convention Center	11,000
Silverton Hotel and Casino Lodge	11,000
Tahiti Village Resort & Spa	10,000
Vdara Hotel & Spa	10,000
Hampton Inn Tropicana	8,400
the D Las Vegas	8,000
Aston MonteLago Village Resort	7,737
Fremont Hotel and Casino	7,330
Fiesta Rancho Casino Hotel	7,000
Trump International Hotel Las Vegas	6,400
Embassy Suites Las Vegas Airport	6,000
Fortune Hotel & Suites	5,800
California Hotel and Casino	4,935
Fiesta Henderson Casino Hotel	4,574
Marriott SpringHill Suites Las Vegas Convention Center	4,522
Arizona Charlie's Decatur	4,500
Main Street Station Casino, Brewery and Hotel	4,500
Rumor Boutique Hotel	4,500
Hoover Dam Lodge	4,300
Marriott Las Vegas	4,268
Mardi Gras Hotel and Casino	4,000
The Signature at MGM Grand	3,837
Best Western Plus St Rose Pkwy	3,571
La Quinta Inn & Suites Las Vegas Airport South	3,500
Hyatt Place Las Vegas	3,408
Hilton Garden Inn Las Vegas Strip South	3,300
Homewood Suites by Hilton Henderson	3,264
El Cortez Hotel and Casino	3,200



LAS VEGAS MEETING SPACE SUMMARY

Combined Exhibit and Meeting Space Square Footage

As of December 31, 2015

Las Vegas Property	Meeting Square Feet
Artisan Hotel Boutique	3,000
Baymont Inn & Suites Las Vegas South Strip	2,975
DoubleTree by Hilton Las Vegas Airport	2,970
Elara, a Hilton Grand Vacations Hotel - Center Strip	2,811
Mt. Charleston Lodge	2,750
Hampton Inn & Suites St. Rose Parkway	2,720
Westgate Flamingo Bay Resort	2,600
Downtown Grand Las Vegas	2,490
Marriott Courtyard Las Vegas South	2,393
Four Queens Hotel and Casino	2,264
Palms Place Hotel and Spa	2,200
Railroad Pass Hotel and Casino	2,200
Four Points by Sheraton	2,108
Boulder Inn and Suites	2,000
Desert Rose Resort	2,000
Arizona Charlie's Boulder	1,665
Homewood Suites by Hilton Las Vegas Airport	1,531
Marriott Courtyard Henderson/Green Valley	1,456
Extended Stay Deluxe East Flamingo	1,450
Marriott Residence Inn Hughes Center	1,418
Hilton Grand Vacations Club - Las Vegas	1,400
La Quinta Inn & Suites Las Vegas Airport North-Convention Center	1,400
Hilton Garden Inn Henderson	1,350
Marriott Courtyard Las Vegas Convention Center	1,300
Hampton Inn & Suites Las Vegas-Henderson	1,280
Marriott Courtyard Summerlin	1,268
Hampton Inn & Suites Las Vegas Airport	1,264
Marriott Residence Inn Henderson/Green Valley	1,252
Hilton Grand Vacations Club at the Flamingo - Las Vegas	1,210
Boulder Dam Hotel	1,145
Best Western Plus Henderson Hotel	1,080
Comfort Inn & Suites - Henderson	1,000
Howard Johnson Las Vegas/Near Nellis AFB	900
Staybridge Suites	900
Marriott Fairfield Inn Las Vegas Airport & Convention Center	865
Holiday Inn Express Nellis	850
Hilton Grand Vacations Club on the Las Vegas Strip	798
Candlewood Suites	760
Emerald Suites - South Las Vegas Blvd	760
Wyndham Grand Desert	753
Hawthorn Suites by Wyndham	750
Holiday Inn Express & Suites Las Vegas I 215 S Rainbow	728
Holiday Inn Express Las Vegas South	700
La Quinta Inn & Suites LV Summerlin Tech	675
Super 8 - Koval	665



LAS VEGAS MEETING SPACE SUMMARY

Combined Exhibit and Meeting Space Square Footage

As of December 31, 2015

Las Vegas Property	Meeting Square Feet
Hampton Inn Las Vegas North Speedway	650
Red Roof Las Vegas	650
Days Inn Las Vegas at Wild Wild West Casino	630
Hampton Inn Las Vegas/Summerlin	600
Marriott Residence Inn Convention Center	580
Comfort Inn & Suites	500
Marriott SpringHill Suites Henderson/Green Valley	500
Hampton Inn & Suites Las Vegas Red Rock/Summerlin	462
Nellis Suites at Main Gate	450
element Las Vegas Summerlin	441
Rodeway Inn	435
La Quinta Inn & Suites Red Rock/Summerlin	360
Marriott TownePlace Suites Las Vegas Henderson	305
Holiday Inn Express Hotel and Suites	300
Siena Suites Hotel	300
Marriott Fairfield Inn & Suites Las Vegas South	200
Subtotal: Las Vegas Properties	8,639,702

Primm / Jean Properties	Meeting Square Feet
Buffalo Bill's Resort and Casino	31,280
Primm Valley Resort and Casino	20,901
Whiskey Pete's Hotel and Casino	8,000
Gold Strike Hotel and Gambling Hall	3,168
Subtotal: Primm / Jean Properties	63,349

Other Public Venues	Meeting Square Feet
Sam Boyd Stadium	92,665
Thomas & Mack Center	33,582
Cox Pavilion	26,125
Henderson Convention Center	13,765
Subtotal: Other Public Venues With Meeting Space	166,137

TOTAL - LAS VEGAS AREA	11,176,355
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CLARK COUNTY MEETING SPACE SUMMARY

Combined Exhibit and Meeting Space Square Footage

As of December 31, 2015

LAUGHLIN	Meeting Square Feet
Edgewater Casino Resort	38,648
Colorado Belle Casino Resort	35,745
Aquarius Casino Resort	30,000
Don Laughlin's Riverside Resort Hotel & Casino	27,407
Tropicana Laughlin Hotel and Casino	14,340
Golden Nugget Laughlin	8,622
Harrah's Laughlin	7,000
Laughlin River Lodge	4,450
Subtotal: Laughlin Properties	166,212
MESQUITE	Meeting Square Feet
Best Western Mesquite Inn	N/A
CasaBlanca Hotel - Casino - Golf - Spa	70,000
Eureka Casino Resort	6,300
Holiday Inn Express and Suites	5,949
Virgin River Hotel/Casino/Bingo	1,900
Highland Estates Resort Hotel	500
Subtotal: Mesquite Properties	84,649
TOTAL - CLARK COUNTY	11,427,216



Future Meeting Space Inventory in Southern Nevada

The Southern Nevada Tourism Infrastructure Committee requested information about new meeting and convention space coming online in the Las Vegas market. This section contains a list of ongoing and planned projects that will add convention or meeting space through 2018.



LAS VEGAS TOURISM CONSTRUCTION BULLETIN
Resort & Other Destination Amenities*

Condensed Summary

(As of: March 16, 2016)

	Construction Cost (Millions)	Convention Space (Sq Ft)	Timeshare Units	Add'l Hotel Rooms	Est. Year-End Room Count
<i>Las Vegas Room Inventory (as of December 31, 2015)</i>					149,213
Projects scheduled to open in 2016	\$851	37,000	390	234	149,447
Projects scheduled to open in 2017	\$1,966	95,000	-	873	150,320
Projects scheduled to open in 2018	\$6,154	200,000	-	5,338	155,658

*NOTE: The above recap reflects significant projects, room closures, expansions and additions to the room inventory, but is not a comprehensive list of development.



LAS VEGAS TOURISM CONSTRUCTION BULLETIN

Resort & Other Destination Amenities*

Current & Future Projects

(As of: March 16, 2016)

2016								
Name of Property	Location	Completion Date	Cost (Millions)	Changes and/or New Amenities	Convention Space (Sq Ft)	Time-Share Units	Hotel Rooms	
Golden Nugget	129 E Fremont St	Jan 2016	\$1	Remodeled Spa & Salon				
Mandalay Bay Resort & Casino (Phase 2)	3950 Las Vegas Blvd S	Jan 2016	N/A	Renovation of Current Meeting Space & Underground Parking Garage				
Siegel Suites Select - Convention Center Drive (rebrand Rodeway Inn)	220 Convention Center Dr	Jan 2016	N/A	Rebranded & Renovated Property				
Caesars Palace	3570 Las Vegas Blvd S	Jan 1, 2016	\$75	Renovation of Roman Tower (renamed Julius Tower)				
Thomas & Mack Center (Phase 1)	4505 S Maryland Pkwy	Mar 31, 2016	N/A	Renovation				
California Hotel and Casino	12 E Ogden Ave	Spring 2016	N/A	Property Redesign and Room Renovation				
SPEEDVEGAS	Las Vegas Blvd S & Sloan Rd	Spring 2016	\$30	Motorsports Complex	20,000			
The Berkeley Corporation @ Silverton Hotel and Casino	3333 Blue Diamond Rd	Spring 2016	N/A	New Rooms		390		
Westgate Las Vegas Resort & Casino (Phase 1)	3000 Paradise Rd	Spring 2016	\$13	Renovated Race and Sportsbook				
The Park	3950 Las Vegas Blvd S	Apr 4, 2016	\$50	Eight Acre Park w/Dining & Entertainment District				
The Park - Beer Garden	3950 Las Vegas Blvd S	Apr 4, 2016	\$5	7,150 sf - Single Story				
T-Mobile Arena	3780 Las Vegas Blvd S	Apr 6, 2016	\$375	20,000-Seat Indoor Arena				
Wynn Las Vegas	3131 Las Vegas Blvd S	Apr 28, 2016	N/A	New Nightlife Concept Intrigue				
IKEA	6500 IKEA Way	May 18, 2016	N/A	415,085 sf - Retail Store				
Topgolf Las Vegas (MGM Grand Hotel and Casino)	3799 Las Vegas Blvd S	May 2016	\$50	Driving Range-Four-Levels/105,000 sf Eight Acres/215-yd Outfield				
Orleans Hotel and Casino (Phase 2)	4500 W Tropicana	Mid 2016	\$30	Casino Refresh & New Dining Concepts				
Plaza Hotel & Casino	1 Main St	Mid 2016	N/A	70,000 sf Pool Renovation				
Residence Inn (South) #2	E Robindale Rd & Haven St	May 2016	N/A	New Property			124	
The Cosmopolitan of Las Vegas	3708 Las Vegas Blvd S	Mid 2016	\$3	Remodel of Retail/Bar and New Dining Concepts				
W Las Vegas (at SLS Las Vegas)	2535 Las Vegas Blvd S	Sep 2016	N/A	W Las Vegas Rebranded (Lux Tower)				
Artisan Hotel Boutique	1501 W Sahara Ave	Fall 2016	\$1	Renovation				
Boulevard Mall (Phase 2)	3528 S Maryland Pkwy	Fall 2016	\$23	Redevelopment-Premier Shopping, Dining and Entertainment District				
Caesars Palace	3570 Las Vegas Blvd S	Fall 2016	N/A	Room Renovation (Augustus Tower)				
Harrah's Las Vegas Hotel and Casino	3475 Las Vegas Blvd S	Feb 2016	N/A	Room Renovation (Carnaval South Tower)				
Monte Carlo Resort and Casino	3770 Las Vegas Blvd S	Fall 2016	\$100	5,300-seat theater/concert hall				
Paris Las Vegas	3655 Las Vegas Blvd S	Fall 2016	N/A	Room Renovation				
Planet Hollywood Resort & Casino	3667 Las Vegas Blvd S	Fall 2016	N/A	Room Renovation				
Thunderbird Hotel (formerly Aruba Hotel & Spa)	1125 Las Vegas Blvd S	Fall 2016	\$4	Renovation & Rebrand			110	
Tropicana Las Vegas	3801 Las Vegas Blvd S	Fall 2016	\$20	Renovation				
Thomas & Mack Center (Phase 2)	4505 S Maryland Pkwy	Nov 1, 2016	\$73	35,000 sf 'West' addition w/outdoor balcony				
Hard Rock Hotel & Casino	4455 Paradise Rd	Nov 2016	N/A	Room Remodel (Casino Tower)-New Retail-17,000 sf Add'l Meeting Space	17,000			
2016 TOTAL			\$851		37,000	390	234	

*NOTE: The above recap reflects significant projects, room closures, expansions and additions to the room inventory, but is not a comprehensive list of development.



LAS VEGAS TOURISM CONSTRUCTION BULLETIN

Resort & Other Destination Amenities*

Current & Future Projects

(As of: March 16, 2016)

2017							
Name of Property	Location	Completion Date	Cost (Millions)	Changes and/or New Amenities	Convention Space (Sq Ft)	Time-Share Units	Hotel Rooms
W Las Vegas (at SLS Las Vegas)	2535 Las Vegas Blvd S	Jan 2017	N/A	Adding 39,000 sf/5 Story Bldg w/Mtg Space & Pool	15,000		
Embassy Suites Convention Center	3600 Paradise Rd	Spring 2017	N/A	Room and Public Area Remodel			
Enclave	5800 S Eastern Ave	Spring 2017	N/A	3-Story 75,000 sf Event Center	75,000		
McCarran International Airport	5757 Wayne Newton Blvd	Spring 2017	\$51	D-Gate Int'l Connector			
Trump International Hotel Las Vegas	2000 Fashion Show Dr	Spring 2017	N/A	Adding approx. 5,000 sf Ballroom (Lobby Area)	5,000		
Vegas Extreme Park (Phase 1)	6670 Las Vegas Blvd S	Spring 2017	\$60	Action & Lifestyle Sports and Entertainment Complex			
Excalibur Hotel and Casino (MGM Resorts Int'l)	380 Las Vegas Blvd S	Mid 2017	\$54	3,000-Space Parking Facility			
Wynn Las Vegas	3131 Las Vegas Blvd S	Fall 2017	N/A	86,502 sf / 2-Story Mall New Dining & Retail Space			
All Net Resort and Arena	2601 Las Vegas Blvd S	CY 2017	\$1,400	22,000-Seat Multi-Purpose Arena/ Pedestrian Plaza/Boutique Hotel			500
Lucky Dragon Hotel & Casino	W Sahara & Las Vegas Blvd	CY 2017	\$373	New Property			206
Starwood Hotels & Resorts (Name TBD)	Speedway Blvd & I-15	CY 2017	\$18	New Property			125
Symphony Park Bridge	361 Symphony Park Ave	CY 2017	\$10	Pedestrian Bridge			
TBD (formerly Tod Hostel Motel)	1508 S Las Vegas Blvd S	CY 2017	N/A	Rebranded/Remodeled Boutique Hotel			42
2017 TOTAL			\$1,966		95,000	-	873

2018							
Name of Property	Location	Completion Date	Cost (Millions)	Changes and/or New Amenities	Convention Space (Sq Ft)	Time-Share Units	Hotel Rooms
Residence Inn Marriott (Henderson)	St Rose Pkwy & Maryland Pkwy	Jan 2018	N/A	New Property			100
ARIA Resort & Casino	3730 Las Vegas Blvd S	Feb 2018	\$154	Add'l 200,000 sf of Meeting Space/4-stories	200,000		
SpringHill Suites Marriott	Tropicana Ave & Kelch Dr	Jun 2018	N/A	New Property			252
Alon Las Vegas	3120 Las Vegas Blvd S	CY 2018	\$2,000	New Property Two-Towers			1,100
Mardi Gras Hotel and Casino	3500 Paradise Rd	CY 2018	N/A	Property Remodel-Room Addition and 35,000 sf Casino			386
Resorts World Las Vegas (Phase 1)	3000 Las Vegas Blvd S	CY 2018	\$4,000	New Property			3,500
2018 TOTAL			\$6,154		200,000	-	5,338

*NOTE: The above recap reflects significant projects, room closures, expansions and additions to the room inventory, but is not a comprehensive list of development.



Comparison of Lodging Tax Rates

The Southern Nevada Tourism Infrastructure Committee requested information about lodging tax rates in major cities around the United States. This section contains a list of combined tax rates on hotel rentals in 28 cities ranked from highest to lowest. The combined tax rates include specific lodging taxes as well as applicable sales taxes. For a breakdown of how various jurisdictions distribute lodging tax revenue, see section 2.



Comparison of Lodging Tax Rates

Taxes on overnight hotel room rentals (also referred to as room taxes, occupancy taxes, transient accommodation taxes, and bed taxes, among others) have become a commonly used form of revenue for states, counties, cities and special districts around the United States. In many states, hotel room rentals are also subject to regular sales taxes. For this comparison, sales tax rates are included to fully reflect the tax rates that would apply to a hotel room rental. Additional room night fees are also listed, if applicable.

City	State Lodging Tax	Local Lodging Tax	Sales Tax on Lodging	Total Lodging Tax	Add'l Room Night Fee
St. Louis		13.70%	4.23%	17.93%	
Chicago ¹	6.17%	11.22%		17.39%	
Houston	6.00%	11.00%		17.00%	
Indianapolis		10.00%	7.00%	17.00%	
Anaheim		17.00%		17.00%	\$0.50-\$2.00
San Antonio	6.00%	10.75%		16.75%	
Cleveland		8.50%	8.00%	16.50%	
Philadelphia		8.50%	8.00%	16.50%	
San Francisco		16.25%		16.25%	
Atlanta		8.00%	8.00%	16.00%	
Seattle		9.10%	6.50%	15.60%	\$2.00
Los Angeles		15.50%		15.50%	
Dallas	6.00%	9.00%		15.00%	
Denver		10.75%	4.10%	14.85%	
New York		6.26%	8.50%	14.76%	\$3.50
Louisville	1.00%	7.50%	6.00%	14.50%	
Washington, D.C.		14.50%		14.50%	
Boston	5.70%	8.75%		14.45%	
Detroit		8.00%	6.00%	14.00%	
Honolulu	9.25%		4.71%	13.96%	
Minneapolis		5.62%	7.78%	13.40%	
New Orleans		13.00%		13.00%	\$1.00-\$3.00
Miami		6.00%	7.00%	13.00%	
Salt Lake City		5.75%	6.85%	12.60%	
Phoenix		7.07%	5.50%	12.57%	
Orlando		6.00%	6.50%	12.50%	
San Diego		12.50%		12.50%	
Las Vegas		12.00%		12.00%	

Sources: U.S. Lodging Tax Study 2012, American Hotel and Lodging Association²; HVS Lodging Tax Report 2015³. Additional research was conducted by Applied Analysis to verify and revise rates as necessary.

¹ Chicago rate reflects 1% hotel tax in Cook County that will take effect May 1, 2016.

² <http://www.ahla.com/uploadedFiles/2013%20U.S.%20Lodging%20Tax%20Study.pdf>

³ <http://www.hvs.com/article/7495/2015-hvs-lodging-tax-report-usa/>



LVCVA Financial Modeling and Coverage Requirements

The Southern Nevada Tourism Infrastructure Committee requested whether the LVCVA can increase the utility of available funds by reducing coverage requirements while remaining fiscally conservative. This section contains an analysis by LVCVA regarding its debt service coverage ratio.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Debt Service Coverage Ratio

April 2016

The LVCVA currently established a minimum debt service coverage ratio of 3.0 over 20 years ago and the ratio is an element of the Debt Management Policy approved by the LVCVA Board of Directors. The coverage ratio has been maintained since 1995.

The strong coverage ratio reflects the level of pledged revenues available to pay debt service over the annual debt service requirements. In general, the higher the debt service ratio, the safer the bond. The determination of an appropriate debt coverage ratio is based on the nature of the revenue stream, and its volatility along with other factors. Therefore, the acceptable debt coverage ratio for water or sewer bond will be different than that for a room tax bond. Credit rating agencies test a wide-variety of factors to determine ratings, including an organization's internal policies on debt coverage ratios in addition to the coverage requirements stated in bond covenants.

The LVCVA's internal coverage policy is higher than more traditional revenue backed bonds (i.e. water or sewer revenues or consolidated tax revenues) for several reasons. It was initially established, and has been maintained, based on a review of multiple financial factors and an assessment of the Authority's risk sensitivity to the municipal market.

PRINCIPAL ELEMENTS SUPPORTING A HIGH DEBT COVERAGE RATIO:

- SINGLE SOURCE REVENUE STRUCTURE: For all intents and purposes, the LVCVA has a single-source revenue structure available for debt service – a percentage based room tax.

Room tax revenue provides 80% to 82% of all incoming resources annually. It represents the primary pledged revenue available to repay outstanding debt obligations.

The LVCVA's secondary source of revenue, facility use fees, provide an average of 16% of annual resources; however, facility revenues are required to pay for facility operating costs before debt service, in compliance with bond covenants.

Although the LVCVA can, and has, incrementally increased facility lease rates, increases to an onerous level would ultimately result in an exodus of tradeshow as they relocate to destinations with more favorable terms. It is not feasible to increase the facility fees to a level in excess of operating costs sufficient to generate a surplus of funds to support debt service.

- VOLATILITY OF ROOM TAX: Credit rating analysts view room tax as a volatile revenue source, as it fluctuates based on economic conditions and consumer decisions outside of the Authority's control.

Travel and tourism sector revenue streams demonstrate more volatility than rate-based revenues (like water and sewer rate-based revenues). Spending on travel is

discretionary and consumer expenditures are affected by consumer confidence, income levels, and need-based household expenditure requirements.

Credit rating analysts reference this volatility factor in their reports. Recent ratings reports note the significant fluctuation in LVCVA room tax revenues over the last decade, when room tax dropped by over 30% over a two-year period during the recession, followed by increases of 14% each year in the following two years of recovery.

Credit rating agencies consider these fluctuations when setting the Authority's ratings. A higher debt coverage ratio has proven an effective mechanism to balance the volatility factor.

- NO CONTROL OF REVENUE BASE: The LVCVA does not control the underlying base on which the room tax is imposed. The LVCVA neither approves nor advises on room rates charged to visitors.

Revenues derived from the lodging tax rate are determined by the amount charged for the room, which is controlled by individual lodging providers. The room rate is used as a tool to fill rooms and drive occupancy for the hotels.

- INABILITY TO LEVY TAXES: The LVCVA does not have the power to modify or increase tax. The transient lodging tax rate that generates room tax revenue is established by Nevada legislative action; therefore, we cannot arbitrarily raise the tax rate in periods of economic volatility in order to raise revenues to pay debt service.

Revenues derived from the current tax rate are subject to diversions by legislative action. Recent examples include:

- Legislative action in 2000, re-allocating 5/8% of the room tax rate from the LVCVA to the Clark County School District.
- Legislative action in 2007, requiring LVCVA room tax revenue to support \$300MM in bonds for tourism corridor infrastructure improvements.
- STAKEHOLDER RISK TOLERANCE: The 3.0 x's coverage ratio provides assurances to a variety of stakeholders. A strong debt coverage ratio is a vital component of the LVCVA's overall financial management policies, assuring all stakeholders that the LVCVA's ability to meet its debt obligations is never compromised. Affected stakeholders include the LVCVA Board of Directors, Clark County Board of Commissioners, Debt Management Commission, citizens, bond holders, rating agencies, and others):
 - Credit rating agencies: LVCVA bonds are rated by Standard & Poor's and Moody'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, particularly debt management policies.

Municipal ratings are considered within a very small band of creditworthiness, because municipal investors are highly risk averse. Maintaining a higher coverage ratio has been considered a strong advantage in rating evaluations.

- o Municipal investors: The tax-exempt municipal market is looking for a very low risk component of their portfolio. These investors are primarily concerned about the safety and liquidity of their investment, not the yield. Maintaining a higher coverage ratio makes our bonds more attractive to investors, leading to more competitive (lower) interest rates.
- o Clark County Regional Debt Management Commission (DMC) and Clark County Board of Commissioners: The DMC is established under NRS to evaluate and approve any proposal by an eligible entity to incur debt with a GO pledge.

Subsequent to approval by a 2/3's vote of the DMC, and subsequent approval by the Clark County Board of Commissioners, the LVCVA is empowered to issue general obligation (GO) bonds secured by the full faith and credit of the County and additionally secured by a pledge of revenues derived by the LVCVA.

The LVCVA has issued GO bonds since origination and due to its strong coverage has always repaid its debt without triggering the County's GO pledge, even during severe revenue fluctuations.

The LVCVA's current outstanding GO pledged debt represents less than 1% of the last assessed valuation of taxable County property, considerably less than the LVCVA's 5% ceiling established under NRS.

The ability to issue GO bonds for some components of the LVCCD would result in lower borrowing costs and avoid a reserve fund requirement, which is often required for revenue bonds.

LVCCD FINANCIAL PRO-FORMA

- The LVCCD pro-forma assumes an undetermined combination of new taxes and fees to support the financing program is achieved, representing a mix of revenues that would increase the diversification of LVCVA pledged revenues.
- The financing schedule already reflects a reduction in future debt coverage down to 2.6 x's based on the potential diversification of the pledged revenues.
- Should new revenues authorized to support the LVCCD consist solely of an additional lodging tax rate, the LVCVA's resources would actually become LESS diversified than the current structure.

A reduction in revenue diversification would require reconsideration of the LVCCD financing program and debt coverage levels in order to continue providing investor confidence in the Authority's ability to meet future debt service obligations in periods of economic volatility.

The LVCVA will consider a combination of options to work as additional security measure to reassure investors and rating agencies in this scenario, including:

Surety Bonds: Municipal bond insurance may make bonds more attractive to investors, by providing third party enhancement and assurance of payment, if the insurers credit rating is higher than the LVCVA's. Although historically popular with investors, the global economic crisis and recession greatly weakened the financial strength and credit ratings of municipal bond insurers, as they were unable to make payments on the securities they backed. There has been some recovery in the municipal bond insurance sector over the last few years; however, there currently is no insurer that is rated triple-A by all three major rating agencies. Today, investors continue to look more favorably on a cash reserve in lieu of a surety bond.

Cash Reserves: Potential set aside of six-months debt service into a cash reserve that will remain untouched over the term of the bonds, essentially as collateral on the bonds. The disadvantage to this action is that it would tie up cash in a long-term restricted fund, reducing liquidity that could be used for PayGo or to reduce the size of the borrowing.

CONSEQUENCES OF REDUCING CURRENT DEBT COVERAGE RATIO TARGET

An initial contemplation of lowering the LVCVA's debt coverage ratio would conclude that each new dollar of revenue collected would result in additional borrowing capacity. However, there are significant risks of reducing the LVCVA's existing ratio below the current target, without implementing sufficient actions to offset the reduction.

- A reduction in the coverage ratio is likely to negatively impact the Authority's credit rating, thus reducing investor confidence and increasing our cost of borrowing. The potential rating impact has been consistently communicated to LVCVA management verbally by rating analysts from both Moody's and Standard & Poors, as well as incorporated into their published rating reports:

Extracted from Moody's rating report on LVCVA:

"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 (3.0 times)"*

Extracted from Standard & Poor's rating report on LVCVA bonds:

"...we could lower the rating if...causing pledged revenue and corresponding debt service coverage to decrease materially"

- A reduction in the coverage ratio that results in a reduction to the LVCVA's credit rating will have a direct and immediate negative financial impact.

We have a very flexible and cost-effective bank credit agreement with JPMorgan, with fees subject to maintenance of the Authority's current rating (A1 and A+, Moody's and S&P, respectively). Each drop in the Authority's credit rating level will

result in an increase to the applicable spread effective the day of the rating change. A reduction in one rating level triggers a rate increase of 15 bps, while a reduction in two levels would cause an increase of 40 bps, and so on. This would result in additional interest costs, increasing our overall debt service obligations.

- A reduction in the coverage ratio that results in a reduction to the LCVCA's credit rating may affect future bond offerings, including our ability to access refunding opportunities at lower rates to achieve savings.
- A reduction in the coverage ratio, with or without a reduction to the LVCVA's credit rating, may affect the LVCVA's ability to access a GO pledge. The DMC and County Commission may perceive an increased risk of a future call on the ad valorem pledge.



Lodging Tax Collection and Use by Local Jurisdictions

The Southern Nevada Tourism Infrastructure Committee requested information about local collections of lodging tax revenue and how that revenue is used. This section contains a summary of state and local laws that govern collection of room taxes by local jurisdictions. It also contains tables of room tax revenue amounts collected by each local jurisdiction in fiscal year 2015, a general description of how those revenues are used and whether they are pledged for bonding purposes.

In general, local governments have pledged collection allowance revenue for bonds. However, currently only the city of Las Vegas has outstanding bonds that are backed by collection allowance revenue.



Room Tax Revenue Use by Local Jurisdictions

Local jurisdictions in Clark County receive room tax revenue via several streams: an allowance for collecting room taxes on behalf of the Las Vegas Convention and Visitors Authority, a room tax allocation levied directly by the local jurisdiction, and a room tax allocation for transportation-related projects. The following tables summarize room tax revenue totals and uses in fiscal year 2015.

Las Vegas Convention and Visitors Authority Collection Allowance

	Amount	Use	Used for Bonds
Clark County	\$11,411,502	Parks and recreation capital projects (25% for projects of regional significance)	No. Funds have been pledged for bonds in the past.
Las Vegas	\$6,503,336	Parks and recreation capital projects	Bonds backed by revenue mature in 2025. Add'l bond issuance planned in Sept. 2016.
Henderson	\$2,758,525	Parks projects and cultural events	Funds used for debt service but not pledged.
North Las Vegas	\$2,096,928	General Fund	No
Mesquite	\$860,822	Parks and recreation/public safety	No
Boulder City	\$473,452	General fund	No

Sources: Finance departments for Clark County, Las Vegas, Henderson, North Las Vegas, Mesquite and Boulder City; Las Vegas Convention and Visitors Authority.

Local Jurisdiction Direct Levy

	Rate	Amount	Use
Clark County	1%–2%	\$52,391,446	General fund
Las Vegas	1%–2%	\$2,469,221	General fund
Henderson	2%	\$2,017,902	Partial funding for Henderson convention center and tourism operations
North Las Vegas	1%–2%	\$278,043	Roadway improvements and maintenance
Mesquite	2%	\$410,059	Parks and recreation, public safety

Sources: Finance departments for Clark County, Las Vegas, Henderson, North Las Vegas, Mesquite and Boulder City; Las Vegas Convention and Visitors Authority.



Clark County Transportation

	Rate	Amount	Use
Clark County	1%	\$50,070,893	Transportation projects
Las Vegas	1%	\$2,371,506	Road, flood and traffic projects
Henderson	1%	\$1,009,546	Public works projects
North Las Vegas	1%	\$208,345	Roadway improvements and maintenance
Mesquite	1%	\$205,030	Transportation projects
Boulder City		(information pending)	

Sources: Finance departments for Clark County, Las Vegas, Henderson, North Las Vegas, Mesquite and Boulder City; Las Vegas Convention and Visitors Authority.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Lodging tax imposition and collection in Southern Nevada

March 2016

- Transient lodging taxes are authorized by the Nevada State Legislature to be imposed by the local government entities, County/Cities. The authorization is established by NRS 244.335(6) (County) and NRS 268.095.
- The County/Cities independently establish and adopt ordinances governing the imposition and collection procedures for lodging tax within their jurisdiction.
- County and city ordinances relating to Transient Lodging Tax and Regulation are as follows:
 - Clark County – Chapter 4.08 (Convention and Visitors Transient Lodging Tax), Chapter 4.09 (Additional Rental Lodging Tax) and Chapter 4.10 (County Transient Lodging Tax).
 - City of Las Vegas – Chapter 4.20 (Convention Authority Room Tax and Gaming Tax)
 - City of North Las Vegas – Chapter 5.22 (Hotel and Gaming Tax)
 - City of Henderson – Chapter 4.48 (Hotel, Motel and Gaming License Tax)
 - City of Mesquite – Chapter 2A (Room Tax)
 - City of Boulder City – Title 4, Chapter 3 (Hotel, Motel Room Tax)

Chapter 4.08 - COMBINED TRANSIENT LODGING TAX

Sections:

4.08.005 - Definitions.

The following words, terms and phrases when used in this chapter shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning. Words used in the present tense include the future, and words in the singular number include the plural and the plural the singular. Words not defined in this section shall have their generally accepted meanings unless otherwise defined in Chapters 6.04, 6.08, 8.04, and 8.08 of the Clark County Code. The director shall have the authority to interpret words in accordance with established practice.

- (1) "Attrition" means the use or occupancy of less than an agreed upon number of sleeping rooms/spaces by a group of persons.
- (2) "Board" means the board of county commissioners of Clark County, Nevada.
- (3) "Cancellation" means notification of a transient lodging establishment by a person or group of persons that they will not use or occupy one or more reserved sleeping room(s)/space(s).
- (4) "County" means Clark County, Nevada, excluding incorporated cities, unless otherwise indicated.
- (5) "Director" means the director of the Clark County department of business license.
- (6) "Exchange company" means a company that operates a time-share exchange program.
- (7) "Exchange fees" means any fees paid to an exchange company associated with the exchange of occupancy rights among owners of time-shares participating in a time-share exchange program, and for no other purpose, which fees are uniformly established by country for owners of time-shares participating in the time-share exchange program.
- (8) "Gross receipts" means the total amount of rent received and any forfeited deposits valued in money, whether accepted in money or otherwise, received by operators from occupants of a transient lodging establishment, not including the amount of the combined transient lodging tax imposed by this chapter whether or not it is billed to the transient guest as a combined transient lodging tax. Gross receipts shall not include refunds, uncollected rent that is written off as bad debt, discounts, or room allowances. Gross receipts shall include recoveries of rent previously written off as bad debt.
- (9) "Individual" means a human being.
- (10) "Occupancy" means the use or possession, or the right to the use or possession of any sleeping room/space or portion thereof, in a transient lodging establishment for dwelling, lodging, or sleeping purposes.
- (11) "Occupant" means any person who, for rent, uses, possesses or has the right to possess any sleeping room/space in a transient lodging establishment under any lease, concession, permit, right of access, license, contract or agreement.
- (12) "Operator" means the person who is the proprietor of a transient lodging establishment, whether in the capacity of owner, lessee, sublessee, mortgagee, licensee, or any other capacity. Where the operator performs his or her functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an operator for the purposes of this chapter and shall have the same duties and liabilities as his or her principal.

- (13) "Package" means any aggregation of rights to rooms, food, refreshments, merchandise, entertainment, recreation, services, and/or other items grouped as a single unit and sold for a single price.
- (14) "Permanent resident" means any individual who has or shall have the right of occupancy in a sleeping room/space at the same transient lodging establishment for thirty-one consecutive days or more, and for whom rent is exempt from the transient lodging tax on the thirty-first day and every consecutive day thereafter, provided the individual continues to occupy or continues the right to occupy a sleeping room/space at the same transient lodging establishment.
- (15) "Person" means an individual, firm, partnership, joint venture, joint stock company, association, estate, trust, corporation, or other legal entity in whatever form and character acting in a representative capacity.
- (16) "Rent"
- (a) Means the amount charged for a sleeping room/space in a transient lodging establishment, valued in money, whether received in money or otherwise, and including the following, regardless of whether separately stated:
- (i) Charges that would normally be part of an all inclusive room rate, such as, but not limited to, payment processing fees, check-in fees, accommodation fees, facility fees, access fees, charges for additional guests, late check-out fees, and utility surcharges;
 - (ii) Charges applicable to cleaning and readying such room/space for occupancy including, but not limited to linen fees, cleaning fees, and non-refundable deposits;
 - (iii) Charges for rental of furnishings and appliances including, but not limited to, cribs, rollaways, refrigerators, televisions, microwaves, and in-room safes;
 - (iv) Room charges applicable to pets including, but not limited to, non-refundable pet cleaning fees/deposits;
 - (v) Charges associated with attrition, cancellation, late arrival, or failure to occupy a room, including, but not limited to, attrition fees, cancellation fees, late arrival fees, early departure fees, and no-show fees;
 - (vi) Reimbursements received for use of a sleeping room/space under incentive programs, such as, but not limited to, frequent guest programs or rewards programs;
 - (vii) The value of a sleeping room/space included as a component of a package, pursuant to Section 4.08.035;
 - (viii) Any charges for services, amenities, accommodations, or use, not otherwise specified above, that are mandatory in nature and charged in connection with rental of a sleeping/room space.
- (b) Shall not include the charge for any food served or personal services rendered to the occupant, including but not limited to, valet service, room service, or delivery service.
- (17) "Resort hotel" means a building or complex of buildings or other structures kept, used, maintained, advertised, and held out to the public to be a hotel or motel wherein food is served, in which three hundred or more rooms are used for sleeping accommodations, and which has, at a minimum, the amenities set forth in the definition of "resort hotel" at Chapter 8.04, all of which are directly connected to the complex or building and the proposed or existing gaming operation and operated in such manner as to form a part of the same operation and complex.
- (18) "Shall" means must and is mandatory.
- (19)

"Time-share exchange program" means a program for the exchange of occupancy rights among owners of time-shares in a time-share plan or with the owners of time-shares in other time-share plans, or both.

- (20) "Time-share instrument" shall have the meaning set forth in NRS 119A.150.
- (21) "Time-share plan" shall have the meaning set forth in NRS 119A.152.
- (22) "Time-share project" shall have the meaning set forth in NRS 119A.080 for the term "project."
- (23) "Transient guest" means any individual occupant who has or shall have the right of occupancy to any sleeping room/space in a transient lodging establishment for thirty consecutive days or less.
- (24) "Transient lodging" means the use of, possession of, or right to possess, for rent, a sleeping room/space in a transient lodging establishment under a lease, concession, permit, right of access, license, contract, or agreement.
- (25) "Transient lodging establishment" means any facility, structure, or portion of any structure which is occupied or intended or designed for occupancy by a person or persons who pay rent for dwelling, lodging, or sleeping purposes, and includes any hotel, resort hotel, motel, bed and breakfast, lodging house, time-share project, vacation home, apartment house, recreational vehicle park/campground, or other similar structure or facility, or portion thereof. The term "transient lodging establishment" does not include any of the following: any hospital, sanitarium, medical clinic, convalescent home, nursing home, home for the aged people, foster home, or other similar facility operated for the care or treatment of individuals; any asylum, jail, prison, orphanage or other facility in which individuals are detained and housed under legal restraint; and housing owned or controlled by an educational institution and used exclusively to house students, faculty or other employees, and any fraternity or sorority house or similar facility occupied exclusively by students and employees of such education institution, and officially recognized by it; any housing operated or used exclusively for religious, charitable or education purposes by any organization having qualifications for exemption from property taxes and under the laws of the state; any housing owned by a governmental agency and used to house its employees or for governmental purposes; any room within a private dwelling house or other single-family dwelling unit if the permanent or principal owner also resides in and occupies the dwelling; any unit within a time-share project occupied by an owner, or the nonpaying guests of an owner, of a time-share in a time-share project, or in the time-share plan of which the time-share project is a part, who has the right to use or occupy a unit, pursuant to: (a) time-share instrument; or (b) a time-share exchange program. The burden of establishing that the housing or facility is not a transient lodging establishment as defined herein shall be on the owner thereof, who shall file with the director such information as the director may require to establish and maintain such status.

(Ord. 3656 § 4, 2008; Ord. 2303 § 2 (part), 1999)

4.08.010 - Combined transient lodging tax.

- (a) All transient lodging taxes set forth in Sections 4.08.015 through 4.08.031 of this chapter shall be collected from every operator in Clark County and shall henceforth be collectively known as the "combined transient lodging tax."
- (b) The tax, when due, constitutes a debt owed by the operator to the county which is extinguished only by payment thereof to the Clark County department of business license.
- (c) The combined transient lodging tax imposed may be collected from the paying transient guests and may be shown as an addition to the rent charged by the transient lodging establishment. The operator is liable to Clark County for the tax whether or not it is actually collected from the paying transient guest.

(d) The combined transient lodging tax rates for transient lodging establishments located within the unincorporated areas of Clark County shall be as follows:

	Code Section/Title of Transient Lodging Tax Section					Combined Transient Lodging Tax Rate
	<u>4.08.015</u> Convention & Visitors Authority	<u>4.08.020</u> Tourism/ School District Fund	<u>4.08.025</u> Transportation District	<u>4.08.030</u> County	<u>4.08.031</u> State Education	
Resort hotel	5%	2%	1%	1%	3%	12%
Other transient lodging establishment within 35 miles of the Las Vegas Convention Center	4%	2%	1%	2%	3%	12%
Other transient lodging establishment more than 35 miles from the Las Vegas Convention Center	2%	2%	1%	2%	3%	10%

(Ord. 3656 § 5, 2008)

(Ord. No. 3774, § 1, 6-2-2009)

4.08.015 - Convention and visitors authority transient lodging tax.

Every operator shall, in addition to all other taxes of every kind now or hereafter imposed by law, pay a transient lodging tax, levied for the purposes of NRS 244A.597 to 244A.655, inclusive, as specified below.

The tax levied pursuant to this chapter shall be imposed as follows:

(a)

Five percent of the gross receipts, as defined in Section 4.08.005, received by resort hotels. Gross receipts may be adjusted for exemptions pursuant to Section 4.08.050 prior to calculation of the combined transient lodging tax. It shall be immaterial whether or not the sleeping rooms/spaces and the casino are separately owned and/or operated; the combination of sleeping rooms/spaces and casino shall be deemed to be one establishment and the five percent rate shall apply.

- (b) Four percent of the gross receipts, as defined in Section 4.08.005, received by transient lodging establishments other than resort hotels located within thirty-five miles of the Las Vegas Convention Center. Gross receipts may be adjusted for exemptions pursuant to Section 4.08.050 prior to calculation of the combined transient lodging tax.
- (c) Two percent of the gross receipts, as defined in Section 4.08.005, received by transient lodging establishments other than resort hotels located more than thirty-five miles from the Las Vegas Convention Center. Gross receipts may be adjusted for exemptions pursuant to Section 4.08.050 prior to calculation of the combined transient lodging tax.

(Ord. 3656 § 6, 2008: Ord. 2303 § 2 (part), 1999)

4.08.020 - Promotion of tourism/school district fund transient lodging tax.

Every operator, in addition to all other fees and taxes of every kind now or hereafter imposed by law upon operators, shall also pay a transient lodging tax levied for the purposes of NRS 244.3352 and 244.3354, in an amount of two percent of the gross receipts defined at Section 4.08.005. Gross receipts may be adjusted for exemptions pursuant to Section 4.08.050 prior to calculation of the combined transient lodging tax.

(Ord. 3656 § 7, 2008)

4.08.025 - Transportation district transient lodging tax.

- (a) Every operator, in addition to all other license fees and taxes of every kind now or hereafter imposed by law upon operators, shall also pay a transient lodging tax levied pursuant to NRS 244.3351 in an amount of one percent of the gross receipts defined at Section 4.08.005. Gross receipts may be adjusted for exemptions pursuant to Section 4.08.050 prior to calculation of the combined transient lodging tax.
- (b) The tax imposed pursuant to this section applies throughout the county including incorporated cities in the county. It shall be collected together with the taxes imposed pursuant to NRS 244.3352 and 268.096 by the government entities collecting those taxes. The governmental entities collecting the tax shall transfer all collections to the county and may not retain any part of the tax as a collection or administrative fee.
- (c) The proceeds of the tax imposed pursuant to this section and any applicable penalty or interest shall be remitted to the city in which the tax was collected if it was collected in an incorporated area of the city and not within any transportation district created by the county or if the tax is collected in any transportation district created by the city, and shall be retained by the county if collected elsewhere and used as provided in subsections (d) and (e) of this section.
- (d) If the county has created one or more transportation districts, that portion of the money retained by the county as provided in subsection (c) of this section which is collected within the boundaries of a transportation district shall be used to pay the cost of:
 - (1) Projects related to the construction and maintenance of sidewalks, streets, avenues, boulevards, highways and other public rights-of-way used primarily for vehicular traffic, including, without limitation, overpass projects, street projects, and underpass projects, as defined in NRS 244A.037,

244A.053, and 244A.055, within the boundaries of the district or within one mile outside those boundaries if the board finds that such projects outside the boundaries of the district will facilitate transportation within the district;

- (2) Payment of principal and interest on notes, bonds and other obligations issued by the county to fund the projects described in subsection (d)(1) of this section; or
- (3) Any combination of those uses.
- (e) Any part of the money retained which is collected in the unincorporated area of the county and not within any transportation district created by the county or a city must be used for the same purposes within the unincorporated area of the county or within one mile outside of that area if the board finds such projects outside that area will facilitate transportation within that area.

(Ord. 3656 § 8, 2008)

4.08.030 - County transient lodging tax.

Every operator, in addition to all other license fees and taxes of every kind now or hereafter imposed by law upon operators, shall also pay a transient lodging tax levied pursuant to NRS 244.335, in an amount equal to a percentage specified below:

- (a) One percent of the gross receipts, as defined at Section 4.08.005, received by operators of resort hotels. Gross receipts may be adjusted for exemptions pursuant to Section 4.08.050, prior to calculation of the combined transient lodging tax.
- (b) Two percent of the gross receipts, as defined at Section 4.08.005, received by all transient lodging establishments other than resort hotels. Gross receipts may be adjusted for exemptions pursuant to Section 4.08.050 prior to calculation of the combined transient lodging tax.

(Ord. 3656 § 9, 2008)

4.08.031 - State education transient lodging tax.

(a) Every operator, in addition to all other fees and taxes of every kind now or hereafter imposed by law upon operators, shall also pay a transient lodging tax levied pursuant to the provisions of Initiative Petition 1 enacted by the Legislature of the State of Nevada in the 2009 Legislative Session and became law pursuant to Article 4, Section 35 of the Nevada Constitution, in an amount of three percent of the gross receipts defined at 4.08.005, as applied by the provisions of Initiative Petition 1. Gross receipts may be adjusted for exemptions pursuant to 4.08.050 prior to calculation of the combined transient lodging tax.

- (b) The tax imposed pursuant to Subsection (a) applies throughout the county, including incorporated cities in the county. It shall be collected together with the taxes imposed pursuant to NRS 244.3352 and NRS 268.096 by the governmental entities collecting those taxes. The governmental entities collecting the tax shall transfer all collections of the tax imposed by Subsection (a), including any applicable penalty or interest, to the county and may not retain any part of the tax, penalty or interest as a collection or administrative fee.
- (c) The proceeds of the tax imposed pursuant to this section and any applicable penalty or interest shall be remitted by the county to the State Treasurer pursuant to the provisions of Initiative Petition 1.

(Ord. No. 3774, § 2, 6-2-2009)

4.08.035 - Rent included as a component of a package.

When received as a component of a package, the value of the rent shall be determined as follows:

- (a)

The average retail value of the room shall be prorated against the average retail value of all components of the package, and the resulting prorated fraction shall then be multiplied by the actual price paid for the package, with the combined transient lodging tax being paid on the product thereof;

- (b) Any value advertised to the public as being the retail value of a package component shall be presumed to be the retail value of that component;
- (c) Every package component shall be assigned a value and no package component shall be considered complimentary;
- (d) If no average retail value can be established for a component of a package, its cost to the transient lodging establishment shall be used for the purpose of determining prorated values,
- (e) Nothing in this definition precludes an operator from paying combined transient lodging tax on the full retail value of the taxable package components.

(Ord. 3656 § 10, 2008)

4.08.040 - Discount.

- (a) There shall be a discount allowed for operators described in this chapter.
- (b) Such discount shall be an amount equal to two percent of the transient lodging tax collected by operators pursuant to section 4.08.015 of this chapter. No discounts shall be available for any portion of the combined transient lodging tax collected pursuant to Sections 4.08.020, 4.08.025, 4.08.030, or 4.08.031 of this chapter.
- (c) The discount privilege is for payment being made on or before the fifteenth day of the month following the month for which the tax is due and not allowed thereafter.

(Ord. 3656 § 11, 2008; Ord. 2303 § 2 (part), 1999)

(Ord. No. 3774, § 3, 6-2-2009)

4.08.045 - Time-share projects—Tax calculation.

(a) For time-share projects, the combined transient lodging tax imposed by this chapter shall be calculated as a percentage, as specified in Section 4.08.010, of the gross receipts received from:

- (1) The use of a unit in a time-share project by a transient guest other than an owner, or the nonpaying guest of the owner of a time-share, or an exchange user;
- (2) Bonus time rent that is charged to a time share owner, non-paying guest of the owner, or an exchange user for the use of the unit in a time-share project separate and distinct from the use of the unit pursuant to a time-share instrument or time-share exchange program;
- (3) Fees charged for upgrading to a different unit type or season;
- (4) Maintenance fees assessed pursuant to a time-share instrument, except those which are the obligation of each time-share owner payable whether or not the time-share owner uses or exchanges his time share during the use year;
- (b) Exchange fees are not taxable, provided that the exchange fees:
 - (1) Are reasonable and customary for owners of time-shares participating in exchange programs;
 - (2) Do not exceed the amount of exchange fees set forth in a statement to owners, as required by NRS 119A.590; and
 - (3) Do not include any rent for occupancy of a unit.
- (c) Any portion of the exchange fee which constitutes rent or which is paid to an operator other than an exchange company shall be subject to the combined transient lodging tax.

(Ord. 3656 § 12, 2008: Ord. 2303 § 2 (part), 1999)

4.08.050 - Exemptions.

No combined transient lodging tax shall be imposed under the provisions of this chapter upon:

- (a) Rent received for an apartment, licensed as an apartment house under Section 6.12.090 of this code, wherein the renter has entered into a written lease with a rental period greater than thirty days. However, in the absence of a written lease with a rental period greater than thirty days, rent received for apartments rented for thirty days or less shall be subject to the combined transient lodging tax.
- (b) Rent received from permanent residents.
- (c) Rent paid directly by the following exempt organizations: United States, State of Nevada, federally chartered credit unions, and the American Red Cross. This exemption does not extend to rent paid by an individual who receives a cash advance from, or is to be later reimbursed by, the exempt organization.
- (d) Rent paid by foreign diplomats properly registered with the United States State Department.
- (e) Complimentary rooms wherein there is no rent paid to the operator in conjunction with the occupancy.
- (f) The cost of or rent paid for a room in a transient lodging establishment that is not used for sleeping, such as a meeting room.

(Ord. 3656 § 13, 2008: Ord. 2303 § 2 (part), 1999)

4.08.055 - Payment.

- (a) Payment of the combined transient lodging tax imposed by this chapter shall be due from the operator on the first day of each month for the preceding month. This tax shall be payable to the Clark County Department of Business License. Whenever any operator shall quit or otherwise terminate or dispose of its business, any amount due under the provisions of this chapter shall be due and payable immediately upon such occasion, rather than as otherwise required by this section.
- (b) Combined transient lodging taxes collected by the operator are public monies from the moment of their collection and shall be held in trust by the operator collecting such taxes for the use and benefit of the agencies for whom such revenues are collected.
- (c) The operator shall refund any over-collection of the combined transient lodging tax to the occupant from whom it was incorrectly collected.
- (d) Any over-collection that is not refunded, for any reason, within ninety days after receipt by the operator, must be remitted to the Clark County Department of Business License.

(Ord. 3656 § 14, 2008: Ord. 2303 § 2 (part), 1999)

4.08.060 - Delinquency, license suspension, license revocation, license reinstatement, and collection.

- (a) If the combined transient lodging tax imposed pursuant to this chapter on transient lodging establishments located within the unincorporated areas of Clark County is not received within fifteen days of the due date, the operator shall pay, in addition to the combined transient lodging tax: (1) interest on said tax due at the rate of one and one-half percent per month or fraction thereof from the date on which the combined transient lodging tax became due until the date payment is received; and (2) an administrative fee of eleven percent of the combined transient lodging tax due, exclusive of interest.

(b)

If the combined transient lodging tax, interest, and administrative fee is not received on or before thirty days from the due date, then the operator's transient lodging establishment license (i.e., hotel license, motel license, etc.) shall be deemed automatically suspended and business operations must immediately cease until such time as the delinquent transient lodging establishment license is reinstated or a new license is obtained. If the transient lodging establishment license is suspended, all other licenses operated with and dependent upon the transient lodging establishment license shall be simultaneously suspended.

- (c) The suspended transient lodging establishment license may be reinstated by the director upon payment of the outstanding combined transient lodging tax, plus all applicable interest, the eleven percent administrative fee, and a ten percent reinstatement fee.
- (d) If the delinquent license is not reinstated within sixty days after suspension, the suspended license shall be automatically revoked without further action by the director and may not be reinstated. After revocation due to delinquency, a new application for licensure must be processed, pursuant to subsection (e) and (f) of this section.
- (e) Upon submission of a new application for licensure, in addition to payment of an application fee, the transient lodging establishment may be required to provide evidence that operations were ceased during the period of license revocation. If operations were not ceased, the combined transient lodging tax shall be due on the gross receipts collected during the period of revocation, plus interest at a rate of one and one-half percent per month, administrative fees of eleven percent and a fee for operating without a license of twenty-five percent of the combined transient lodging tax due, exclusive of interest and other fees.
- (f) If the transient lodging establishment cannot provide evidence that operations were ceased during the period of revocation, fees and interest provided in subsection (e) of this section will be due on the average monthly gross receipts from the twelve months immediately preceding revocation, for each month the license was revoked.
- (g) Whenever any operator shall be delinquent in the payment of the tax imposed by this chapter, the director may transmit notice of such delinquency to the Clark County District Attorney who shall proceed to collect all sums due the county from such operator by appropriate legal action.

(Ord. 3656 § 15, 2008: Ord. 2663 § 1, 2001: Ord. 2303 § 2 (part), 1999)

(Ord. No. 3774, § 4, 6-2-2009)

4.08.065 - License required—Penalty for violation.

It is unlawful for any business to operate in Clark County without a valid Clark County business license.

- (a) In all cases where a Clark County business license required by this code has not been obtained before business is commenced, the department shall make its best efforts from any available information to determine a reasonable estimate of the amount of gross receipts collected by the transient lodging establishment during the period in which the business was operated without a license. Accordingly, the department may require an audit of the financial records in order to establish the amount of gross receipts.
- (b) In addition to an application fee, combined transient lodging taxes shall be due on all gross receipts collected by a transient lodging establishment during any month, or period of a month, in which the business operated without benefit of licensure.
- (c) Interest, administrative fees, and penalties for operating without a license in accordance with the provisions of Section 4.08.060(e) of this chapter shall also be assessed on the amount of gross receipts collected during the period the business was operated without a valid business license.

- (d) The total amount of the application fee, taxes, interest, administrative fees, and penalties specified in this section must be remitted by the operator before a Clark County business license shall be issued by the department.

(Ord. 3656 § 16, 2008)

4.08.070 - Deposit required for delinquent accounts.

(a) If any operator is delinquent in monthly payments of the combined transient lodging tax more than two times in any twelve-month period, the operator may be required to file a certificate of deposit payable to Clark County or a surety bond executed to Clark County by a surety company duly authorized to bond in this state in an amount determined by the director. Such deposit shall not be less than the value of the combined transient lodging tax owed by the delinquent operator for the three highest months within the preceding twelve-month period.

(b) Upon timely payment of the combined transient lodging tax for any consecutive twenty-four month period following collection of the deposit the operator may request a release of the deposit from the department.

(Ord. 3656 § 17, 2008)

4.08.075 - Refunds.

(a) Refunds of transient lodging tax collected by operators pursuant to Section 4.08.015 of this code must be requested from the department in writing no later than two years after the last day of the month following the close of the period for which the claimed overpayment was made.

(b) Refunds of transient lodging tax collected by operators pursuant to Sections 4.08.020, 4.08.025, 4.08.030, and 4.08.031 of this code must be requested from the Department in writing no later than three years after the last day of the month following the close of the period for which the claimed overpayment was made.

(c) No transient lodging tax may be refunded to an operator who collected it unless the operator has refunded the transient lodging tax to the occupant who paid it.

(Ord. 3656 § 18, 2008)

(Ord. No. 3774, § 5, 6-2-2009)

4.08.080 - Records kept by director—Confidential.

The director shall keep proper records of the combined transient lodging tax herein imposed which becomes due and which is collected, including, without limiting the generality of the foregoing, records of delinquent taxes, interest thereon and penalties therefrom. These records shall be deemed confidential and shall not be revealed in whole or in part to anyone except in the necessary administration of this chapter or as otherwise provided by law.

(Ord. 3656 § 19, 2008; Ord. 2303 § 2 (part), 1999)

4.08.085 - Records kept by operator.

(a) Each operator shall maintain daily records and monthly summaries, which are compiled from daily records and contain monthly totals, that properly reflect the following minimum information:

- (1) Total rooms available and occupied;
- (2) Total rents received;
- (3)

Total rents received that are not subject to the combined transient lodging tax and documentation to support such exemptions, maintained in the manner specified in subsections (c) and (d) of this section;

- (4) Guest folios or registration cards, including at a minimum, the occupant's name, room number, dates of occupancy, rent, and combined transient lodging tax collected;
 - (5) Total combined transient lodging tax collected as imposed by this chapter;
 - (6) The number and dollar value of nonrevenue or complimentary rooms; and
 - (7) The number of rooms included in package or promotional offerings, the total dollar value of the package, the total dollar value allocated to room charges, and the total dollar value allocated to package components other than room charges.
- (b) In addition to the exemption requirements set forth in subsections (c) and (d) of this section, acceptable methods of maintaining the above required information include guest folios or registration cards, daily transaction reports, general ledgers, cash journals, and similarly accepted books of accounting maintained by a reasonable business person. In addition, operators will be required to provide copies of bank statements, financial statements (audited, if available) prepared by their independent accountant, tax returns and similar documents that can be used to support rents and exemptions.
- (c) Records of exemptions claimed shall be summarized by operators in monthly reports that include the total amount of rent exempted from the combined transient lodging tax. The report shall include, at a minimum, the following information for each exempt guest:
- (1) Guest name;
 - (2) Room number;
 - (3) Folio and/or registration number;
 - (4) Exempt rent claimed for the guest for the month;
 - (5) Nature of the exemption; and
 - (6) Method of payment used by the guest.
- (d) The operator shall be required to provide documents supporting the validity of each exemption claimed. Such documentation may include, but is not limited to, the following:
- (1) Copy of guest folio, containing daily information, that establishes the guest's continued right of occupancy in a sleeping room/space in the same transient lodging establishment for thirty-one consecutive days or more;
 - (2) Credit card settlement statement or receipt containing information that establishes that the payment was made directly by one of the exempt organizations set forth in Section 4.08.050(c);
 - (3) Copy of check, wire, direct deposit, or similar documentation establishing that payment was received by the operator directly from one of the exempt organizations set forth in Section 4.08.050(c); and/or
 - (4) Documents validating the foreign diplomat status of guest.
- (e) Each and every operator shall make their room rental records available during business hours for inspection by the director or his or her representatives which the director may designate for the collection of the combined transient lodging tax imposed by this chapter.
- (f) For the purpose of proper administration of this chapter, unless the operator can provide evidence to the department that specified receipts should not be subject to the combined transient lodging tax, all gross receipts, as defined in Section 4.08.005, are subject to the combined transient lodging tax.
- (g)

In the event the operator is unable to provide adequate records of gross receipts, as set forth in subsection (a) and (b) of this section, the department shall make its best efforts from any information within its possession or that may come into its possession to determine a reasonable estimate of the gross receipts collected by the transient lodging establishment during the period for which the records are inadequate or incomplete. Failure to provide adequate records may also result in the assessment of additional penalties by the department, as appropriate, as set forth in Sections 4.08.090 and 4.08.095.

(Ord. 3656 § 20, 2008: Ord. 2303 § 2 (part), 1999)

4.08.090 - Penalty for audit deficiency resulting from negligence.

If, during an audit, it is determined that additional combined transient lodging tax is due in any license period as a result of negligence, a penalty in the amount of ten percent of the audited combined transient lodging tax due for that period may be assessed by the auditor and included in the audit bill.

(Ord. 3656 § 21, 2008)

4.08.095 - Penalty for audit deficiency resulting from fraud or intentional evasion.

If, during an audit, it is determined that additional combined transient lodging tax is due in any license period as a result of licensee fraud or an intent to evade the payment of tax, a penalty in the amount of twenty-five percent of the audited combined transient lodging tax due for that period shall be assessed by the auditor and included in the audit bill.

(Ord. 3656 § 22, 2008)

4.08.100 - Notice to public.

Each operator shall display in a conspicuous place a sign that provides notice to occupants as to the combined transient lodging tax imposed by this chapter.

(Ord. 3656 § 23, 2008: Ord. 2303 § 2 (part), 1999)

4.08.105 - Enforcement.

The director, with the consent and approval of the board, is charged with the enforcement of the provisions of this chapter and is authorized and empowered to prescribe, adopt and enforce rules and regulations relating to the administration and enforcement thereof. The director may, with the consent and approval of the board, employ such accountants, auditors, investigators, assistants, clerks and other employees as may be deemed necessary for the efficient administration of this chapter, and the board shall fix their compensation and provide for their necessary expenses. Funds for the administration of this chapter may be deducted from the proceeds of the convention and visitors authority transient lodging tax set forth at Section 4.08.015, herein fixed and imposed in an amount not to exceed ten percent of the gross revenues so collected.

(Ord. 3656 § 24, 2008: Ord. 2303 § 2 (part), 1999)

4.08.110 - Penalty for violation.

(a) Except as otherwise specified, every operator violating any of the provisions of this chapter shall be guilty of a misdemeanor and shall be punished by a fine of not more than one thousand dollars or imprisonment of not more than six months in the county jail, or by both such fine and imprisonment. A separate offense shall be deemed committed on each day during or on which a violation occurs.

(b) In addition to the penalties above-named, any operator violating any of the provisions of this chapter shall be subject to having his or her transient lodging establishment license to do business in the county revoked.

(Ord. 3656 § 25, 2008: Ord. 2303 § 2 (part), 1999)

4.08.115 - Tax collection on sale of business.

- (a) Upon the sale of any transient lodging establishment, all combined transient lodging tax, and related fees, interest, and penalties owed by the seller shall be paid to the department of business license.
- (b) In order to establish the combined transient lodging tax obligation, upon sale of a transient lodging establishment, the seller or purchaser of a transient lodging establishment may request that the department provide a written statement of any combined transient lodging tax, fees, interest, and penalties due from the seller. The department shall provide such statement within thirty days after receiving the request or within thirty days after the records of the transient lodging establishment are made available to the department, whichever is later. In any event, the department shall issue its written statement no later than sixty days after the date it received the request, using the best information available at that time.
- (c) The purchaser or the purchaser's assignee, at closing, shall withhold, in an escrow account, an amount from the purchase price sufficient to pay the combined transient lodging tax due, as well as all related fees, interest, and penalties unless or until the seller provides written documentation from the department stating that the combined transient lodging tax has been paid and that no amount is due.
- (d) In the event the seller fails to pay the amount due to the department within sixty days after sale of the transient lodging establishment, the combined transient lodging tax and any related fees, interest, and penalties owed by the seller shall be paid from the funds withheld by the purchaser in escrow.
- (e) The purchaser of a transient lodging establishment who does not withhold from the purchase price an amount sufficient to satisfy the seller's combined transient lodging tax obligation, as required in subsection (c), shall be liable for any unpaid portion of the seller's combined transient lodging tax and all related fees, interest and penalties.
- (f) If the department fails to provide a written statement within the period set forth in subsection (b), the purchaser shall be relieved of all liability for the combined transient lodging tax, and all related fees, interest, and penalties, due from the seller.
- (g) Failure to pay the outstanding combined transient lodging tax, as well as all related fees, interest, and penalties, pursuant to this section shall subject the amount due to the provisions of Section 4.08.060 of this code.
- (h) The period of limitation during which the department may assess taxes fees, interest, and penalties against the purchaser under this section is three years from the date the transient lodging establishment is sold or from the date the written statement is issued by the department. whichever event occurs later.

(Ord. 3656 § 26, 2008)

4.08.120 - Schedule of state education transient lodging tax.

(a) The effect, as of July 1, 2009, of the transient lodging tax imposed by Section 4.08.031 of this Chapter on the combined transient lodging tax rates for transient lodging establishments located within Clark County, including the incorporated cities, shall be as follows:

	Current Combined Transient Lodging Tax	State Education Transient Lodging Tax	New Combined Transient Lodging Tax (Effective

			July 1, 2009)
UNINCORPORATED			
CLARK COUNTY			
Resort Hotel	9%	3%	12%
Other transient lodging establishment within 35 miles of the LVCC	9%	3%	12%
Other transient lodging establishment more than 35 miles from the LVCC	7%	3%	10%
BOULDER CITY			
Transient lodging establishments with 100 rooms or more	9%	3%	12%
Transient lodging establishments with less than 100 rooms	7%	3%	10%
HENDERSON			
Resort Hotel	10%	3%	13%
Transient lodging establishments other than resort hotels	9%	3%	12%
LAS VEGAS			
Transient lodging establishments in Area A	11%	2%	13%
Transient lodging establishments in Area B	10%	3%	13%
Transient lodging establishments outside improvement district	9%	3%	12%
MESQUITE			
Resort Hotel	9%	3%	12%

Motels, hotels, apartments, timeshare projects, apartment hotels and hotels other than resort hotels	9%	3%	12%
Vacation trailer parks	9%	3%	12%
NORTH LAS VEGAS			
Resort Hotel	9%	3%	12%
Transient lodging establishments other than resort hotels	9%	3%	12%

The Current Combined Transient Lodging Tax rates stated above were in effect on July 31, 2008. The New Combined Transient Lodging Tax rates stated above are effective as of July 1, 2009, as stated in the applicable sections of the Clark County Code and the Municipal Codes of the Cities of Boulder City, Henderson, Las Vegas, Mesquite and North Las Vegas and may be subject to change by the applicable jurisdictions. However, the tax rates cannot exceed the limits set forth in Initiative Petition 1. The terms "Area A1", "Area B" and "improvement district" are as defined in the City of Las Vegas Municipal Code.

(Ord. No. 3774, § 6, 6-2-2009)

4.08.125 - Schedule of state education transient lodging late payment charges.

(a) The following schedule shows the applicable administrative fee, penalty and interest charge for delinquent payments of the transient lodging tax imposed by Section 4.08.031 of this chapter for each governmental entity in Clark County, as of July 1, 2009:

	Unincorporated Clark County	Boulder City	Henderson	Las Vegas	Mesquite	North Las Vegas
Maximum number of days after calendar month before late charges are assessed	<u>15</u>	10	<u>15</u>	<u>15</u>	10	<u>15</u>
Penalty or Administrative Fee	11%	10%	10%	10%	10%	10%

Interest on amount due, per month or fraction thereof	1.5%	1%	1.5%	1.5%	1%	1%
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- (b) The late payment charges stated above are effective as of July 1, 2009, as stated in the applicable sections of the Clark County Code and the Municipal Codes of the Cities of Boulder City, Henderson, Las Vegas, Mesquite and North Las Vegas and may be subject to change by the applicable jurisdictions. However, the late charges cannot exceed the limits set forth in Initiative Petition 1.

(Ord. No. 3774, § 7, 6-2-2009)

CHAPTER 4.20 - CONVENTION AUTHORITY ROOM TAX AND GAMING TAX

4.20.010 - Purpose.

- (A) The taxes imposed by Sections 4.20.030 and 4.20.080 are for the purpose of constructing and supporting convention halls and related facilities by the Las Vegas Convention and Visitors Authority for the benefit of the City and its residents and for the fulfillment of statutory requirements of NRS 244A.645 and any agreements of the City with the Las Vegas Convention and Visitors Authority and other government entities in Clark County, Nevada, in pursuance thereof concerning the pledge or commitment of these taxes.
- (B) The taxes imposed by Section 4.20.035 are for the purposes of supporting the State fund for the promotion of tourism; advertising the resources of the City which are related to tourism, including available accommodations, transportation, entertainment, natural resources and climate, and to promote special events which are related thereto; and supporting capital projects of the Clark County School District.
- (C) The taxes imposed by Section 4.20.037 are for the purposes of providing funds for:
- (1) Constructing, acquiring, improving, operating or maintaining urban projects, or any combination thereof, including, without limitation, recreational facilities and other projects designed to encourage tourism or to improve the aesthetic environment of the central business area located within the boundaries of the district described in Appendix A of this Chapter;
 - (2) Paying the principal and interest on notes, bonds or other obligations issued by the City to fund such projects; or
 - (3) Any combination of those uses.

(Ord. 5010 § 1, 1997: Ord. 3722 § 2, 1993: Ord. 3052 § 2, 1983: Ord. 2247 § 2 (part), 1981: prior code § 5-2-1)

4.20.020 - Operator defined.

"Operator" means any person who owns, leases, controls, manages operates an establishment that rents or holds out for rent guestrooms on a daily or less-than-weekly basis.

(Ord. 2247 § 2 (part), 1981: prior code § 5-2-2)

4.20.030 - Room tax—Imposed.

There is fixed and imposed a tax on the room revenue derived by each hotel, motel, or other establishment which offers rooms to the public on a daily basis or for periods of less than a week which are located within the City, per the following schedule:

- (A) Five percent of all moneys received from room rentals by establishments have seventy-five or more rooms;
- (B) Four percent of all moneys received from room rentals by all establishments having less than seventy-five rooms.

(Ord. 2247 § 2 (part), 1981: prior code § 5-2-3 (part)(A, B))

4.20.035 - Room tax—Supplemental tax imposed.

There is fixed and imposed a supplemental tax on all room revenues derived by each hotel, motel or other establishment located within the City which offers rooms to the public on a daily basis or for periods of less than one week in the amount of two percent of all moneys received from room rentals by that establishment.

(Ord. 5010 § 2, 1997; Ord. 3052 § 1, 1983)

4.20.037 - Room tax—Improvement district.

Pursuant to Chapter 144, 1993 Nevada Session Law, there is created a district to defray the cost of improving the central business area of the City. The boundaries of the district are set forth in Appendix A of this chapter as Area A. The area contained within the boundaries of the district which has been determined to receive less benefits from the Project is described in Appendix B of this chapter as Subarea B. There is fixed and imposed a tax on the room revenue derived by each hotel, motel, or other establishment which offers room to the public on a daily basis or for periods of less than a week and which has seventy-five or more rooms which are located within Area A per the following schedule:

- (A) Two percent of all moneys received from room rentals by all establishments located in Area A, with the exception of those establishments located in Subarea B which will be taxed in accordance with subsection (B) of this Section;
- (B) One percent of all moneys received from room rentals by establishments located in Subarea B.

(Ord. 3722 § 3, 1993)

4.20.040 - Room tax—Resident guests.

Occupants renting rooms in such establishments as are contemplated in Sections 4.20.030, 4.20.035 and 4.20.037 shall pay the tax for the first thirty days of continuous occupancy regardless of the period upon which the rental is based. After thirty days' continuous occupancy of a particular room in an establishment covered by Sections 4.20.030, 4.20.035 and 4.20.037, the occupant shall be considered a resident guest and not subject to the payment of room tax.

(Ord. 3722 § 4, 1993; Ord. 3052 § 3, 1983; Ord. 2247 § 2 (part), 1981; prior code § 5-2-3(C))

4.20.050 - Room tax—Additional nature.

The taxes fixed by Sections 4.20.030, 4.20.035 and 4.20.037 are in addition to those imposed by Chapter 6.46.

(Ord. 3722 § 5, 1993; Ord. 3052 § 4, 1983; Ord. 2247 § 2 (part), 1981; prior code § 5-2-3(D))

4.20.060 - Room tax—Collection fee.

A collection fee is allowed for operators of establishments referred to in Sections 4.20.030, 4.20.035 and 4.20.037, in an amount equal to two percent of the amount of the tax collected, providing that all the taxes due the City are paid to the Department on or before the fifteenth day of the month following the month for which the tax is due. No collection fee is allowed for payments made after that date.

(Ord. 3722 § 6, 1993; Ord. 3052 § 5, 1983; Ord. 2247 § 2 (part), 1981; prior code § 5-2-3(E))

4.20.070 - Room tax—Payment.

The room tax imposed by Sections 4.20.030, 4.20.035 and 4.20.037, shall be collected by the operator from the paying guests and shown as an add-on to the charge for occupancy of the rooms. The operator is liable to the City for such taxes whether or not they are actually collected from the paying guest. Such taxes shall be paid to the Department by the licensee on or before the fifteenth day of the month following the month in which the taxes accrued and shall be deemed delinquent if not paid on or before such date.

(Ord. 3722 § 7, 1993; Ord. 3052 § 6, 1983; Ord. 2247 § 2 (part), 1981; prior code § 5-2-6)

4.20.080 - Gaming tax—Imposed.

There are hereby fixed and imposed license taxes on gaming revenues to be paid by all gaming licensees within the City, in addition to any license taxes that may be fixed or imposed elsewhere in this Code, according to the following schedule:

- (A) Licensees having six or more games: twelve dollars per game per quarter;
- (B) Licensees having two to five and one-half games: seven dollars and fifty cents per game, per quarter;
- (C) Licensees having less than two games: three dollars per game, per quarter;
(In determining the number of games, craps, roulette, twenty-one, bingo games, race and sports books and wire betting service, each shall be considered a full game. All other games shall be considered one-half game each at one-half of the game charge.)
- (D) Slot machines, if more than twelve within one establishment: seventy-five cents for each slot machine, per quarter;
- (E) Slot machines, if twelve or less in one establishment: twenty-five cents for each slot machine, per quarter.

(Ord. 2247 § 2 (part), 1981; prior code § 5-24)

4.20.090 - Gaming tax—Payment.

The gaming taxes imposed in Section 4.20.080 shall be paid semiannually in advance for the succeeding semiannual period, such amount being due on the fifteenth day of April for the first semiannual period, and again on the fifteenth day of October for the second semiannual period. All taxes not paid by these dates shall be deemed delinquent. Such taxes shall be paid to the Department. In the event a business begins operations during a semiannual period and such operations begin within three months prior to the date of the next gaming tax payment, the licensee of the business shall pay a prorated gaming tax equivalent to a three-month period of time.

(Ord. No. 6288, § 1, 11-20-13; Ord. 2247 § 2 (part), 1981; prior code § 5-2-5)

4.20.100 - Late-payment penalty, interest.

Any licensee or operator failing to pay the taxes imposed by Sections 4.20.030, 4.20.035, 4.20.037 and 4.20.080 by the due dates provided by this Chapter shall pay in addition to such tax, a penalty of ten percent of the amount thereof, plus interest on the amount of such delinquency at the rate of one and one-half percent per month, or fraction thereof, from the date when such tax became due and payable until the date of payment.

(Ord. 5010 § 3, 1997: Ord. 3722 § 8, 1993: Ord. 3161 § 1, 1985: Ord. 2247 § 2 (part), 1981: prior code § 5-2-7)

4.20.110 - Delinquency collection.

- (A) Whenever any licensee or operator shall be delinquent in the payment of any obligation imposed by this Chapter, the Director may transmit notice of such delinquency to the City Attorney, who shall at once proceed to collect all sums due the City by appropriate legal action. In any suit brought to enforce the rights of the City hereunder a verified affidavit by the Director showing the delinquency and the amount due shall be prima facie evidence of the amount of such delinquency and of compliance by said City with all the provisions of this Chapter relating to such obligation. In such action a writ of attachment may be issued as provided by law.
- (B) The foregoing remedies of the City shall be cumulative, and no action taken by said City nor any of its officers, shall be construed to be an election on the part of the City, or any of the officers thereof, to pursue any remedy to the exclusion of any other remedy which is provided by law for the collection of delinquent taxes or of a debt.

(Ord. 2247 § 2 (part), 1981: prior code § 5-2-8)

4.20.120 - Enforcement personnel.

The Director is charged with the enforcement of the provisions of this Chapter and may employ such accountants, auditors, investigators, assistants and clerks as he may deem necessary for the efficient administration of this Chapter.

(Ord. 2247 § 2 (part), 1981: prior code § 5-2-9)

4.20.130 - Records of City.

The Director shall cause to be kept proper records of all license taxes herein fixed and imposed which become due and which are collected, including, without limiting the generality of the foregoing, records of delinquent taxes, interest thereon and penalties therefrom, which records shall be deemed confidential and shall not be revealed in whole or in part to anyone except in the necessary administration of this Chapter or as otherwise provided by law.

(Ord. 2247 § 2 (part), 1981: prior code § 5-2-10)

4.20.140 - Records of room operators.

It shall be unlawful for any licensee or operator required to collect the room tax imposed by Section 4.20.030, 4.20.035 or 4.20.037 to fail to maintain adequate room records or to fail to make adequate records available, within seventy-two hours of written notice, to the Director or to any other person designated by him for the purpose of conducting an audit. These records must be made available within the City of Las Vegas during normal business hours. Adequate room records shall mean the following: Journal, daily cash summary, registration cards, and folio for the three-year period preceding the date of audit.

(Ord. 3722 § 9, 1993: Ord. 2247 § 2 (part), 1981: prior code § 5-2-11)

4.20.150 - Advertising tax that is absorbed—Failure to collect or remit.

No person shall advertise that the room tax imposed by Section 4.20.030, 4.20.035 or 4.20.037 will be absorbed by the establishment. It is unlawful for any licensee or any person acting for the operator to fail to collect the room tax from paying occupants and it is unlawful for any operator to fail to remit the tax to

the City.

(Ord. 3722 § 10, 1993: Ord. 2247 § 2 (part), 1981: prior code § 5-2-12)

4.20.160 - Transmittal of revenues.

The Director of the Department of Finance and Business Services of the City shall, within twenty days from the close of the preceding calendar month, transmit:

- (A) The total amount received pursuant to Sections 4.20.030 and 4.20.080 to the Las Vegas Convention and Visitors Authority to be used for the purposes set forth in subsection (A) of Section 4.20.010;
- (B) Three-eighths of the first one percent received pursuant to Section 4.20.035 to the Nevada Department of Taxation for deposit with the State Treasurer for credit to the fund for the promotion of tourism;
- (C) Five-eighths of the first one percent received pursuant to Section 4.20.035 to the Las Vegas Convention and Visitors Authority to be used for the purposes set forth in subsection (B) of Section 4.20.010;
- (D) The remaining proceeds received pursuant to Section 4.20.035 to the Clark County Treasurer for deposit in the Clark County School District's fund for capital projects; and
- (E) The total amount received pursuant to Section 4.20.037 to the treasury of the City to be used as provided in Section 4.20.010(C), as directed by the City Council.

(Ord. 5010 § 4, 1997: Ord. 3722 § 11, 1993: Ord. 3052 § 7, 1983: Ord. 2447 § 2 (part), 1981: prior code § 5-1-13)

Appendix A — District Boundaries (Area "A")

Appendix A District Boundaries (Area "A") Those portions of the South Half (S ½) of Section 27 and the North Half (N ½) of Section 34, Township 20 South, Range 61 East, M.D.M., in the City of Las Vegas, County of Clark, State of Nevada, described as follows:

Block 3 of BUCKS SUBDIVISION as shown on the plat thereof on file in Book 1 of Plats, Page 15 of Clark County, Nevada Records.

Blocks 1 through 4, 13 through 20 and 29 through 36 of CLARK'S LAS VEGAS TOWNSITE as shown on the plat thereof on file in Book 1 of Plats, Page 37 of Clark County, Nevada Records.

The vacated portion of CARSON AVENUE (80 feet wide) lying between Blocks 13 and 14 of CLARK'S LAS VEGAS TOWNSITE as shown on the plat thereof on file in Book 1 of Plats, Page 37 of Clark County, Nevada Records.

Blocks 2, 3, 6 and 7 of HAWKINS ADDITION as shown on the plat thereof on file in Book 1 of Plats, Page 40 of Clark County, Nevada Records.

That portion of the South Half (S ½) of Section 27 and the North Half (N ½) of Section 34, Township 20 South, Range 61 East, M.D.M., in the City of Las Vegas, County of Clark, State of Nevada, bounded as follows:

Bounded on the North by the Southerly line of PARCEL NO. 420 G as vested in the STATE OF NEVADA by that certain FINAL ORDER OF CONDEMNATION recorded September 11, 1968 as Document No. 721652 of Clark County, Nevada Records, said Southerly line being a portion of the Southerly Right-of-Way line of the DOWNTOWN EXPRESSWAY; bounded on the South by the Northwesterly prolongation of the centerline of BRIDGER AVENUE (80 feet wide) as shown on the plat of CLARK'S LAS VEGAS TOWNSITE on file in Book 1 of Plats, Page 37 of Clark County, Nevada Records; bounded on the East by the Northwesterly Right-of-Way line of MAIN STREET (width varies); and bounded on the West by the Southeasterly Right-of-Way line of the UNION PACIFIC RAILROAD MAIN LINE.

(Ord. 3722 § 12, 1993)

Appendix B — Area in District Subject to One Percent Room Tax (Subarea "B")

Appendix B Area in District Subject to One Percent Room Tax (Subarea "B") Those portions of the South Half (S½) of Section 27 and the North Half (N½) of Section 34, Township 20 South, Range 61 East, M.D.M., in the City of Las Vegas, County of Clark, State of Nevada, described as follows:

Block 3 of BUCKS SUBDIVISION as shown on the plat thereof on file in Book 1 of Plats, Page 15 of Clark County, Nevada Records.

Blocks 1, 4, 16, 17, 20, 29, 32, 33 and 36 of CLARK'S LAS VEGAS TOWNSITE as shown on the plat thereof on file in Book 1 of Plats, Page 37 of Clark County, Nevada Records.

Blocks 2, 3, 6 and 7 of HAWKINS ADDITION as shown on the plat thereof on file in Book 1 of Plats, Page 40 of Clark County, Nevada Records.

That portion of the South Half (S½) of Section 27 and the North Half (N½) of Section 34, Township 20 South, Range 61 East, M.D.M., in the City of Las Vegas, County of Clark, State of Nevada, bounded as follows:

Bounded on the North by the Southerly line of PARCEL NO. 420 G as vested in the STATE OF NEVADA by that certain FINAL ORDER OF CONDEMNATION recorded September 11, 1968 as Document No. 721652 of Clark County, Nevada Records, said Southerly line being a portion of the Southerly Right-of-Way line of the DOWNTOWN EXPRESSWAY; bounded on the South by the Northwesterly prolongation of the centerline of OGDEN AVENUE (80 feet wide) as shown on the plat of CLARK'S LAS VEGAS TOWNSITE on file in Book 1 of Plats, Page 37 of Clark County, Nevada Records; bounded on the East by the Northwesterly Right-of-Way line of MAIN STREET (width varies); and bounded on the West by the Southeasterly Right-of-Way line of the UNION PACIFIC RAILROAD MAIN LINE.

That portion of the North Half (N½) of Section 34, Township 20 South, Range 61 East, M.D.M., in the City of Las Vegas, County of Clark, State of Nevada, bounded as follows:

Bounded on the North by the Northwesterly prolongation of the centerline of CARSON AVENUE (80 feet wide) as shown on the plat of CLARK'S LAS VEGAS TOWNSITE on file in Book 1 of Plats, Page 37 of Clark County, Nevada Records; bounded on the South by the Northwesterly prolongation of the centerline of BRIDGER AVENUE (80 feet wide) as shown on said plat of CLARK'S LAS VEGAS TOWNSITE; bounded on the East by the Northwesterly Right-of-Way line of MAIN STREET (width varies); and bounded on the West by the Southeasterly Right-of-Way line of the UNION PACIFIC RAILROAD MAIN LINE.

(Ord. 3722 § 12, 1993)

Chapter 5.22 - HOTEL AND GAMING TAX

Sections:

5.22.010 - License tax for hotels and motels.

There are fixed and imposed license taxes for revenues, commencing on the first day of April, 1957, on the operators of hotels and motels within the city, in addition to license tax heretofore fixed and imposed, as follows:

- A. Nine percent of all monies received from room rentals by resort hotels. For the purpose of this chapter, a resort hotel is defined as an establishment renting one hundred (100) rooms, or more, to temporary or transient guests, and having a gambling casino containing not less than three games. All other hotels shall be deemed to be commercial as distinguished from resort hotels. It shall be immaterial as to whether or not the rooms and the casino are separately operated and/or owned. If the said rooms and casino are maintained upon the said premises, whether separately owned and operated or not, the combination of rooms and casino shall be deemed to be one establishment and the nine percent rate shall apply.

The above monies shall be distributed as follows:

Convention Authority	5.625%
City of North Las Vegas	1.000%
Regional Transportation Comm.	1.000%
State of Nevada	.375%
Clark County School District	1.000%
Total	9.000%

- B. Nine percent of all room rentals received by all hotels other than resort hotels, and by all motels and by apartment motels advertising and accepting less than weekly rentals. Said tax on apartment hotels to be limited to the rentals received on the less-than-weekly basis. In order to establish permanency of occupancy for all hotels, other than resort hotels, and all motels, one calendar month or thirty (30) days of continuous occupancy or rental shall constitute such permanency. Occupants of such room rentals would be considered a resident guest and not subject to the payment of the room tax from and after thirty (30) days continuous residence.

The above monies shall be distributed as follows:

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Convention Authority	4.625%
City of North Las Vegas	2.000%
Regional Transportation Comm.	1.000%
State of Nevada	.375%
Clark County School District	1.000%
Total	9.000%

(Ord. 1235 § 1, 1997; Ord. 943 § 2, 1989; prior code § 3.76.010)

5.22.020 - License tax for gaming.

There are fixed and imposed license taxes for revenues, commencing on the first day of April, 1957, on the operators of gaming within the city in addition to license taxes heretofore and hereafter fixed and imposed, computed according to the following schedule:

Casinos in North Las Vegas

Schedule of Charges

Casinos having six or more games:

Per game per semi-annual period\$80.00

Casinos having two to five and one-half games:

Per game per semi-annual period50.00

Casinos having less than two games:

Per game per semi-annual period20.00

(In determining the number of games, craps, roulette, black jack, bingo games, race and sports books and wire betting service, each shall be considered a full game. All other games shall be considered one-half game each at one-half of the game charge.)

Slot machines, if more than twelve (12) within one establishment:

Each slot machine per semi-annual period5.00

Slot machines, if twelve (12) or less in one establishment:

Each slot machine per semi-annual period2.00

(Prior code § 3.76.020)

5.22.030 - Taxes payable semi-annually and monthly.

- A. **Payment Dates.** One-half of the accounts designated as license taxes hereinbefore fixed and imposed for a semi-annual period in Section 5.22.020 of this chapter shall be paid by operators of the businesses so designated in advance for the immediately preceding quarter or fraction thereof, such amount being due and payable on or before the fifteenth day of April, 1957, for said period from the first day of April, 1957, to and including the thirtieth day of June, 1957, for which such license taxes accrue. Thereafter, the entire amount of the taxes hereinabove fixed and imposed in Section 5.22.020 of this chapter shall be paid in advance by operators of the business designated semi-annually, said payments to be due and payable in advance by operators of the businesses designated on or before the last day of June and the last day of December of each year. License taxes paid pursuant to this section prior to the effective date of the ordinance codified in this section shall be prorated on a monthly basis, with credit given towards the revised semi-annual period for that number of complete months remaining in the paid portion of a previous semi-annual period. There shall be no proration of the license taxes for licenses issued after the effective date of the ordinance codified in this section.
- B. **Monthly Payments.** The license taxes hereinabove fixed and imposed in Section 5.22.010 of this chapter shall be payable monthly, such amounts being due and payable after each calendar month and on or before the fifteenth day of each ensuing month.
- C. **Place of Payment.** Such taxes shall be paid to the treasurer of the city at city hall, or to such other person as may be hereafter designated by the city council.

(Ord. 571 § 11, 1977; prior code § 3.76.030)

5.22.040 - Charge on delinquent payment.

Any operator of any of the businesses designated herein failing to pay such license tax within the time prescribed by this chapter shall pay in addition to such tax a penalty of ten (10) percent of the amount thereof, plus interest on the amount of such tax at the rate of one percent per month, or fraction thereof, from the fifteenth of the month in which such tax became due and payable until the date of payment.

(Prior code § 3.76.040)

5.22.050 - Collection of delinquent tax.

Whenever any operator shall be delinquent in the payment of any obligation imposed hereunder, said treasurer or such other person as may be designated by the city council may transmit notice of such delinquency to the city attorney, who shall at once proceed to collect all sums due the city from such operator or operators by appropriate legal action. In any suit brought to enforce the rights of the city hereunder a verified claim by the treasurer of said city or other person designated by the city council showing the delinquency and the amount due shall be prima facie evidence of the amount of such obligation, of such delinquency and of compliance by said city with all the provisions of this chapter relating to such obligation. In such action a writ of attachment may issue.

(Prior code § 3.76.050)

5.22.060 - Remedies cumulative.

The foregoing remedies of the city shall be cumulative, and no action taken by said city nor any of the officers shall be construed to be an election on the part of the city, or any of the officers thereof, to pursue any remedy hereunder or otherwise to the exclusion of any other remedy for which provision is made in this chapter or otherwise.

(Prior code § 3.76.060)

5.22.070 - Enforcement—Administration.

The city treasurer or such other person as may be designated by the city council is charged with the enforcement of the provisions of this chapter and is hereby authorized and empowered to prescribe, adopt and enforce rules and regulations relating to the administration and enforcement hereof. Said treasurer or such other person designated by the city council may employ such accountant, auditors, investigators, assistants and clerks as it may deem necessary for the efficient administration of this chapter, and may fix their compensation and provide for their necessary expenses. Funds for the administration of this chapter may be deducted from the proceeds of the license taxes herein fixed and imposed in an amount not to exceed ten (10) percent of the gross revenues so collected.

(Prior code § 3.76.070)

5.22.080 - Records.

Said treasurer or such other person designated by the city council shall cause to be kept proper records of all license taxes herein fixed and imposed which become due and which are collected, including, without limiting the generality of the foregoing, records of delinquent taxes, interest thereon and penalties therefrom, which records shall be deemed confidential and shall not be revealed in whole or in part to anyone except in the necessary administration of this chapter or as otherwise provided by law.

(Prior code § 3.76.080)

5.22.090 - Investigation.

Said treasurer or such other person designated by the city council or his duly authorized agents are hereby empowered to examine the books, papers, and records of any operator of the occupations or businesses herein designated and to investigate the amount of room rentals collected and the number of games operated.

(Prior code § 3.76.090)

5.22.100 - Proceeds assigned to county.

Exclusive of the reasonable and actual costs of administration provided for by Section 5.22.070, in an amount for any collection period not to exceed ten (10) percent of the gross revenues therein collected, the proceeds derived from the taxes levied and collected by the city pursuant to Sections 5.22.010 through 5.22.090 are hereby assigned to the county of Clark, acting by and through the recreation board, and made available for a pledge as additional security for the payment of the Clark County, Nevada, general obligation public building and recreation refunding bonds, series July 15, 1963, in the principal amount of four million seven hundred ninety thousand dollars (\$4,790,000.00), and of any obligations refunding them, and available for administration and expenditure in accordance with said resolution and as provided by law.

(Prior code § 3.76.100)

5.22.110 - City to effect tax collection—Recreation board authorized to collect proceeds.

The city shall duly effect the collections of the tax proceeds hereby assigned and their transmittal to representatives of the recreation board authorized to receive the same as from time to time designated by it. For the purpose of supplementing such obligations imposed on the city and its officials and of effecting the performance of such obligations, the recreation board be, and it hereby is, authorized and

empowered to collect the proceeds of the city license taxes assigned by this chapter, and to receive, control, invest and order the lawful expenditure of funds pertaining thereto, and to enforce by all appropriate and lawful means the provisions of this chapter.

(Prior code § 3.76.110)

5.22.120 - Recreation board rules.

The recreation board is authorized and empowered to prescribe, adopt and enforce rules and regulations relating to the administration and enforcement of this chapter.

(Prior code § 3.76.120)

5.22.130 - Agents to examine records.

The duly authorized agents of the recreation board are empowered to examine and audit the books, papers and records of the city and of any licensee or person operating a business and subject to the payment of the city license taxes and to make investigations in connection therewith.

(Prior code § 3.76.130)

5.22.140 - Change not to be made—Contracts.

The county and the cities shall each have contracted with the recreation board and with each other that the license taxes fixed, and imposed, and appropriated or assigned thereto for administration, shall not be increased, decreased or otherwise modified, and any ordinance appertaining thereto shall not be modified, without the unanimous consent of the recreation board, the county board and the Boulder city council, the Henderson city council, the Las Vegas board of commissioners, and the North Las Vegas city council, and in no event shall any change be made which shall prejudicially affect any pledge of license taxes as additional security for the payment of bonds issued pursuant to the recreation act or refunding obligations appertaining thereto; provided, however, such contract shall not become effective until the recreation board adopts a resolution reciting that such an ordinance has been adopted by each of the county board and the Boulder city council, the Henderson city council, the Las Vegas board of commissioners, and the North Las Vegas city council, and until a certified copy of the resolution is filed with the clerk of the county board and of each of the cities; such assignments shall be irrevocable until the termination of such contract; and such contract (but not necessarily the assignments) shall terminate upon the redemption in full, principal and interest, of all bonds issued pursuant to the recreation act and all funding obligations appertaining thereto and the payment of which is secured by a pledge of all or any part of the license taxes.

(Prior code § 3.76.140)

5.22.150 - Officers to effectuate provisions.

The officers of the city are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this chapter.

(Prior code § 3.76.150)

Chapter 4.48 - TRANSIENT LODGING AND GAMING TAXES

Sections:

4.48.010 - Definitions.

Attrition means the use or occupancy of less than an agreed upon number of sleeping rooms/spaces by a group of persons.

Occupancy means the use or possession, or the right to the use or possession of any sleeping room/space or portion thereof, in transient lodging for dwelling, lodging, or sleeping purposes.

Occupant means any person who, for rent, uses, possesses or has the right to possess any sleeping room/space in transient lodging.

Operator means the gaming licensee or the person who is the proprietor of transient lodging, whether in the capacity of owner, lessee, sub lessee, mortgagee, licensee, or any other capacity. Where the operator performs his or her functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an operator for the purposes of this chapter and shall have the same duties, responsibilities, and liabilities as his or her principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall be considered to be compliance by both.

Package means any aggregation of rights to room(s), food, refreshments, merchandise, entertainment, services, and/or other items grouped as a single unit and sold for a single price.

Permanent resident means any individual occupant who has or shall have the right of occupancy for the same sleeping room/space in transient lodging for 31 consecutive days or more.

Person means an individual human being.

Rent means the amount charged for a sleeping room/space in transient lodging valued in money, barter or trade, but does not include the amount charged for any food or beverage service or for personal services rendered to the occupant, such as but not limited to concierge services, clothes cleaning services, massage, or physician services.

Resort hotel shall have the same meaning as in chapter 4.32.

Significant delinquency means an operator failed to pay the transient lodging tax imposed by this chapter by the close of business on the first day of the month subsequent to the month that the payment was initially due.

Total rental revenue means the total of all monies received by operators of transient lodging for the rental of sleeping rooms/spaces, including forfeited deposits, the value associated with the rental of the sleeping room/space when included as part of a package, resort fees, amenity fees, energy fees or surcharges, or any other fees, charges, or surcharges attributable to the rental of the room/space, charges for furnishings or appliances, charges for pets, charges associated with attrition cancellation fees, late

arrival fees, no-show fees, amounts received as reimbursement for use of a sleeping room/space under an incentive program, and any amount received from room brokers, consolidators, discounters, travel agencies, or on-line travel operators or reservation companies, recoveries of rent previously written off as bad debt. Total rental revenue does not include the taxes imposed by this chapter, refunds, discounts, or uncollected rent that is written off as bad debt.

Transient guest means any person who has or shall have the right of occupancy to any sleeping room/space in transient lodging for 30 consecutive days or less.

Transient lodging means any facility, structure, or portion of any structure which is occupied or intended or designed for occupancy primarily by transient guests who pay rent for dwelling, lodging, or sleeping purposes, and includes any hotel, resort hotel, condo hotel, motel, residential hotel or motel, time-share project, vacation trailer park, campground, park for recreational vehicles, and any other similar structure, facility, or portion thereof.

Transient lodging tax is also known as "room tax."

(Ord. No. 3243, § 1, 1-6-2015; Ord. 2734, § 1 (part), 2008)

4.48.020 - Transient lodging taxes to be collected.

The operator is liable to the city for transient lodging taxes whether or not such taxes are actually collected from the paying transient guest. Every operator of transient lodging shall, in addition to all other taxes of every kind now or hereafter imposed by law, pay the following transient lodging taxes, in an amount equal to a percentage specified below of the rent charged by the operator to a transient guest or to a room broker, consolidator, discounter, travel agency, or on-line travel operator or reservation company:

- A. Convention and visitors authority transient lodging tax:
 1. Five percent of total rental revenue received from sleeping room/space rentals to transient guests by resort hotels;
 2. Four percent of total rental revenue received from sleeping room/space rentals to transient guests by all other transient lodging locations; and
- B. City of Henderson transient lodging tax of two percent of total rental revenue received from sleeping room/space rentals to transient guests; and
- C. Tourism and school district fund transient lodging tax of two percent of total rental revenue received from sleeping room/space rentals to transient guests; and
- D. Transportation district transient lodging tax of one percent of total rental revenue received from sleeping room/space rentals to transient guests.
- E. State education transient lodging tax of three percent of total rental revenue received from sleeping room/space rentals to transient guests.

(Ord. No. 3243, § 1, 1-6-2015; Ord. 2734, § 1 (part), 2008)

4.48.030 - Time-share tax calculation.

For time-share projects, the transient lodging taxes imposed by this chapter shall be calculated as follows:

- A.

For transient guests, the applicable percentages as specified in section 4.48.020 of the total rental revenue received from sleeping room/space rent shall apply.

- B. For time-share members, exchange patrons, or other participants other than fee interest owners, the applicable percentages as specified in section 4.48.020 shall be applied to a base sum of \$50.00 per day. The base sum of \$50.00 per day will be adjusted annually on a calendar-year basis to reflect the percentage of change in the Consumer Price Index for All Urban Consumers published by the United States Department of Labor.

(Ord. No. 3243, § 1, 1-6-2015; Ord. 2734, § 1 (part), 2008)

4.48.040 - Transient lodging tax—Exemptions.

No transient lodging tax will be imposed under the provisions of this chapter on:

- A. Rent paid for the use or occupancy of the same sleeping room/space by the same person after the thirtieth consecutive day of occupancy. Such persons are deemed to be permanent residents after the 30th consecutive day of occupancy;
- B. Rent paid directly by the federal government of the United States, the state, a federally-chartered credit union, the American Red Cross, or foreign diplomats properly registered with the State Department of the United States;
- C. Complimentary rooms wherein there is no rent paid to the operator in conjunction with the occupancy;
- D. The cost of or rent paid for a room in transient lodging that is not used for sleeping, such as a meeting or storage room.

(Ord. No. 3243, § 1, 1-6-2015; Ord. 2734, § 1 (part), 2008)

4.48.050 - Discount for prompt payment of convention and visitors authority transient lodging tax.

There shall be allowed a discount of two percent of the amount of the tax being paid for the convention and visitors authority portion only of the total transient lodging tax due. This discount is allowable only if the transient lodging tax is paid on or before the 15th day of the month following the month for which the tax is due and is not allowed thereafter. Payment is deemed to have been made if it is received by the city on or before the time noted above. If the 15th of the month falls on a weekend or holiday, the payment must be received by close of business the first business day thereafter.

(Ord. 2734, § 1 (part), 2008)

4.48.060 - Payments—Transient lodging tax.

Payment of the transient lodging tax imposed by this chapter shall be due from the operator on the first day of each month for the preceding month and become delinquent after the 15th day of the month. If the 15th of the month falls on a weekend or holiday, the payment must be received by close of business the first business day thereafter. These transient lodging taxes are payable to the city and are to be made to the business operations division of the finance department of the city. Whenever any operator quits or otherwise terminates his transient lodging, any amount due under the provisions of this chapter shall be due and payable immediately upon such occasion, rather than as otherwise required by this section. Whenever any operator sells their transient lodging establishment, section 4.48.065 shall apply.

(Ord. No. 3243, § 1, 1-6-2015; Ord. 2734, § 1 (part), 2008)

4.48.062 - Deposit required for significantly delinquent accounts.

- A. If any operator fails to pay the transient lodging tax imposed by this chapter by the close of business on the first day of the month subsequent to the month that the payment was initially due, the payment will be deemed significantly delinquent. If any operator becomes significantly delinquent more than two times in any 12-month period, the operator may be required to provide the city with a cash payment or certified funds within 30 days of such operator becoming significantly delinquent more than twice in one 12-month period. The cash payment or certified funds shall not be less than the value of the transient lodging tax owed by the delinquent operator for the three highest months within the preceding 12-month period.
- B. If any operator becomes significantly delinquent more than two times in any 12-month period, and does not timely remit to the city the funds described in subsection A., the operator's underlying business license shall upon written notice from the division, be automatically suspended and business operations must cease until such time as all outstanding transient lodging taxes and penalties are paid and the required certificate of deposit is filed with the city.
- C. Upon any operator's timely payment of the transient lodging tax for any consecutive 24-month period following correction of significant delinquency status, and payment of the deposit set forth in subsection A., the operator may request a release of the deposit from the city. Administrative fees, not to exceed ten percent of the total amount of the underlying deposit may be assessed and retained by the city against such funds.

(Ord. No. 3243, § 1, 1-6-2015)

4.48.065 - Tax collection on sale of business.

- A. At least 45 days prior to the sale of any transient lodging establishment, the seller must notify the division in writing of the intended sale so the division can confirm that all outstanding transient lodging taxes, and any related fees, interest, and penalties owed by the seller have been paid prior to the closing of escrow with respect to the sale.
 1. No later than ten Henderson business days after receiving written notification of the sale, the division shall provide written notice to the purchaser of the requirements of this chapter.
- B. In the event that all outstanding transient lodging taxes, or any other related fees, interests or penalties have not been paid prior to the closure of the sale, in order to establish the total transient lodging tax obligation, the seller or purchaser of a transient lodging establishment may request that the division provide a written statement of any transient lodging taxes, fees, interest, and penalties due from the seller.

Concurrent with this request, sellers must make available to the division any relevant records supporting their reported combined transient lodging tax liability for at least the past three years (or since the date the establishment was last purchased, if such information is readily available). Failure to provide the required records or providing incomplete records to the division within 15 business days of notification by the division, will result in an estimate of taxes due. Methods to calculate the estimate may include, but are not limited to: average rental revenue from previous documentable periods; room rate analysis; industry standards using similar size and operation of the establishment.

The division shall provide such statement of outstanding transient lodging taxes as set forth herein within 30 business days after receiving the request or within 30 business days after the records of the transient lodging establishment are received by the division, whichever is later. If no records are provided

to the division, the written statement will be created by the division, using the best information available at the time. In any event, the division shall issue its written statement no later than 45 business days after it received the request.

- C. The purchaser or the purchaser's assignee, at closing, shall withhold, in an escrow account, an amount from the purchase price sufficient to pay the transient lodging taxes due, as well as all related fees, interest, and penalties due unless or until the seller provides written documentation from the division stating that the transient lodging tax has been paid and that no amount is due.
- D. In the event the seller fails to pay the amount due to the division within 45 days after sale of the transient lodging establishment, the transient lodging tax and any related fees, interest, and penalties owed by the seller shall be paid from the funds withheld by the purchaser in escrow.
- E. The purchaser of a transient lodging establishment who does not withhold from the purchase price an amount sufficient to satisfy the seller's outstanding transient lodging tax obligation, as required in subsection C., shall be liable for any unpaid portion of the seller's outstanding transient lodging tax and all related fees, interest and penalties.
- F. The period of limitation during which the division may assess taxes, fees, interest, and penalties against the purchaser under this section is five years from the date the transient lodging establishment is sold or from the date the written statement is issued by the division, whichever event occurs later.

(Ord. No. 3243, § 1, 1-6-2015)

4.48.070 - Records to be kept by operator of transient lodging.

- A. Each operator shall maintain for a period of at least four years, daily records and monthly summaries that properly reflect the following minimum information:
 - 1. Total rooms available and occupied;
 - 2. Total rental revenue;
 - 3. Total rental revenue that is not subject to the taxes and documentation to support such exemptions;
 - 4. Guest folios or registration cards, including at a minimum, the occupant's name, room number, dates of occupancy; rent and taxes collected;
 - 5. Total taxes collected as imposed by this chapter;
 - 6. The number and dollar value of nonrevenue or complimentary rooms; and
 - 7. The number of rooms included in package or promotional offerings, the total dollar value of the package, and the total dollar value allocated to room charges.
- B. Acceptable methods of maintaining the above required information include guest folios or registration cards, daily transaction reports, general ledgers, cash journals, and similarly accepted books of accounting maintained by a reasonable business person. In addition, operators may be required to provide copies of bank statements, financial statements (audited, if available) prepared by their independent accountant, tax returns and similar documents that can be used to support rental revenue and exemptions.
- C. The calculation used to determine the cost of any package offered to include the value assigned to each component of the package.
- D. Each and every operator shall make the records noted in this section available during business hours for audit by the director for the collection of the taxes imposed by this chapter.

(Ord. No. 3243, § 1, 1-6-2015; Ord. 2734, § 1 (part), 2008)

4.48.080 - Records to be kept by director—Confidential.

The director will keep proper records of the transient lodging taxes herein fixed and imposed which become due and which are collected, including, without limiting the generality of the foregoing, records of delinquent taxes, interest thereon and penalties therefrom. These records shall be deemed confidential and shall not be revealed in whole or in part to anyone except in the necessary administration of this chapter or as otherwise provided by law.

(Ord. No. 3243, § 1, 1-6-2015; Ord. 2734, § 1 (part), 2008)

Editor's note— Ord. No. 3243, § 1, adopted January 6, 2015, changed the title of section 4.48.080 from "Records to be kept by administrator—Confidential" to "Records to be kept by director—Confidential." The historical notation has been preserved for reference purposes.

4.48.090 - Gaming tax.

There are hereby fixed and imposed license taxes for revenue on gaming licensees within the city, in addition to any license taxes that may be fixed or imposed elsewhere in this Code or by the state or the county, according to the following schedule:

- A. Licensees having six or more games; per game, per quarter—\$40.00;
- B. Licensees having two to 5½ games; per game, per quarter—\$25.00;
- C. Casinos having less than two games: per game, per quarter—\$10.00; (In determining the number of games, craps, roulette, black jack, bingo games, race book, sports pool, and wire betting service each shall be considered a full game. All other games shall be considered one-half game each at one-half of the game charge.)
- D. Slot machines or gaming devices, if more than 12 within one establishment; each slot machine or gaming device, per quarter—\$2.50;
- E. Slot machines or gaming devices, if 12 or less within one establishment; each slot machine or gaming device, per quarter—\$1.00.

(Ord. No. 3243, § 1, 1-6-2015; Ord. 2734, § 1 (part), 2008)

4.48.100 - Gaming tax payment—Initial activation period.

- A. The gaming taxes imposed in section 4.48.090 shall be paid quarterly on a calendar year basis and shall be paid in advance for the succeeding calendar quarter on or before the last day of the preceding calendar quarter.
- B. If the initial activation period of the games and/or slot machines or gaming devices is not at the start of a calendar quarter, the tax shall be collected at the start date and shall be payment only for the remainder of the calendar quarter in which received.

4.48.110 - Late-payment penalty—Interest.

Any operator or licensee failing to pay the taxes imposed by section 4.48.020 and 4.48.090 by the due dates noted in this chapter shall pay, in addition to such tax, a penalty of ten percent of the amount due plus interest on the amount due as follows:

- A. One percent per month or fraction thereof of the amount due for the convention and visitors authority transient lodging tax per subsection 4.48.020(A);

- B. One percent per month or fraction thereof of the amount due for the gaming tax per section 4.48.090;
- C. One and one-half percent per month or fraction thereof of the amounts due for the transient lodging taxes per subsections 4.48.020 B., C., D. and E.;
- D. All interests shall be calculated from the date the taxes became due and payable until the date of collection.

(Ord. No. 3243, § 1, 1-6-2015; Ord. 2734, § 1 (part), 2008)

4.48.120 - Enforcement.

The director is charged with the enforcement of the provisions of this chapter and may employ such accountants, auditors, investigators, assistants and clerks as he or she may deem necessary for the efficient administration of this chapter.

(Ord. No. 3243, § 1, 1-6-2015; Ord. 2734, § 1 (part), 2008)

4.48.125 - Delinquency collection.

- A. Whenever any operator, licensee or other responsible person surpasses 45 days of delinquency in the payment of any obligation imposed by this chapter, the director may transmit notice of such delinquency to the city attorney's office and such office may proceed to collect all sums due to the city by appropriate legal action. In any suit brought to enforce the rights of the city hereunder, a verified affidavit by the director, setting forth the delinquency and amount due shall be prima facie evidence of the amount of such delinquency and of compliance by the city with all provisions of this chapter relating to such obligation. In such action a writ of attachment may be issued as provided by law.
 - 1. The licensee or other responsible person shall also be responsible for paying any attorney's fees and costs incurred by the city for the collection of the delinquent accounts.
- B. The foregoing remedies of the city shall be cumulative, and no action by the city, nor any of its officers, shall be construed to be an election on the part of the city, or of the officers thereof, to pursue any remedy to the execution of any other remedy which is provided by law for the collection of delinquent taxes or of a debt.

(Ord. No. 3243, § 1, 1-6-2015)

4.48.130 - Reserved.

Editor's note— Ord. No. 3243, § 1, adopted January 6, 2015, repealed the former section 4.48.130 in its entirety, which pertained to penalty for violation, and derived from Ord. No. 2734, § 1(part), adopted in 2008.

ARTICLE A. ROOM TAX

2-2A-1: TAX IMPOSED¹:

There are fixed and imposed license taxes for revenues, as next provided, on the operators of hotels, motels, apartments, hotel apartments, vacation trailer lots, timeshares, and vacation home rental projects within the limits of the incorporated city, in addition to any other license taxes otherwise fixed and imposed:

- A. Resort Hotels: Nine percent (9%) of all monies received from rentals by resort hotels. For the purpose of this article, a "resort hotel" is defined as an establishment renting rooms to temporary or transient guests or a timeshare project having a casino containing not less than three (3) games. All other hotels and timeshare projects shall be deemed to be commercial as distinguished from resort hotels. It shall be immaterial whether or not the rooms and the casino are separately owned and/or operated; the combination of rooms and casino shall be deemed to be one establishment and the nine percent (9%) rate shall apply.
- B. Motels, Hotels, Apartments: Nine percent (9%) of all room rentals received by all motels, apartments, timeshare projects, apartment hotels, and hotels other than "resort hotels", as defined in subsection A of this section, such tax shall be limited to room rentals received from temporary or transient guests. Twenty eight (28) days' continuous occupancy or rental of any motel or hotel room, other than resort hotels, shall constitute permanent occupancy. Occupants of such room rentals would be considered resident guests and are not subject to the payment of the room tax from and after twenty eight (28) days' continued residence.
- C. Vacation Trailer Parks: Nine percent (9%) of all rentals received by vacation trailer parks from the renting of trailer sites therein; providing, however, that nothing in this subsection shall be construed to apply to trailer parks which do not rent trailer sites to temporary or transient guests. The distinction between permanent and temporary rentals is as in subsection B of this section.
- D. Timeshare Projects: For the purpose of this article, room rentals, from timeshare projects, shall be calculated as follows: Room tax of nine percent (9%) shall be paid on the actual room revenue received for the use of a timeshare unit by a temporary or transient guest, other than a timeshare member or exchange user.
- E. Vacation Home Rentals: Nine percent (9%) of all monies received from rentals by vacation homes. For the purposes of this section, a "vacation home rental" shall mean a privately

owned residential dwelling, such as, but not limited to, a single-family detached or multiple-family attached unit, apartment house, condominium, cooperative apartment, duplex, or any portion of such dwellings, rented for the purpose of overnight lodging for a period of not less than two (2) days and not more than twenty seven (27) consecutive calendar days, counting portions of calendar days as full days. (Ord. 465, 10-23-2012)

2-2A-2: PAYMENT OF TAX:

A. Due Monthly: The license tax fixed and imposed in section [2-2A-1](#) of this article shall be paid monthly by operators of the business designated. Payment shall be due and payable the first day of the calendar month or fraction thereof and will be delinquent after the tenth of the month. Such tax shall be paid to the city manager, or his designee.

B. Delinquency In Payment:

1. Interest Charged: Any operator of the business designated herein failing to pay such tax within the time prescribed by this article shall pay, in addition to such tax, a penalty of ten percent (10%) of the amount thereof, plus interest on the amount of such tax at the rate of one percent (1%) per month, or fraction thereof, from the first of the month in which such tax became due and payable until the date of payment.
2. Collection: Whenever any operator shall be delinquent in the payment of any obligation imposed hereunder, the city shall collect all sums due the city from such operator by appropriate legal action. The cost of collection shall be paid by the operator. (Ord. 465, 10-23-2012)

2-2A-3: GUEST TO ABSORB TAX:

No operator shall advertise that the tax or surcharge herein provided will be absorbed by the operator or that the operator will directly or indirectly fail to collect the tax from paying guests in addition to the regular rental charge. (Ord. 465, 10-23-2012)

2-2A-4: ENFORCEMENT:

The city manager, with the consent and approval of the city council, is charged with the enforcement of the provisions of this article and is authorized and empowered to prescribe, adopt and enforce rules and regulations relating to the administration thereof. (Ord. 465, 10-23-

2012)

Chapter 3

HOTEL, MOTEL ROOM TAX

4-3-1: TAX IMPOSED:

There is hereby fixed and imposed a tax on the room revenues, as next provided, commencing July 1, 2009, on the operators of hotels, motels and similar establishments within the city in addition to license taxes heretofore and hereafter fixed and imposed:

- A. One Hundred Rooms Or More: Eleven percent (11%) of all monies received from room rentals by all hotels having one hundred (100) rooms or more.

- B. Less Than One Hundred Rooms: Nine percent (9%) of all monies received from room rentals by all hotels having less than one hundred (100) rooms and by all motels, apartment hotels and apartment houses. Occupants renting rooms under this subsection shall pay the tax for the first thirty (30) days of continuous occupancy. After thirty (30) days continuous occupancy of a particular room in an establishment covered by this subsection, the occupant shall be considered a resident guest and not subject to the payment of room tax.

- C. Discount: There shall be a discount allowed operators of establishments referred to in this section. Such discount shall be an amount equal to two percent (2%) of the amount of the tax being paid, not on the net revenue, penalties or interest. The discount percentage is for payment by mail on or before the tenth of the calendar month next following the month during which said revenues accrued.

- D. Additional Transportation Tax: In addition to the above tax, an additional transportation tax was imposed on all revenue from rental of transient lodging in Clark County at the rate of one percent (1%) of gross receipts. Authority was given to the county by the 1991 legislature (transportation tax act) and entered into by the local entities through an interlocal agreement effective July 1, 1991. (Ord. 1388, 6-23-2009, eff. 7-15-2009)

4-3-2: FAILURE TO PAY TAX:

Any operator of any of the businesses designated herein failing to pay such license tax within the time prescribed by this chapter shall pay in addition to such tax a penalty of ten percent

(10%) of the amount thereof, plus interest on the amount of such tax at the rate of one percent (1%) per month, or fraction thereof, from the first of the month in which such tax became due and payable until the date of payment. (Ord. 42, 2-24-1960, eff. 3-1-1960)

4-3-3: COLLECTION BY SUIT:

Whenever any operator shall be delinquent in the payment of any obligation imposed hereunder, the finance director may transmit notice of such delinquency to the city attorney, who shall at once proceed to collect all sums due the city from such operator or operators by appropriate legal action. In any suit brought to enforce the rights of the city hereunder, a verified claim by the finance director showing the delinquency and the amount due, shall be prima facie evidence of the amount of such obligation, of such delinquency and of compliance by the city with all the provisions of this chapter relating to such obligation. In such action, a writ of attachment may be issued as provided by law. (Ord. 42, 2-24-1960, eff. 3-1-1960)

4-3-4: REMEDIES CUMULATIVE:

The foregoing remedies of the city shall be cumulative, and no action taken by the city nor any of its officers shall be construed to be an election on the part of the city, or any of the officers thereof, to pursue any remedy hereunder or otherwise to the exclusion of any other remedy for which provision is made in this chapter or otherwise. (Ord. 42, 2-24-1960, eff. 3-1-1960)

4-3-5: ENFORCEMENT:

The Finance Director is hereby charged with the enforcement of the provisions of this Chapter. The City Manager may employ such accountants, auditors, investigators, assistants and clerks as he may deem necessary for the efficient administration of this Chapter, and may fix their compensation and provide for their necessary expenses. (Ord. 178, 5-26-1964, eff. 6-29-1964)

4-3-6: RECORDS KEPT; TIME OF PAYMENT:

A. City: The Finance Director shall cause to be kept proper records of all license taxes herein fixed and imposed which become due and which are collected, including, without limiting the generality of the foregoing, records of delinquent taxes, interest thereon, and penalties therefrom, which records shall be deemed confidential and shall not be revealed in whole or

in part to anyone except in the necessary administration of this Chapter or as otherwise provided by law.

B. Operators: The City Council may from time to time by regulation prescribe the records to be kept by the operators as to room rentals received, including any and all receipt forms, payment forms, or other forms which the City Council may deem reasonable and necessary in the administration of this Chapter and the collection of the revenues herein provided. Every operator falling within the terms of this Chapter shall make his records available during business hours to the inspection of the Finance Director or such other representative which the City Council may designate for the collection of the revenues herein provided. All revenues herein provided under Section [4-3-1](#) of this Chapter shall be due and payable on the first day of each and every calendar month next succeeding the month during which said revenues accrued. All such revenues not paid by the tenth day of the calendar month next following the month in which said revenues accrued shall be deemed to be delinquent. The revenues to be paid under Section [4-3-1](#) of this Chapter shall be paid to the finance office of the City in its office therein, or to such other office as may be hereafter from time to time designated by the City Council. (Ord. 42, 2-24-1960, eff. 3-1-1960)

4-3-7: POSTING NOTICE OF ROOM TAX:

Each operator shall display in a conspicuous place at a location visible to registering guests a sign in form provided by the City Council and constituting a notice to the public as to the provisions of this Chapter. (Ord. 42, 2-24-1960, eff. 3-1-1960)

4-3-8: CITY OFFICERS:

The officers of the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Chapter. (Ord. 42, 2-24-1960, eff. 3-1-1960)

4-3-9: COLLECTION FROM GUESTS:

No hotel or motel operator shall advertise that the tax or surcharge herein provided will be absorbed by said operator, and it shall be unlawful for any operator to fail to collect said tax from paying guests in addition to the regular room rental charge. (Ord. 42, 2-24-1960, eff. 3-1-1960)

4-3-10: TRANSMIT REVENUE TO COUNTY BOARD:

The Finance Director shall, within twenty (20) days from the close of the preceding calendar month, transmit the total amount received to the Clark County Fair and Recreation Board to be used by them for the purposes set forth in this Chapter and as further enumerated in Ordinance 42. (Ord. 178, 5-26-1964, eff. 6-29-1964)

4-3-11: PLEDGE OF REVENUES:

In consideration of the following:

- A. The levy of those certain license taxes provided by Ordinance 76 passed and adopted by Clark County, Nevada, on January 21, 1957;
- B. The irrevocable pledge of those revenues provided under the aforesaid Ordinance 76;
- C. The covenants and agreements by the Clark County Fair and Recreation Board pursuant to Resolution 1957-2;
- D. The covenants and agreements entered into by the Clark County Fair and Recreation Board and by Clark County, Nevada, under and pursuant to the terms of four million five hundred thousand dollars (\$4,500,000.00) "Clark County, Nevada, General Obligation Public Building and Recreation Bonds, Series January 15, 1957"; and
- E. The benefits to be derived by the City and to its citizens from the acquisition of a convention hall and recreation facilities, all as provided in the aforesaid Resolution 1957-2;

The license taxes and revenues herein provided are hereby irrevocably imposed and are hereby irrevocably pledged for the purposes set forth in said Resolution 957-2; and the City hereby covenants with the Clark County Fair and Recreation Boards¹, Clark County, Nevada, the cities of Henderson, Las Vegas and North Las Vegas, Nevada, and with the holders of the aforementioned bonds, that so long as any of such bonds remain outstanding, the City will not amend this Chapter to provide for a lower schedule of license taxes, except as provided under the terms of the aforesaid Resolution 1957-2. (Ord. 42, 2-24-1960, eff. 3-1-1960)

4-3-12: REFINANCING FAIR BOARD BONDS; ADMINISTRATION:

- A. Assignment Of Proceeds: Exclusive of the reasonable and actual costs of administration provided for by Section [4-3-5](#) of this Chapter, in an amount for any collection period not to exceed ten percentum (10%) of the gross revenues therein collected, the proceeds derived from the taxes levied and collected by the City pursuant to this Chapter, are hereby assigned to the County of Clark, acting by and through the Recreation Board, and made available for a pledge as additional security for the payment of the Clark County, Nevada, General Obligation Public Building and Recreation Refunding Bonds, Series July 14, 1963, in the principal amount of four million seven hundred ninety thousand dollars (\$4,790,000.00), and of any obligations refunding them, and available for administration and expenditure in accordance with said Resolution and as provided by law.
- B. Collection; Transmittal: The City shall duly effect the collections of the tax proceeds hereby assigned and their transmittal to representatives of the Recreation Board authorized to receive the same as from time to time designated by it. For the purpose of supplementing such obligations hereby imposed on the City and its officials and of effecting the performance of such obligations, the Recreation Board is hereby authorized and empowered to collect the proceeds of the City license taxes assigned by this Chapter, to receive, control, invest and order the lawful expenditure of funds pertaining thereto, and to enforce by all appropriate and lawful means the provisions of this Chapter.
- C. Rules Adopted; Enforcement: The Recreation Board is hereby authorized and empowered to prescribe, adopt and enforce rules and regulations relating to the administration and enforcement of this Chapter.
- D. Audit: The duly authorized agents of the Recreation Board are empowered to examine and to audit the books, papers and records of the City and of any licensee or person operating a business and subject to the payment of the City license taxes and to make investigations in connection therewith.
- E. Modifications: The County and the cities shall each have contracted with the Recreation Board and with each other that the license taxes fixed and imposed, and appropriated or assigned thereto for administration, shall not be increased, decreased or otherwise modified; and any ordinance appertaining thereto shall not be modified without the unanimous consent of the Recreation Board, the County Board, the Boulder City Council, the Henderson City Council, the Las Vegas Board of Commissioners, and the North Las Vegas City Council, and in no event shall any change be made which shall prejudicially affect any pledge of license taxes as additional security for the payment of bonds issued pursuant to the Recreation Act or refunding obligations appertaining thereto; provided, however, such contract shall not become effective until the Recreation Board adopts a

resolution reciting that such an ordinance has been adopted by each the County Board, the Boulder City Council, the Henderson City Council, the Las Vegas Board of Commissioners, and the North Las Vegas City Council and until a certified copy of the resolution is filed with the Clerk of the County Board and of each of the cities; such assignment shall be irrevocable until the termination of such contract; and such contract (but not necessarily the assignments) shall terminate upon the redemption in full, both principal and interest, of all bonds issued pursuant to the Recreation Act and all refunding obligations appertaining thereto and the payment of which is secured by a pledge of all or any part of the license taxes.

F. Filing Of Certified Copy: A certified copy of this Section shall be filed by the City Clerk with the secretary of the Recreation Board.

G. Necessary Action Authorized: The officers of the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Chapter. (Ord. 153, 7-9-1963)



Online Travel Agency (OTA) Lodging Tax

The Southern Nevada Tourism Infrastructure Committee requested information about potential tax revenue collections from Online Travel Agencies (OTAs). This section includes a summary of the litigation involving OTAs and the impact that litigation would have on pledging such revenue for project financing. A preliminary model of potential tax revenue scenarios involving Online Travel Agencies is in development.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Online Travel Agency (OTA) – Lodging Tax

March 2016

- Luke Puschnig, Legal Counsel, reviewed OTA lodging tax treatment with previous litigation activity within the United States.
- In summary, courts in twenty-three (23) states have concluded that OTA services are not subject to lodging tax, including three (3) federal courts of appeal. Six courts have upheld OTA services are taxable in certain states and the District of Columbia.
- Due to the frequency of litigation in other states, any changes in the imposition of lodging tax on OTA's in Nevada would be difficult to pledge as revenue against financing until potential legal actions were resolved.



Room Tax Revenue for Nevada Schools

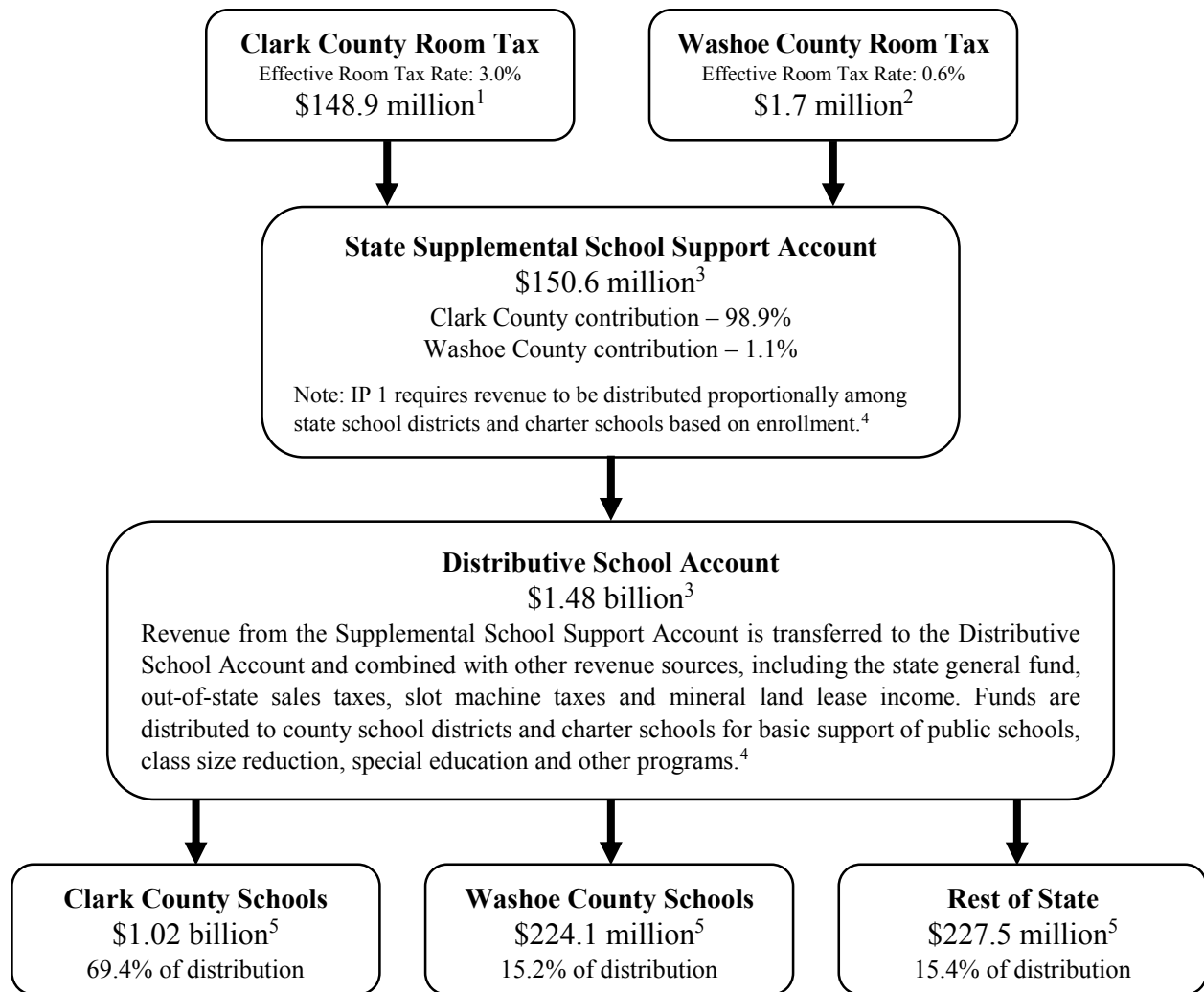
The Southern Nevada Tourism Infrastructure Committee requested information about Clark County's portion of room tax revenue that is dedicated to funding Nevada education. This section contains a summary of room tax revenues generated for school construction and operation. A copy of Initiative Petition 1 is also included.



Room Tax Revenue for Nevada Schools

Room tax revenue supports both school construction and operations. During the population growth of the late 1990s, the state Legislature enacted law that dedicated a total of 1 5/8 percent of room tax collections to support local school construction. In fiscal year 2015, the Clark County School District received \$85.4 million for that purpose.

The majority of room tax revenues dedicated to educational purposes is collected under the authority of Initiative Petition 1, a voter-approved measure to increase funding for schools. In 2009, IP 1 raised the room tax rate in Clark and Washoe counties by 3 percentage points, up to a maximum total rate of 13 percent, and dedicated those funds to the Nevada Department of Education. The increase raised Clark County’s average countywide rate from 9 percent to 12 percent. In Washoe County, three of six taxing districts subject to the room tax increase saw no change because they were already at the 13 percent cap. The county’s three other room tax districts raised rates by 1 percent before reaching the 13 percent threshold. Due to the cap, Washoe County’s effective room tax rate under IP 1 is about 0.6 percent. The following chart illustrates the flow of room tax revenue from the county level to the state education budget and back to county schools in fiscal year 2015.



¹ Las Vegas Convention Center District Financial Planning Document

² Reno-Sparks Convention and Visitors Authority

³ Nevada Comprehensive Annual Financial Report FY 2015

⁴ The Nevada Plan for School Finance: An Overview, Nevada Legislative Counsel Bureau, 2015

⁵ Estimate based on data from Nevada Budget Division online checkbook, open.nv.gov



Initiative Petition No. 1 CHAPTER.....

AN ACT relating to taxation; imposing an additional tax on the gross receipts from the rental of transient lodging in certain counties; providing for the use of the proceeds; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Purpose. This measure provides by statute for the imposition of an additional tax on the gross receipts from the rental of transient lodging in certain counties, and for the manner in which the proceeds of the tax must be used.

Sec. 2. Chapter 244 of NRS is hereby amended by adding thereto the provisions set forth as sections 3 and 4 of this measure.

Sec. 3. 1. *Except as otherwise provided in subsection 2, in any county whose population is 300,000 or more, the board of county commissioners shall impose a tax at the rate of 3 percent of the gross receipts from the rental of transient lodging in that county. Except as otherwise provided in subsection 2, the tax must be imposed throughout the county, including its incorporated cities, upon all persons in the business of providing lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.*

2. If the sum of the rates of all other taxes existing on July 31, 2008, and imposed by the State of Nevada or any unit of local government on the gross receipts from the rental of transient lodging in any area of the county exceeds 10 percent, the tax imposed pursuant to this section in that area must be imposed at a rate equal to the difference between 13 percent and the sum of the rates of the existing taxes. If the sum of the rates of the existing taxes in any area of the county is equal to or greater than 13 percent, no additional tax may be imposed in that area pursuant to this section. For the purposes of this section, the sum of the rates of any existing taxes must be determined as of July 31, 2008, and any increase in the rate of an existing tax after that date does not reduce the rate of the tax imposed pursuant to this section.

3. The tax imposed pursuant to this section must be collected with and in the same manner as any other tax imposed by the county on the gross receipts from the rental of transient lodging. The tax may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from a paying guest.

4. If the tax imposed pursuant to this section is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

Sec. 4. *Except as otherwise provided in this section, the proceeds of the tax imposed pursuant to section 3 of this measure and any applicable penalty or interest must be paid by the county treasurer to the State Treasurer for credit to the State General Fund. The county treasurer may retain from the proceeds an amount sufficient to reimburse the county for the actual cost of collecting and administering the tax, to the extent that the county incurs any cost it would not have incurred but for the enactment of this section or section 3 of this measure, but in no case exceeding the amount authorized by statute for this purpose.*

Sec. 5. NRS 244.3359 is hereby amended to read as follows:

244.3359 1. A county whose population is 400,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.3351 ~~and 244.3352~~, *244.3352 and section 3 of this measure.*

2. A county whose population is 100,000 or more but less than 400,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991 ~~+~~, *except pursuant to section 3 of this measure.*



3. ~~The~~ Except as otherwise provided in subsection 2 and sections 4 and 6 of this measure, the Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for the promotion of tourism or for the construction or operation of tourism facilities by a convention and visitors authority.

Sec. 6. Chapter 387 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in this subsection, the proceeds of the tax imposed pursuant to section 3 of this measure and any applicable penalty or interest must be paid by the county treasurer to the State Treasurer for credit to the State Supplemental School Support Fund, which is hereby created in the State Treasury as a special revenue fund. The county treasurer may retain from the proceeds an amount sufficient to reimburse the county for the actual cost of collecting and administering the tax, to the extent that the county incurs any cost it would not have incurred but for the enactment of this section or section 3 of this measure, but in no case exceeding the amount authorized by statute for this purpose. Any interest or other income earned on the money in the State Supplemental School Support Fund must be credited to the Fund.

2. The money in the State Supplemental School Support Fund is hereby appropriated for the operation of the school districts and charter schools of the state, as provided in this section. The money so appropriated is intended to supplement and not replace any other money appropriated, approved or authorized for expenditure to fund the operation of the public schools for kindergarten through grade 12. Any money that remains in the State Supplemental School Support Fund at the end of the fiscal year does not revert to the State General Fund, and the balance in the State Supplemental School Support Fund must be carried forward to the next fiscal year.

3. On or before February 1, May 1, August 1 and November 1 of each year, the Superintendent of Public Instruction shall transfer from the State Supplemental School Support Fund all the proceeds of the tax imposed pursuant to section 3 of this measure, including any interest or other income earned thereon, and distribute the proceeds proportionally among the school districts and charter schools of the state. The proportionate amount of money distributed to each school district or charter school must be determined by dividing the number of students enrolled in the school district or charter school by the number of students enrolled in all the school districts and charter schools of the state. For the purposes of this subsection, the enrollment in each school district and the number of students who reside in the district and are enrolled in a charter school must be determined as of the last day of the first school month of the school district for the school year. This determination governs the distribution of money pursuant to this subsection until the next annual determination of enrollment is made. The Superintendent may retain from the proceeds of the tax an amount sufficient to reimburse the Superintendent for the actual cost of administering the provisions of this section, to the extent that the Superintendent incurs any cost he would not have incurred but for the enactment of this section, but in no case exceeding the amount authorized by statute for this purpose.

4. The money received by a school district or charter school from the State Supplemental School Support Fund pursuant to this section must be used to improve the achievement of students and for the payment of salaries to attract and retain qualified teachers and other employees, except administrative employees, of the school district or charter school. Nothing contained in this section shall be deemed to impair or restrict the right of employees of the school district or charter school to engage in collective bargaining as provided by Chapter 288 of NRS.

5. On or before November 10 of each year, the board of trustees of each school district and the governing body of each charter school shall prepare a report to the Superintendent of Public Instruction, in the form prescribed by the Superintendent. The report must provide an accounting of the expenditures by the school district or charter school of the money it received from the State Supplemental School Support Fund during the preceding fiscal year.

6. As used in this section, "administrative employee" means any person who holds a license as an administrator, issued by the Superintendent of Public Instruction, and is employed in that capacity by a school district or charter school.

Sec. 7. NRS 387.030 is hereby amended to read as follows:

387.030 All money derived from interest on the State Permanent School Fund, together with all money derived from other sources provided by law, must:

1. ~~Be~~ Except as otherwise provided in section 6 of this measure, be placed in the State Distributive School Account which is hereby created in the State General Fund; and

2. Except as otherwise provided in NRS 387.528, be apportioned among the several school districts and charter schools of this State at the times and in the manner provided by law.



Sec. 8. Transitory provision.

1. Notwithstanding the expiration of section 4 of this measure on June 30, 2011, any tax and any interest or penalty owing and unpaid as of that date and collected on or before October 1, 2011, must be paid, deposited and credited to the State General Fund as provided in that section.

2. The Superintendent of Public Instruction shall make the initial transfer from the State Supplemental School Support Fund, as required by section 6 of this measure, on or before February 1, 2012.

3. The board of trustees of each school district and the governing body of each charter school shall prepare their initial reports to the Superintendent of Public Instruction, as required by section 6 of this measure, on or before November 10, 2012.

Sec. 9. Effective dates; expiration of certain provisions.

1. This section and sections 1 and 10 of this measure become effective:

(a) For the purposes of any challenge to the validity or legal sufficiency of this measure or any part of it, on July 31, 2008; and

(b) For all other purposes:

(1) If subsection 2 is applicable, upon passage and approval; or

(2) If subsection 3 is applicable, upon completion of the canvass of votes by the Supreme Court.

2. If this measure is enacted by the 75th Session of the Legislature and approved by the Governor as provided in subsection 3 of Section 2 of Article 19 of the Nevada Constitution:

(a) Sections 2 to 5, inclusive, and section 8 of this measure become effective:

(1) Upon passage and approval, for the purposes of adopting the ordinance imposing the tax; and

(2) On July 1, 2009, for all other purposes.

(b) Section 4 of this measure expires by limitation on June 30, 2011.

(c) Sections 6 and 7 of this measure become effective on July 1, 2011.

3. If this measure is not enacted and approved as provided in subsection 2, but is approved by the voters after the measure has been referred or submitted to the voters pursuant to subsection 3 of Section 18 of Article 4 or subsection 3 of Section 2 of Article 19 of the Nevada Constitution:

(a) Sections 2 and 3 and sections 5 to 8, inclusive, of this measure become effective:

(1) Upon the completion of the canvass of votes by the Supreme Court, for the purposes of adopting the ordinance imposing the tax; and

(2) On January 1, 2011, for all other purposes.

(b) Section 4 of this measure shall not become effective.

Sec. 10. Severability. If any provision of this measure or its application to any person or circumstance is held to be invalid or ineffective, the invalidity or ineffectiveness must be given the narrowest possible construction and shall not affect any other provision or application of this measure.



Nevada Law Governing Room Tax Collection Allowance

The Southern Nevada Tourism Infrastructure Committee requested the text of any applicable laws within the Nevada Revised Statutes that govern the collection allowance that local jurisdictions are permitted to retain to defray the costs of collecting the room tax. This section contains the relevant portion of NRS 244A that governs the collection allowance.



NRS 244A.645 – Powers of board concerning license taxes assigned or appropriated by cities, towns and counties. In connection with any license taxes assigned or appropriated by any city, town or county, or any combination thereof, for use in connection with NRS 244A.597 to 244A.655, inclusive, the county fair and recreation board of any county, upon behalf of the county, in addition to powers elsewhere conferred, may:

1. Collect the proceeds of such taxes from time to time, receive, control, invest and order the expenditure of all money pertaining thereto, prescribe a procedure therefor, including, but not limited to:
 - (a) Enforcing the collection of any delinquent taxes and providing penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a transient lodging facility and the closure of a transient lodging facility for failure to pay the tax on transient lodging; and
 - (b) Creating an office and hiring personnel therefor.
2. ***Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected, excluding from this limitation and from those gross revenues any costs of collecting any delinquent taxes borne by any delinquent taxpayer. The incorporated cities collectively and any county may enter into an agreement with the board for the payment of collection fees which may be more or less than 10 percent of the gross revenues collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed 10 percent of the combined gross revenues so collected.***
3. Defray further with the proceeds of any such tax the costs of the county fair and recreation board and of officers, agents and employees hired thereby, and of incidentals incurred thereby, of operating and maintaining recreational facilities under the jurisdiction of the board, including, without limiting the generality of the foregoing, the payment of reasonable promotional expenses pertaining thereto, payment of reasonable expenses pertaining to the promotion of tourism and gaming generally, both individually and through grants to the chambers of commerce of the incorporated cities of the county or other nonprofit groups or associations, and of improving, extending and bettering any recreational facilities authorized by NRS 244A.597 to 244A.655, inclusive, including, but not limited to, making annual grants to the State, the county and incorporated cities in the county for capital improvements for recreational facilities, and of constructing, purchasing or otherwise acquiring any such recreational facilities.
4. Redeem any general obligation bonds or revenue bonds of the county issued pursuant to NRS 244A.597 to 244A.655, inclusive, principal, interest and any prior redemption premium, regardless of whether such taxes are pledged as additional security for their payment.
5. Make contracts from time to time concerning any such license taxes, notwithstanding any such contract may limit the exercise of powers pertaining thereto, including the right of any city, town or the county from time to time to increase, decrease or otherwise modify the tax, but no such change may be made which prejudicially affects any pledge of tax proceeds as additional security for the payment of bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive, and each other political subdivision assigning or appropriating such taxes pertaining thereto must consent to any such modification.
6. Make rules and regulations concerning such license taxes, and provide penalties for the failure to comply therewith.

(Added to NRS by 1960, 180; A 1973, 1511; 1975, 551; 1989, 1019; 1993, 2652; 1999, 988)



Clark County Share of Locally Generated Room Tax Revenue

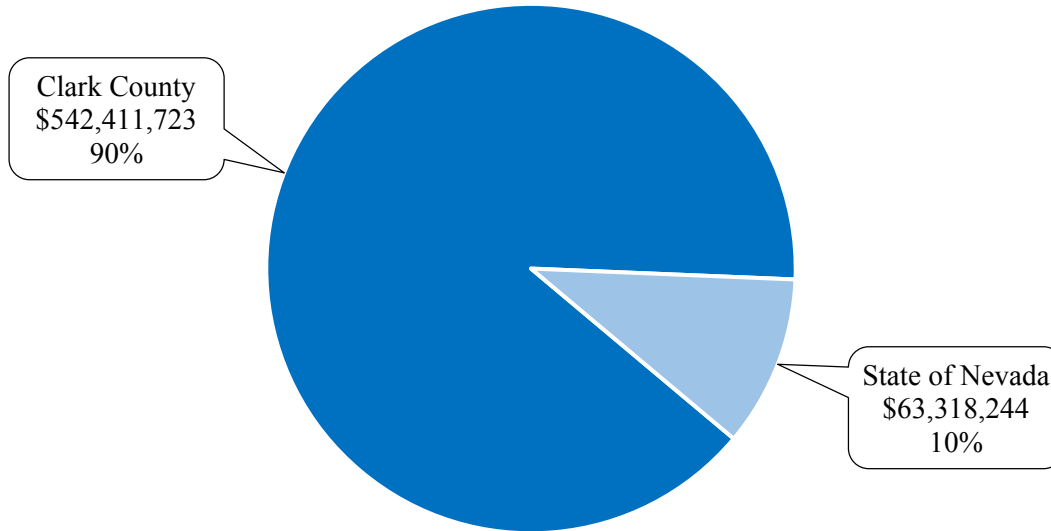
The Southern Nevada Tourism Infrastructure Committee requested information about how much room tax revenue generated in Clark County is retained. This section contains an analysis of the estimated portion of room tax revenue that remained in Clark County in fiscal year 2015.



Clark County Share of Locally Generated Room Tax Revenue

Clark County generates the majority of room tax revenues in Nevada, accounting for nearly nine out of every 10 dollars collected statewide through the levy on hotel and motel room rental activity. Room tax revenue is collected and distributed for a number of uses at the state, county and local levels. In Clark County, the majority of locally generated room tax revenue is allocated to local uses, including funding for the Las Vegas Convention and Visitors Authority, Clark County School District capital projects, local jurisdictions and area transportation projects. About 10 percent of Clark County room tax revenue is allocated to the Nevada Department of Education and the Nevada Commission on Tourism.

Distribution of Clark County Room Tax Collections



Room Tax Collections in Clark County – FY2015

	Total	Local Use	Local Share
Las Vegas Convention and Visitors Authority	\$194,200,663	\$194,200,663	100.0%
Nevada – Education ¹	\$148,902,500	\$103,338,335	69.4%
Clark County School District	\$85,405,191	\$85,405,191	100.0%
Local Jurisdictions	\$83,481,060	\$83,481,060	100.0%
Clark County Transportation	\$53,817,737	\$53,817,737	100.0%
Nevada Department of Transportation ²	\$21,186,259	\$21,186,259	100.0%
Nevada Commission on Tourism ³	\$18,736,557	\$982,478	5.2%
Total Clark County Room Tax Collections	\$605,729,967	\$542,411,723	89.5%

¹ Clark County share based on allocation from the Nevada Department of Education Distributive School Account.

² Debt service payments for resort corridor infrastructure improvements.

³ Includes direct allocations to Clark County-based museums as itemized in the state budget. The local use total does not include expenses such as marketing and advertising, intergovernmental transfers and other statewide spending that could occur in Clark County.



Nevada Law Governing School Bond Oversight Committees

The Southern Nevada Tourism Infrastructure Committee requested the text of any applicable laws within the Nevada Revised Statutes that govern the Clark County School District Board of Trustees Bond Oversight Committee. This section contains an overview of the committee, its bylaws and rules, and the relevant portions of NRS 393 and NRS 350 that define the structure, role, and powers of the committee.



Oversight Panel for School Facilities (AB353)

In recognition of Clark County's school facility needs, the 1997 Nevada Legislature passed Assembly Bill 353 (AB353). Prior to its passage, Nevada was one of only ten states that did not have some sort of state funding mechanism in place for school facility needs. Through this landmark legislation, the voters have an opportunity to approve a long-term solution, which meets the needs of our District's growing population.

In addition to identifying revenue sources for school construction, AB353 also requires the formation of local school facilities oversight panel, consisting of 11 members. Six members are elected officials (a Clark County commissioner, and city council representatives from Boulder City, Las Vegas, Henderson, Mesquite, and North Las Vegas). The Board of School Trustees appoints the other five committee members. The law specified the appointment of panel members with expertise in one of the following fields: engineering, finance, public works, gaming, and one representative of the general public.

The Clark County Oversight Panel for School Facilities began meeting in November 1997. As charged by law, they examined and made recommendations for financing the costs of new construction, design, maintenance, and repair of school facilities. Their recommendations included a strong endorsement of the property tax freeze, as well as approval of the other funding provisions of AB353.

The Oversight Panel continues with its responsibility of reviewing and approving or disapproving the request for the Board of School Trustees for the issuance of general obligation bonds as they are needed. If, for some unforeseen reason, the anticipated growth in Clark County were to slow down, the funds generated by the provision of AB353 would also decrease, as would the need for additional seats. This oversight panel could then elect to not approve the issuance of bonds, providing an additional level of assurance that tax money will not be spent unless the expenditures are necessary.

The 1998 Capital Improvement Program establishes a growth-based formula that generates the funds necessary to ensure all Clark County students have a place in a school with an environment conducive to learning. It combines funding sources approved by the Nevada Legislature in 1997 with a property tax rate freeze through the year 2008.

CLARK COUNTY SCHOOL DISTRICT
BOND OVERSIGHT COMMITTEE
BYLAWS AND RULES

ARTICLE I: NAME

The name of this committee is the Bond Oversight Committee. It is a local committee organized under the authority of the Clark County School District's Board of School Trustees.

ARTICLE II: PURPOSE

Section 1: The objectives of the Bond Oversight Committee are:

- a) To advise the Board of School Trustees on the development and assessment of capital funding of any source to make capital improvements.
- b) To monitor compliance with program goals and make recommendation on revisions in capital improvement plans to the Board of School Trustees.
- c) To provide financial, bond, and investment oversight to ensure accountability to the public.
- d) To keep open lines of communication between the public and Board of School Trustees, as well as to keep the public informed of the status of the Bond Construction Program.
- e) To monitor the coordination of school construction and renovation programs throughout the district.
- f) To review any substantial changes to a prototype design, development of custom designs for new schools, or substantial program changes.
- g) To do those special inquires or studies as may be requested by the Board of School Trustees or District staff through the Board of School Trustees Bond Oversight Committee Liaison and accepted by the Bond Oversight Committee.

Section 2: The committee chair may appoint members to serve as representatives of the committee to the school district in the following functional areas:

- a) Design
- b) Construction
- c) Site Selection/Land Use
- d) Finance/Investment
- e) Community Relations

Liaison representatives will keep the committee informed of activities in their assigned functional areas.

ARTICLE III: MEMBERSHIP AND RESPONSIBILITIES

Section 1: The committee will be an independent body of not more than 15 members, 7 of which will be direct appointments by the Board of School Trustees, representing and residing in their appointed districts. The remaining appointments will be at large, appointed by the Board of School Trustees, and will include members in the following areas of expertise:

- a) Architecture/Engineering
- b) Financial Management
- c) Land Development
- d) Public Administration
- e) Labor
- f) Construction Law
- g) Construction
- h) One representative of the Superintendent of Schools

Section 2: Each appointed member is required to be a registered voter.

Section 3: At least 50% of the membership of the Bond Oversight Committee must have children or grandchildren currently enrolled in the Clark County School District.

Section 4: Each appointed member will serve for a period of two years. The terms will begin on June 1 of each calendar year. The appointments will be made on a rotational basis with the rotation being seven members appointed on the even years and eight members on the odd years. Members may be re-appointed for more than one term.

Section 5: If vacancies arise, a member will be appointed to complete the term of the original appointee. Vacancies will be filled by the membership guidelines set forth in ARTICLE III, Section 1, and approved by the Board of School Trustees.

Section 6: Due to the complexity of the committee's charge, it is essential that members attend meetings on a regular basis. After three unexcused absences within a 12-month period, the chair will report in writing the excused or unexcused absences to the full board and may present to the Board of School Trustees a recommendation to replace that committee appointment.

Section 7: The Bond Oversight Committee shall not be construed to be a forum for personal, professional, or political purpose. In the event of misconduct or inappropriate behavior, the Board of School Trustees shall review the action of the member in question and determine the course of action, if any.

Section 8: The committee shall elect three members to serve as the Executive Committee. The Executive Committee will be comprised of the Chair, a First Vice Chair, and a Second Vice Chair. The Executive Committee will be elected during the June meeting and will serve for a period of one year. Elections shall be by a majority vote. No person shall serve any one Executive Committee position for more than 3 (three) consecutive terms.

Section 9: The chair shall act as the official spokesperson of the committee to report on the issues that have been approved by a majority vote of the committee members. The chair shall:

- a) Set the agenda and conduct meetings in accordance with the laws of the State of Nevada.
- b) Make reports or assign designee to make reports to the Board of School Trustees and/or any other committee dealing with school construction on issues that have been approved by the Bond Oversight Committee.
- c) Appoint committee members to serve as liaisons to school district staff on issues before the committee.
- d) Conduct an annual review of Bond Oversight Committee bylaws per Article IV, Section 4.
- e) As necessary, establish ad hoc committees with specific term limits and appoint members thereto.

The Vice Chairs will act as chair in his/her absence. In the event the Chair or Vice Chairs are unable to fulfill any of these duties, the chair may appoint a designee to carry out the task.

ARTICLE IV: POLICIES AND PRACTICES

Section 1: In advising and making recommendations, the committee shall follow all relevant district policies, regulations, procedures, and guidelines.

Section 2: The Bond Oversight Committee, with approval of the Board of School Trustees, may employ a consultant (firms or individuals) to assist with its tasks.

Section 3: The roles and responsibilities of the committee liaison representatives may include but are not limited to:

DESIGN LIAISON REPRESENTATIVES

- a) Review the prototype designs for the elementary, middle, and high schools, and make recommendations in potential improvements to both school district staff and their contracted architectural (design) consultants.
- b) Examine the cost effectiveness of prototype designs to ensure the school district maximizes the use of bond funds from school to school.
- c) Suggest design modifications and value engineering studies to be completed by, as appropriate, school district staff and/or their architectural consultants.
- d) Serve as a liaison and conduit for feedback from the community (principals, teachers, parents, students) as well as architectural consultants on the impact of current prototype designs.
- e) Make recommendations to the Board of School Trustees on any findings or observations after review of prototype designs and processes, proposed or existing, that the school district has for architectural services and/or contracts issued; and review, and have input for architectural selection process as opportunities or projects demand.
- f) Review the architectural selection process, and list of qualification to promote expansion of pool of architectural firms.

CONSTRUCTION LIAISON REPRESENTATIVES

- a) Review the contractor pre-qualification criteria and process and determine whether it meets the needs of the Clark County School District in producing a pool of qualified contractors. Refine the process to eliminate inadequate and/or unresponsive contractors from the selection pool.
- b) Evaluate the need for a contractor performance evaluation (at the completion of a job) and to develop and maintain an objective evaluation form if the evaluation process is deemed valuable.
- c) Evaluate the amount of documentation required to contract with the Clark County School District and recommend ways to attract prospective contractors.
- d) Evaluate procedures and make recommendations regarding the change order process.
- e) Examine and recommend methods to speed up the processing of Construction Change Directives.
- f) Review the causes of slow payments and recommend methods to improve payment procedures.
- g) Recommend a mechanism for dispute resolution other than formal arbitration.
- h) Evaluate and make recommendations regarding Project Labor Agreements.
- i) Evaluate and make recommendations regarding the role of architects in the contract administration function.

SITE SELECTION/LAND USE LIAISON REPRESENTATIVES

- a) Identify concerns and considerations on site selection and priorities for site acquisition.
- b) Develop a recommended schedule of site selection decisions to recommend to Bond Oversight Committee in order to open schools on time.
- c) Work with district staff to develop and modify, over time, a site selection methodology based on geographic areas of need within the district.
- d) Work with elected and staff representatives of various jurisdictions to ensure that accurate and timely information on evolving land use, demographics and residential development activity is being provided to district staff.
- e) Periodically review methodology conclusions for recommendations to the full Bond Oversight Committee.
- f) Work with district staff to review and confirm evaluations of alternative site options for recommendations to Bond Oversight Committee, providing flexibility for site selection within identified parameters.
- g) Issues for evaluation may include: methodology assumptions, evolving land use, methodology conclusions, land availability in area of need, site suitability checklist, site selection-schedule, prioritization of site selection flexibility on specific sites, and review of ultimate site selections by district staff.

FINANCE AND OPERATIONS LIAISON REPRESENTATIVES

- a) Provide recommendations to the Bond Oversight Committee on issues related to financial, bond and investment oversight.
- b) Review all proposed major new construction and renovation project budgets and related projected costs and identify any areas of concern to the Bond Oversight Committee. Assess budget to actual expenditures on an ongoing basis.
- c) Review proposed project budgets and ensure that funding requirements are coordinated with Finance and Operations.
- d) Review and endorse construction finance plan(s) for Board of School Trustees approved construction projects.
- e) Collaborate with staff to set financial priorities and make financial allocations.
- f) Monitor bond construction programs for compliance with goals and objectives of the Clark County School District Investment Committee.
- g) Review and recommend three year bond authorization schedules to the Debt Management Committee of Clark County.
- h) Monitor and report on bond sales and refunding.
- i) Monitor bond administration and review investment policies and performance.

COMMUNITY RELATIONS LIAISON REPRESENTATIVES

- a) Increase the awareness of and the credibility of the Bond Oversight Committee to the Board of School Trustees and to the public in general.
- b) Provide a liaison from the Bond Oversight Committee to impart pertinent information related to school building and renovation programs from the committee to the communications specialist to improve public awareness.
- c) Coordinate communications between the Bond Oversight Committee, Board of School Trustees, district staff, and the AB353 panel and any other interested parties related to school construction.
- d) Monitor and report legislative and interim activities related to school construction and renovations.

Section 4: Bylaws shall receive an annual review by the Executive Committee. Changes to the Bylaws will be recommended to the Bond Oversight Committee for approval. The revised Bylaws may be proposed by either the Bond Oversight Committee or the Board of School Trustees, and must be approved by the Board of School Trustees.

ARTICLE V: MEETINGS

All meetings of the committee will be conducted in accordance with the open meeting laws of the State of Nevada (NRS Chapter 241). The executive committee will determine the date, time, and place of all meetings. The committee may hold community input meetings as required.

ARTICLE VI: QUORUM

A quorum shall be established when a majority of the current sitting members are in attendance for a properly noticed meeting. Each member shall be entitled to one vote and no proxy votes will be allowed. A simple majority vote of the members in attendance at a properly noticed meeting will be required to pass a motion.

Adopted: May 3, 1999

Amended: July 13, 2000; June 14, 2001; November 20, 2008; February 14, 2013



NRS 393.092 – Oversight panel for school facilities: Establishment in counties whose population is 100,000 or more; membership; terms of members; meetings.

1. The board of trustees of a school district in a county whose population is 100,000 or more shall establish an oversight panel for school facilities, consisting of 11 members selected as follows:
 - (a) Six members who are elected representatives of local government, to be determined as follows:
 - (1) One member of the board of county commissioners appointed by a majority vote of the board of county commissioners;
 - (2) One member of the governing body of each incorporated city in the county, each of whom is appointed by a majority vote of the governing body of which he or she is a member; and
 - (3) If the membership determined pursuant to subparagraphs (1) and (2) is less than six, one additional member of the board of county commissioners appointed by a majority vote of the board of county commissioners and, if applicable, additional members of the governing bodies of incorporated cities in the county, each of whom must be appointed by a majority vote of the governing body of which he or she is a member, until six members have been appointed. If the membership determined pursuant to this paragraph would result in an unequal number of representatives among the incorporated cities, the membership of the incorporated cities on the oversight panel must be rotated and the board of county commissioners shall draw lots to determine which city or cities will be first represented, which next, and so on.
 - (b) Five members appointed by the board of trustees of the county school district to be determined as follows:
 - (1) One member who has experience in structural or civil engineering;
 - (2) One member who has experience in matters relating to the construction of public works projects;
 - (3) One member who has experience in the financing or estimation of the cost of construction projects;
 - (4) One member who is a representative of the gaming industry; and
 - (5) One member who is a representative of the general public who has an interest in education.
2. After the initial terms, the term of each member of the oversight panel is 2 years. Members of the oversight panel are eligible for reappointment.
3. The oversight panel for school facilities may meet at the call of the chair of the oversight panel, but is not required to hold meetings except for the purposes of carrying out its duties pursuant to subsection 4 of NRS 350.020 and NRS 393.097 and, if applicable, for the purposes of carrying out expanded duties pursuant to NRS 393.096, or unless directed by the board of trustees of the school district.
(Added to NRS by 1997, 2456; A 2013, 1488)

NRS 393.095 – Oversight panel for school facilities: Duty of board of trustees to provide administrative support and information. The board of trustees of a school district in a county whose population is 100,000 or more shall:

1. Provide administrative support to the oversight panel for school facilities established by the board of trustees pursuant to NRS 393.092; and



2. Comply with all requests by the oversight panel for information.
(Added to NRS by 1997, 2456)

NRS 393.096 – Oversight panel for school facilities: Authority of board of trustees to expand duties of panel in larger counties.

1. The board of trustees of a school district in a county whose population is 700,000 or more may, by a vote of not less than two-thirds of the total membership of the board of trustees, expand the duties of the oversight panel for school facilities established for the school district pursuant to NRS 393.092.
2. If the board of trustees votes to expand the duties of the oversight panel, the board of trustees shall:
 - (a) Prepare a 3-year plan for the renovation of school facilities and a 5-year plan for the construction of school facilities within the school district for submission to the oversight panel for its review and recommendations;
 - (b) Appoint the assistant superintendent of school facilities or his or her designee, if the board of trustees has employed a person to serve in that capacity, or otherwise appoint an employee of the school district who has knowledge and experience in school construction, to act as a liaison between the school district and the oversight panel;
 - (c) Consider each recommendation made by the oversight panel and, if the board of trustees does not adopt a recommendation, state in writing the reason for its action and include the statement in the minutes of the board of trustees, if applicable; and
 - (d) In addition to the administrative support required pursuant to NRS 393.095, provide such administrative support to the oversight panel as is necessary for the oversight panel to carry out its expanded duties.
3. If the board of trustees votes to expand the duties of the oversight panel, the oversight panel shall:
 - (a) Work cooperatively with the board of trustees of the school district to ensure that the program of school construction and renovation is responsive to the educational needs of pupils within the school district;
 - (b) Review the 3-year plan for the renovation of school facilities and the 5-year plan for the construction of school facilities submitted by the board of trustees of the school district and make recommendations to the board of trustees for any necessary revisions to the plans;
 - (c) On a quarterly basis, or more frequently if the oversight panel determines necessary, evaluate the program of school construction and renovation that is designed to carry out the 3-year plan and the 5-year plan and make recommendations to the board of trustees concerning the program;
 - (d) Make recommendations for the management of construction and renovation of school facilities within the school district in a manner that ensures effective and efficient expenditure of public money; and
 - (e) Prepare an annual report that includes a summary of the progress of the construction and renovation of school facilities within the school district and the expenditure of money from the proceeds of bonds for the construction and renovation, if such information is available to the oversight panel.

(Added to NRS by 1999, 2106; A 2011, 1248)



NRS 393.097 – Duty to submit recommendations for financing costs for construction to Legislature; oversight panels required to approve or deny request for issuance of certain bonds.

1. If an oversight panel for school facilities established pursuant to NRS 393.092 approves a request by the board of trustees of the school district for the issuance of general obligation bonds pursuant to subsection 4 of NRS 350.020, the oversight panel shall, on or before July 1 of each even-numbered year during the period in which those bonds are outstanding, and each board of trustees of a school district in a county whose population is less than 100,000 shall, on or before July 1 of each even-numbered year, submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature written recommendations for financing the costs of new construction, design, maintenance and repair of school facilities.
2. In a county whose population is 100,000 or more, the oversight panel for school facilities shall review and approve or disapprove a request by the board of trustees of the school district for the issuance of general obligation bonds pursuant to subsection 4 of NRS 350.020.

(Added to NRS by 1997, 2457; A 2013, 1489)

NRS 350.020 – Submission to electors of proposal to issue general obligations; restrictions on special elections; issuance of general obligations secured by pledge of revenues and issuance of special or medium-term obligations without election; issuance of certain general obligation bonds by board of trustees of school district.

1. Except as otherwise provided by subsections 3 and 4, if a municipality proposes to issue or incur general obligations, the proposal must be submitted to the electors of the municipality at a special election called for that purpose or the next general municipal election or general state election.
2. Such a special election may be held:
 - (a) At any time, including, without limitation, on the date of a primary municipal election or a primary state election, if the governing body of the municipality determines, by a unanimous vote, that an emergency exists; or
 - (b) On the first Tuesday after the first Monday in June of an odd-numbered year, except that the governing body shall not determine that an emergency exists if the special election is for the purpose of submitting to the electors a proposal to refund bonds. The determination made by the governing body is conclusive unless it is shown that the governing body acted with fraud, a gross abuse of discretion or in violation of the provisions of this subsection. An action to challenge the determination made by the governing body must be commenced within 15 days after the governing body's determination is final. As used in this subsection, "emergency" means any occurrence or combination of occurrences which requires immediate action by the governing body of the municipality to prevent or mitigate a substantial financial loss to the municipality or to enable the governing body to provide an essential service to the residents of the municipality.
3. If payment of a general obligation of the municipality is additionally secured by a pledge of gross or net revenue of a project to be financed by its issue, and the governing body determines, by an affirmative vote of two-thirds of the members elected to the governing body, that the pledged revenue will at least equal the amount required in each year for the payment of interest and principal, without regard to any option reserved by the



municipality for early redemption, the municipality may, after a public hearing, incur this general obligation without an election unless, within 90 days after publication of a resolution of intent to issue the bonds, a petition is presented to the governing body signed by not less than 5 percent of the registered voters of the municipality. Any member elected to the governing body whose authority to vote is limited by charter, statute or otherwise may vote on the determination required to be made by the governing body pursuant to this subsection. The determination by the governing body becomes conclusive on the last day for filing the petition. For the purpose of this subsection, the number of registered voters must be determined as of the close of registration for the last preceding general election. The resolution of intent need not be published in full, but the publication must include the amount of the obligation and the purpose for which it is to be incurred. Notice of the public hearing must be published at least 10 days before the day of the hearing. The publications must be made once in a newspaper of general circulation in the municipality. When published, the notice of the public hearing must be at least as large as 5 inches high by 4 inches wide.

4. The board of trustees of a school district may issue general obligation bonds which are not expected to result in an increase in the existing property tax levy for the payment of bonds of the school district without holding an election for each issuance of the bonds if the qualified electors approve a question submitted by the board of trustees that authorizes issuance of bonds for a period of 10 years after the date of approval by the voters. If the question is approved, the board of trustees of the school district may issue the bonds for a period of 10 years after the date of approval by the voters, after obtaining the approval of the debt management commission in the county in which the school district is located and, in a county whose population is 100,000 or more, the approval of the oversight panel for school facilities established pursuant to NRS 393.092 in that county, if the board of trustees of the school district finds that the existing tax for debt service will at least equal the amount required to pay the principal and interest on the outstanding general obligations of the school district and the general obligations proposed to be issued. The finding made by the board of trustees is conclusive in the absence of fraud or gross abuse of discretion. As used in this subsection, “general obligations” does not include medium-term obligations issued pursuant to NRS 350.087 to 350.095, inclusive.
5. At the time of issuance of bonds authorized pursuant to subsection 4, the board of trustees shall establish a reserve account in its debt service fund for payment of the outstanding bonds of the school district. The reserve account must be established and maintained in an amount at least equal to the lesser of:
 - (a) For a school district located in a county whose population is 100,000 or more, 25 percent; and
 - (b) For a school district located in a county whose population is less than 100,000, 50 percent, of the amount of principal and interest payments due on all of the outstanding bonds of the school district in the next fiscal year or 10 percent of the outstanding principal amount of the outstanding bonds of the school district.
6. If the amount in the reserve account falls below the amount required by subsection 5:
 - (a) The board of trustees shall not issue additional bonds pursuant to subsection 4 until the reserve account is restored to the level required by subsection 5; and
 - (b) The board of trustees shall apply all of the taxes levied by the school district for payment of bonds of the school district that are not needed for payment of the



principal and interest on bonds of the school district in the current fiscal year to restore the reserve account to the level required pursuant to subsection 5.

7. A question presented to the voters pursuant to subsection 4 may authorize all or a portion of the revenue generated by the debt rate which is in excess of the amount required:
 - (a) For debt service in the current fiscal year;
 - (b) For other purposes related to the bonds by the instrument pursuant to which the bonds were issued; and
 - (c) To maintain the reserve account required pursuant to subsection 5, to be transferred to the county school district's fund for capital projects established pursuant to NRS 387.328 and used to pay the cost of capital projects which can lawfully be paid from that fund. Any such transfer must not limit the ability of the school district to issue bonds during the period of voter authorization if the findings and approvals required by subsection 4 are obtained.
8. A municipality may issue special or medium-term obligations without an election.
[Part 2:70:1937; A 1956, 219] — (NRS A 1959, 594; 1969, 1589; 1975, 862; 1981, 943; 1993, 1066; 1995, 217, 1812, 1960, 1961; 1997, 551, 1209, 2464, 2826; 1999, 610, 611, 1078, 3220, 3222, 3226, 3228; 2001, 232, 1348, 2310; 2003, 45; 2007, 2520; 2011, 149, 2905, 3341)



Financial Compliance & Industry Recognition

This section contains a summary of awards and recognition that the Las Vegas Convention and Visitors Authority has received for its financial reporting and accounting practices.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Financial Compliance & Industry Recognition

March 2016

The LVCVA Finance Department is dedicated to meeting all published standards for financial reporting in compliance with state and federal laws and regulations. Additionally, we continuously endeavor exceed those requirements through additional efforts that meet the highest and best practices promulgated in the governmental accounting and financial reporting sector.

Independent Annual Audit – Unqualified (Unmodified) Opinion: 59 Years

FY 1957 through FY 2015

Audit Committee and Internal Audit Department Oversight: 22 Years

FY 1995 through FY 2016

Government Finance Officers Association of the US & Canada (GFOA):

Certificate of Excellence in Financial Reporting Award (CAFR) - 32 Years

FY 1984 through FY 2015

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (CAFR Program) to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure. The goal of the program is not to assess the financial health of participating governments, but rather to ensure that users of their financial statements have the information they need to do so themselves. The CAFR award is the highest form of recognition in the area of governmental accounting and financial reporting.

Distinguished Budget Presentation Award - 27 Years

FY 1990 through FY 2016

The GFOA established the Distinguished Budget Presentation Awards Program (Budget Awards Program) to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting.

Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) - 9 Years

FY 2006 through FY 2014

The PAFR is a condensed form of the CAFR. The GFOA established the PAFR Awards Program to encourage and assist state and local governments to extract information from their comprehensive annual financial report to produce a high summary report specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance. Of the 300 governments in the US and Canada that receive the PAFR, the LVCVA is one of only 5 to receive the award in the State of Nevada.

National Procurement Institute (NPI):

Achievement of Excellence in Procurement (AEP) Award - 20 Years

FY 1996 through FY 2015

The AEP program was designed to measure innovation, professionalism, productivity, and leadership attributes of the procurement organization. To achieve the award, the procurement department must demonstrate compliance with standardized criteria that meet best practices in the profession. The LVCVA is one of only six agencies in the nation that has received the award each year since its inception.

Institute for Public Procurement:

Outstanding Agency Accreditation Achievement Award (OA4) – 2015 through 2017

The LVCVA achieved this accreditation for the first time in 2015, recognizing it as one of the leading agencies in the public procurement profession through the implementation of best practices. The accreditation is valid for a 3-year forward period.

Association of Public Treasurers of the United States and Canada:

Investment Policy Certification Excellence Award – 2011 through 2017

Received in FY 2011 and again in FY 2015. The LVCVA's investment policy was reviewed and found to adequately address all eighteen (18) specific areas required by the oversight committee to certify our policy is a professionally accepted policy. The criteria were developed to ensure the public that we are abiding by professional standards established to ensure prudent management of their public funds. It provides assurance to our governing body that the LVCVA funds are professionally managed. Each certification and award is valid for a 3-year forward period, as long as the policy is not materially modified.

Additional Rooms Required to Meet Growth Projections in 2020

Annual Growth Rate	-1.00%	-0.50%	0.00%	0.25%	0.50%	0.75%	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.50%
2020 Visitors	40,238,496	41,264,936	42,312,216	42,843,770	43,380,652	43,922,904	44,470,564	45,023,674	45,582,273	46,146,404	46,716,105	47,291,420	47,872,389	48,459,053	49,051,455	50,253,640
70.0%	28,568	33,103	37,730	40,078	42,450	44,846	47,266	49,709	52,177	54,670	57,187	59,729	62,295	64,887	67,505	72,816
71.0%	26,064	30,535	35,097	37,412	39,751	42,113	44,498	46,908	49,341	51,798	54,280	56,786	59,316	61,872	64,452	69,689
72.0%	23,629	28,038	32,537	34,820	37,126	39,455	41,808	44,184	46,583	49,006	51,453	53,925	56,420	58,940	61,485	66,649
73.0%	21,261	25,610	30,047	32,299	34,574	36,871	39,191	41,534	43,901	46,291	48,705	51,142	53,603	56,089	58,598	63,692
74.0%	18,958	23,248	27,625	29,846	32,090	34,356	36,645	38,957	41,291	43,649	46,030	48,434	50,862	53,314	55,790	60,815
75.0%	16,715	20,948	25,267	27,459	29,673	31,909	34,167	36,448	38,751	41,077	43,427	45,799	48,195	50,614	53,057	58,014
76.0%	14,532	18,709	22,971	25,134	27,319	29,525	31,754	34,005	36,278	38,574	40,892	43,233	45,597	47,985	50,395	55,288
77.0%	12,406	16,528	20,735	22,870	25,026	27,204	29,404	31,625	33,869	36,135	38,423	40,734	43,067	45,424	47,803	52,632
78.0%	10,334	14,403	18,556	20,664	22,792	24,942	27,114	29,307	31,522	33,759	36,018	38,299	40,602	42,928	45,277	50,044
79.0%	8,314	12,332	16,432	18,513	20,615	22,738	24,882	27,047	29,234	31,443	33,673	35,925	38,199	40,496	42,815	47,522
80.0%	6,345	10,313	14,362	16,417	18,492	20,589	22,706	24,844	27,003	29,184	31,387	33,611	35,857	38,125	40,415	45,062
81.0%	4,424	8,344	12,342	14,372	16,422	18,492	20,583	22,695	24,828	26,982	29,157	31,354	33,572	35,812	38,074	42,664
82.0%	2,551	6,422	10,372	12,377	14,402	16,447	18,513	20,599	22,706	24,833	26,982	29,152	31,343	33,556	35,790	40,324
83.0%	722	4,547	8,449	10,430	12,431	14,451	16,492	18,553	20,634	22,736	24,859	27,003	29,168	31,354	33,561	38,040
84.0%	(1,063)	2,717	6,572	8,530	10,506	12,503	14,519	16,556	18,612	20,689	22,787	24,905	27,044	29,204	31,385	35,811
85.0%	(2,806)	929	4,740	6,674	8,627	10,600	12,593	14,605	16,638	18,690	20,763	22,857	24,970	27,105	29,260	33,635
86.0%	(4,508)	(817)	2,950	4,861	6,792	8,742	10,711	12,700	14,709	16,738	18,787	20,856	22,945	25,055	27,185	31,508
87.0%	(6,171)	(2,522)	1,201	3,090	4,999	6,926	8,873	10,839	12,825	14,831	16,856	18,901	20,966	23,052	25,158	29,431
88.0%	(7,797)	(4,189)	(509)	1,359	3,246	5,152	7,077	9,021	10,984	12,966	14,969	16,991	19,032	21,094	23,176	27,401
89.0%	(9,386)	(5,819)	(2,180)	(332)	1,533	3,418	5,321	7,243	9,184	11,144	13,124	15,123	17,142	19,181	21,239	25,417
90.0%	(10,939)	(7,412)	(3,813)	(1,987)	(142)	1,722	3,604	5,504	7,424	9,362	11,320	13,297	15,294	17,309	19,345	23,476
91.0%	(12,459)	(8,970)	(5,411)	(3,604)	(1,780)	63	1,924	3,804	5,703	7,620	9,556	11,511	13,486	15,480	17,493	21,579
92.0%	(13,945)	(10,495)	(6,974)	(5,187)	(3,382)	(1,560)	282	2,141	4,019	5,915	7,830	9,764	11,717	13,689	15,681	19,722
93.0%	(15,400)	(11,986)	(8,504)	(6,736)	(4,950)	(3,147)	(1,326)	513	2,371	4,247	6,142	8,055	9,987	11,938	13,908	17,906
94.0%	(16,823)	(13,446)	(10,000)	(8,252)	(6,485)	(4,701)	(2,899)	(1,079)	758	2,615	4,489	6,382	8,293	10,223	12,173	16,128
95.0%	(18,217)	(14,875)	(11,466)	(9,735)	(7,988)	(6,222)	(4,439)	(2,639)	(820)	1,016	2,871	4,744	6,635	8,545	10,474	14,387
96.0%	(19,581)	(16,275)	(12,901)	(11,188)	(9,459)	(7,712)	(5,947)	(4,166)	(2,366)	(549)	1,287	3,140	5,012	6,902	8,810	12,683
97.0%	(20,918)	(17,645)	(14,306)	(12,611)	(10,899)	(9,171)	(7,424)	(5,661)	(3,880)	(2,081)	(265)	1,570	3,422	5,292	7,181	11,014
98.0%	(22,227)	(18,988)	(15,683)	(14,005)	(12,311)	(10,600)	(8,871)	(7,126)	(5,363)	(3,583)	(1,785)	31	1,864	3,716	5,585	9,379
99.0%	(23,510)	(20,303)	(17,031)	(15,371)	(13,694)	(12,000)	(10,289)	(8,561)	(6,816)	(5,054)	(3,274)	(1,477)	338	2,171	4,022	7,777
100.0%	(24,767)	(21,592)	(18,353)	(16,709)	(15,049)	(13,372)	(11,678)	(9,967)	(8,240)	(6,495)	(4,733)	(2,954)	(1,157)	657	2,489	6,207

Assumptions & Statistics in Model:

	Visitors	Occupancy Rate (1990-2015)	Average Visitor/Occupied Room Nights (Projection for 2020)
2015 Base	42,312,216	MIN	0.8859
Years to 2020	5	MEAN	Average Visitor/Occupied Room Nights (1990-2015)
Per Room	2.0	MAX	0.8917
2015 Rooms	149,213	2015	(Projections Do Not Account for increasing average length of stay)

Additional Rooms Required to Meet Growth Projections in 2030

Annual Growth Rate	-1.00%	-0.50%	0.00%	0.25%	0.50%	0.75%	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.50%
2030 Visitors	36,390,975	39,247,499	42,312,216	43,926,995	45,599,145	47,330,555	49,123,169	50,978,993	52,900,089	54,888,586	56,946,672	59,076,604	61,280,705	63,561,367	65,921,054	70,887,722
70.0%	11,569	24,189	37,730	44,864	52,252	59,901	67,822	76,021	84,509	93,294	102,387	111,797	121,536	131,612	142,037	163,981
71.0%	9,304	21,747	35,097	42,130	49,414	56,956	64,765	72,849	81,217	89,879	98,843	108,121	117,722	127,657	137,935	159,570
72.0%	7,102	19,372	32,537	39,473	46,656	54,093	61,793	69,764	78,016	86,558	95,398	104,547	114,015	123,811	133,947	155,281
73.0%	4,961	17,063	30,047	36,888	43,972	51,308	58,902	66,765	74,904	83,328	92,047	101,071	110,409	120,071	130,068	151,110
74.0%	2,878	14,816	27,625	34,373	41,362	48,598	56,090	63,846	71,875	80,186	88,787	97,689	106,901	116,432	126,294	147,052
75.0%	850	12,629	25,267	31,925	38,821	45,960	53,353	61,005	68,927	77,127	85,614	94,397	103,486	112,890	122,621	143,101
76.0%	(1,125)	10,499	22,971	29,542	36,347	43,392	50,687	58,239	66,057	74,149	82,524	91,191	100,161	109,442	119,044	139,255
77.0%	(3,048)	8,425	20,735	27,221	33,937	40,891	48,091	55,545	63,261	71,248	79,514	88,069	96,922	106,082	115,560	135,509
78.0%	(4,922)	6,404	18,556	24,959	31,589	38,454	45,562	52,920	60,537	68,422	76,582	85,027	93,766	102,809	112,166	131,859
79.0%	(6,748)	4,434	16,432	22,754	29,300	36,078	43,096	50,361	57,882	65,667	73,724	82,062	90,691	99,619	108,857	128,301
80.0%	(8,529)	2,514	14,362	20,604	27,069	33,762	40,692	47,867	55,293	62,981	70,937	79,171	87,692	96,509	105,631	124,832
81.0%	(10,266)	641	12,342	18,508	24,892	31,503	38,348	45,434	52,769	60,361	68,219	76,352	84,767	93,475	102,485	121,448
82.0%	(11,960)	(1,187)	10,372	16,462	22,769	29,299	36,060	43,060	50,305	57,805	65,568	73,601	81,914	90,516	99,415	118,148
83.0%	(13,614)	(2,970)	8,449	14,466	20,697	27,149	33,828	40,743	47,902	55,311	62,980	70,916	79,129	87,627	96,420	114,927
84.0%	(15,228)	(4,711)	6,572	12,518	18,674	25,049	31,649	38,482	45,555	52,876	60,454	68,296	76,411	84,808	93,496	111,782
85.0%	(16,805)	(6,411)	4,740	10,615	16,699	22,999	29,521	36,274	43,264	50,499	57,987	65,737	73,756	82,055	90,640	108,711
86.0%	(18,344)	(8,072)	2,950	8,757	14,770	20,996	27,443	34,117	41,026	48,177	55,578	63,237	71,164	79,365	87,851	105,712
87.0%	(19,849)	(9,694)	1,201	6,941	12,885	19,040	25,412	32,010	38,839	45,908	53,224	60,795	68,631	76,738	85,126	102,782
88.0%	(21,319)	(11,279)	(509)	5,166	11,043	17,128	23,428	29,950	36,702	43,690	50,923	58,409	66,155	74,170	82,463	99,919
89.0%	(22,756)	(12,829)	(2,180)	3,432	9,242	15,259	21,488	27,937	34,613	41,523	48,675	56,076	63,735	71,661	79,860	97,119
90.0%	(24,161)	(14,345)	(3,813)	1,736	7,482	13,432	19,592	25,969	32,570	39,404	46,476	53,795	61,369	69,206	77,315	94,382
91.0%	(25,535)	(15,827)	(5,411)	77	5,760	11,644	17,737	24,044	30,573	37,331	44,326	51,564	59,055	66,806	74,826	91,705
92.0%	(26,879)	(17,277)	(6,974)	(1,546)	4,075	9,896	15,922	22,161	28,619	35,303	42,222	49,382	56,791	64,458	72,391	89,087
93.0%	(28,195)	(18,695)	(8,504)	(3,134)	2,427	8,185	14,146	20,318	26,706	33,319	40,163	47,247	54,576	62,161	70,008	86,524
94.0%	(29,482)	(20,084)	(10,000)	(4,688)	814	6,511	12,408	18,514	24,835	31,377	38,149	45,157	52,408	59,912	67,676	84,017
95.0%	(30,742)	(21,443)	(11,466)	(6,209)	(765)	4,871	10,707	16,749	23,003	29,476	36,177	43,111	50,286	57,711	65,393	81,562
96.0%	(31,976)	(22,774)	(12,901)	(7,699)	(2,312)	3,266	9,041	15,020	21,209	27,615	34,245	41,107	48,208	55,555	63,157	79,158
97.0%	(33,185)	(24,077)	(14,306)	(9,157)	(3,826)	1,694	7,410	13,327	19,452	25,792	32,354	39,145	46,173	53,444	60,968	76,803
98.0%	(34,369)	(25,354)	(15,683)	(10,587)	(5,310)	154	5,812	11,668	17,731	24,006	30,501	37,223	44,179	51,376	58,823	74,497
99.0%	(35,529)	(26,605)	(17,031)	(11,987)	(6,763)	(1,354)	4,246	10,043	16,045	22,257	28,686	35,340	42,225	49,350	56,722	72,237
100.0%	(36,666)	(27,832)	(18,353)	(13,359)	(8,188)	(2,833)	2,711	8,451	14,392	20,542	26,907	33,494	40,311	47,364	54,662	70,023

Assumptions & Statistics in Model:

	Visitors	Occupancy Rate (1990-2015)	Average Visitor/Occupied Room Nights (Projection for 2030)
2015 Base	42,312,216	MIN	0.8859
Years to 2030	15	MEAN	Average Visitor/Occupied Room Nights (1990-2015)
Per Room	2.0	MAX	0.8917
2015 Rooms	149,213	2015	(Projections Do Not Account for increasing average length of stay)
			87.7%

Additional Rooms Required to Meet Growth Projections in 2040

Annual Growth Rate	-1.00%	-0.50%	0.00%	0.25%	0.50%	0.75%	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.50%
2040 Visitors	32,911,345	37,328,693	42,312,216	45,037,607	47,931,091	51,002,579	54,262,540	57,722,026	61,392,713	65,286,926	69,417,675	73,798,696	78,444,483	83,370,333	88,592,384	99,994,132
70.0%	(3,805)	15,712	37,730	49,771	62,555	76,125	90,528	105,813	122,030	139,236	157,486	176,842	197,368	219,131	242,203	292,578
71.0%	(5,853)	13,389	35,097	46,968	59,572	72,951	87,152	102,221	118,210	135,173	153,166	172,250	192,487	213,943	236,690	286,356
72.0%	(7,844)	11,130	32,537	44,243	56,672	69,866	83,869	98,729	114,496	131,223	148,967	167,785	187,741	208,900	231,331	280,306
73.0%	(9,781)	8,934	30,047	41,593	53,852	66,865	80,676	95,332	110,883	127,382	144,882	163,443	183,125	203,994	226,118	274,422
74.0%	(11,665)	6,797	27,625	39,015	51,108	63,945	77,569	92,028	107,369	123,644	140,908	159,218	178,634	199,221	221,046	268,697
75.0%	(13,499)	4,717	25,267	36,505	48,437	61,103	74,545	88,811	103,948	120,006	137,039	155,105	174,263	194,575	216,109	263,125
76.0%	(15,285)	2,691	22,971	34,062	45,836	58,335	71,601	85,679	100,617	116,463	133,273	151,101	170,006	190,052	211,302	257,700
77.0%	(17,024)	718	20,735	31,681	43,303	55,640	68,733	82,629	97,372	113,013	129,604	147,201	165,861	185,645	206,620	252,415
78.0%	(18,719)	(1,204)	18,556	29,362	40,835	53,013	65,939	79,656	94,211	109,651	126,030	143,401	161,821	181,352	202,058	247,266
79.0%	(20,371)	(3,077)	16,432	27,102	38,429	50,454	63,216	76,759	91,129	106,375	122,546	139,697	157,884	177,168	197,612	242,247
80.0%	(21,981)	(4,904)	14,362	24,898	36,084	47,958	60,560	73,935	88,125	103,180	119,149	136,085	154,045	173,088	193,276	237,354
81.0%	(23,552)	(6,686)	12,342	22,748	33,796	45,524	57,971	71,180	85,195	100,064	115,836	132,563	150,302	169,109	189,048	232,582
82.0%	(25,084)	(8,424)	10,372	20,651	31,564	43,149	55,444	68,492	82,336	97,024	112,603	129,127	146,649	165,227	184,923	227,926
83.0%	(26,580)	(10,120)	8,449	18,605	29,386	40,831	52,978	65,869	79,547	94,057	109,449	125,773	143,084	161,439	180,897	223,382
84.0%	(28,040)	(11,776)	6,572	16,607	27,260	38,569	50,571	63,308	76,823	91,161	106,370	122,500	139,605	157,741	176,967	218,946
85.0%	(29,465)	(13,393)	4,740	14,656	25,184	36,360	48,221	60,808	74,164	88,333	103,363	119,303	136,207	154,129	173,130	214,615
86.0%	(30,858)	(14,972)	2,950	12,751	23,156	34,202	45,925	58,366	71,567	85,571	100,426	116,181	132,888	150,602	169,382	210,384
87.0%	(32,218)	(16,515)	1,201	10,889	21,175	32,093	43,682	55,980	69,029	82,872	97,556	113,130	129,645	147,156	165,720	206,251
88.0%	(33,548)	(18,023)	(509)	9,070	19,239	30,033	41,490	53,648	66,549	80,235	94,752	110,149	126,476	143,788	162,141	202,212
89.0%	(34,847)	(19,497)	(2,180)	7,291	17,346	28,019	39,347	51,369	64,125	77,657	92,011	107,235	123,379	140,496	158,642	198,263
90.0%	(36,118)	(20,938)	(3,813)	5,552	15,495	26,050	37,252	49,140	61,754	75,136	89,331	104,385	120,350	137,277	155,222	194,402
91.0%	(37,361)	(22,348)	(5,411)	3,851	13,685	24,124	35,203	46,961	59,436	72,671	86,709	101,599	117,388	134,129	151,876	190,626
92.0%	(38,577)	(23,727)	(6,974)	2,188	11,915	22,240	33,199	44,828	57,168	70,259	84,145	98,872	114,490	131,049	148,604	186,932
93.0%	(39,766)	(25,076)	(8,504)	560	10,182	20,396	31,237	42,742	54,949	67,899	81,636	96,205	111,654	128,035	145,401	183,318
94.0%	(40,931)	(26,397)	(10,000)	(1,034)	8,486	18,592	29,318	40,700	52,777	65,589	79,180	93,594	108,879	125,086	142,267	179,780
95.0%	(42,070)	(27,690)	(11,466)	(2,593)	6,826	16,826	27,438	38,701	50,651	63,328	76,776	91,038	106,163	122,199	139,199	176,317
96.0%	(43,186)	(28,956)	(12,901)	(4,121)	5,201	15,096	25,598	36,743	48,569	61,114	74,422	88,536	103,502	119,371	136,195	172,926
97.0%	(44,279)	(30,195)	(14,306)	(5,616)	3,609	13,402	23,796	34,826	46,530	58,946	72,116	86,085	100,897	116,602	133,252	169,605
98.0%	(45,350)	(31,410)	(15,683)	(7,082)	2,050	11,743	22,031	32,948	44,532	56,822	69,858	83,684	98,345	113,890	130,370	166,352
99.0%	(46,399)	(32,600)	(17,031)	(8,517)	522	10,117	20,301	31,108	42,575	54,741	67,645	81,331	95,844	111,232	127,546	163,165
100.0%	(47,427)	(33,766)	(18,353)	(9,924)	(976)	8,524	18,606	29,305	40,657	52,701	65,476	79,026	93,394	108,628	124,778	160,041

Assumptions & Statistics in Model:

	Visitors	Occupancy Rate (1990-2015)	Average Visitor/Occupied Room Nights (Projection for 2050)
2015 Base	42,312,216	MIN	0.8859
Years to 2050	25	MEAN	Average Visitor/Occupied Room Nights (1990-2015)
Per Room	2.0	MAX	0.8917
2015 Rooms	149,213	2015	(Projections Do Not Account for increasing average length of stay)

Additional Rooms Required to Meet Growth Projections in 2050

Annual Growth Rate	-1.00%	-0.50%	0.00%	0.25%	0.50%	0.75%	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.50%
2050 Visitors	29,764,431	35,503,699	42,312,216	46,176,298	50,382,293	54,959,489	59,939,602	65,356,967	71,248,750	77,655,174	84,619,759	92,189,584	100,415,570	109,352,783	119,060,756	141,051,599
70.0%	(17,709)	7,648	37,730	54,802	73,385	93,607	115,610	139,545	165,576	193,881	224,651	258,096	294,440	333,926	376,818	473,977
71.0%	(19,561)	5,439	35,097	51,928	70,249	90,187	111,880	135,478	161,142	189,048	219,386	252,360	288,191	327,121	369,409	465,200
72.0%	(21,362)	3,291	32,537	49,135	67,201	86,862	108,254	131,524	156,832	184,350	214,266	246,782	282,116	320,506	362,206	456,666
73.0%	(23,113)	1,202	30,047	46,418	64,237	83,628	104,727	127,678	152,640	179,781	209,287	241,358	276,208	314,071	355,200	448,366
74.0%	(24,817)	(831)	27,625	43,774	61,352	80,482	101,296	123,937	148,560	175,335	204,443	236,080	270,459	307,811	348,384	440,291
75.0%	(26,476)	(2,809)	25,267	41,201	58,545	77,419	97,955	120,295	144,590	171,008	199,727	230,942	264,863	301,717	341,749	432,431
76.0%	(28,091)	(4,735)	22,971	38,695	55,811	74,437	94,703	116,749	140,724	166,794	195,136	225,940	259,415	295,784	335,289	424,778
77.0%	(29,664)	(6,612)	20,735	36,255	53,148	71,533	91,536	113,294	136,959	162,690	190,664	221,068	254,108	290,004	328,997	417,323
78.0%	(31,196)	(8,440)	18,556	33,877	50,554	68,703	88,449	109,929	133,290	158,692	186,306	216,321	248,937	284,373	322,866	410,060
79.0%	(32,690)	(10,222)	16,432	31,560	48,025	65,944	85,441	106,649	129,714	154,794	182,059	211,694	243,897	278,885	316,890	402,981
80.0%	(34,147)	(11,959)	14,362	29,300	45,560	63,255	82,507	103,450	126,227	150,994	177,918	207,183	238,983	273,534	311,064	396,078
81.0%	(35,567)	(13,654)	12,342	27,096	43,155	60,632	79,647	100,331	122,827	147,288	173,880	202,783	234,191	268,315	305,381	389,346
82.0%	(36,953)	(15,307)	10,372	24,946	40,809	58,073	76,856	97,288	119,509	143,672	169,940	198,490	229,515	263,223	299,838	382,778
83.0%	(38,306)	(16,920)	8,449	22,848	38,520	55,575	74,132	94,318	116,272	140,143	166,094	194,301	224,952	258,254	294,427	376,369
84.0%	(39,626)	(18,495)	6,572	20,799	36,285	53,137	71,473	91,419	113,111	136,698	162,341	190,211	220,498	253,403	289,146	370,112
85.0%	(40,915)	(20,033)	4,740	18,799	34,103	50,757	68,877	88,588	110,025	133,335	158,675	186,218	216,148	248,666	283,989	364,002
86.0%	(42,175)	(21,535)	2,950	16,846	31,971	48,431	66,341	85,823	107,011	130,049	155,095	182,318	211,900	244,040	278,952	358,035
87.0%	(43,405)	(23,003)	1,201	14,937	29,888	46,160	63,863	83,121	104,066	126,839	151,598	178,507	207,749	239,520	274,030	352,204
88.0%	(44,607)	(24,437)	(509)	13,071	27,853	43,940	61,442	80,481	101,187	123,703	148,179	174,783	203,693	235,102	269,221	346,506
89.0%	(45,783)	(25,839)	(2,180)	11,248	25,864	41,769	59,075	77,900	98,374	120,636	144,838	171,143	199,728	230,784	264,519	340,936
90.0%	(46,932)	(27,210)	(3,813)	9,465	23,918	39,647	56,761	75,377	95,623	117,638	141,570	167,583	195,851	226,562	259,922	335,490
91.0%	(48,056)	(28,550)	(5,411)	7,721	22,016	37,572	54,497	72,909	92,932	114,705	138,375	164,102	192,059	222,433	255,426	330,164
92.0%	(49,155)	(29,862)	(6,974)	6,016	20,155	35,542	52,283	70,494	90,300	111,837	135,249	160,696	188,349	218,393	251,028	324,953
93.0%	(50,231)	(31,145)	(8,504)	4,346	18,334	33,555	50,116	68,132	87,725	109,030	132,190	157,364	184,719	214,440	246,724	319,855
94.0%	(51,284)	(32,401)	(10,000)	2,713	16,551	31,611	47,996	65,820	85,204	106,282	129,197	154,102	181,167	210,572	242,512	314,865
95.0%	(52,315)	(33,631)	(11,466)	1,114	14,806	29,707	45,920	63,556	82,737	103,593	126,266	150,910	177,689	206,784	238,389	309,980
96.0%	(53,324)	(34,835)	(12,901)	(452)	13,098	27,844	43,887	61,340	80,321	100,960	123,397	147,783	174,284	203,076	234,351	305,196
97.0%	(54,313)	(36,014)	(14,306)	(1,986)	11,424	26,018	41,897	59,169	77,954	98,380	120,586	144,722	170,949	199,444	230,397	300,512
98.0%	(55,281)	(37,169)	(15,683)	(3,488)	9,785	24,230	39,947	57,043	75,636	95,854	117,833	141,722	167,682	195,886	226,523	295,923
99.0%	(56,230)	(38,301)	(17,031)	(4,960)	8,179	22,478	38,036	54,959	73,365	93,379	115,136	138,783	164,481	192,401	222,728	291,426
100.0%	(57,160)	(39,410)	(18,353)	(6,403)	6,605	20,761	36,163	52,918	71,139	90,953	112,492	135,903	161,344	188,984	219,008	287,020

Assumptions & Statistics in Model:

	Visitors	Occupancy Rate (1990-2015)	Average Visitor/Occupied Room Nights (Projection for 2050)
2015 Base	42,312,216	MIN	0.8859
Years to 2050	35	MEAN	Average Visitor/Occupied Room Nights (1990-2015)
Per Room	2.0	MAX	0.8917
2015 Rooms	149,213	2015	(Projections Do Not Account for increasing average length of stay)

UNLV 42 Acre Site

Airspace Review Process



April 13, 2016

Intent of Airspace Study

Intent of an airspace study is to determine development heights and components that are feasible and do not significantly impact McCarran Airport and airline operations.

Process includes working directly and collaboratively with the FAA, McCarran Airport, Clark County, airlines, and others. UNLV and their team are having these direct and collaborative discussions.

Capitol Airspace Group

Providing analytical, strategic, and advocacy services to airports, communities, and commercial developers around the world.

- Supporting aviation industry for over 16 years
- Supporting Las Vegas building projects since early 2000s
- Mitigated over 750 projects
- Handled over 10,000 FAA cases

Notable Projects Include:

- Resorts World, Las Vegas
- Mardis Gras Hotel and Casino
- Silverton Casino



FAA Obstruction Evaluation Process

Similar process used for projects with or without detailed site plans

1

- Conduct survey of locations that envelop potential building footprints
- Submit FAA 7460-1 forms

2

- Track progress of 7460-1 through initial FAA aeronautical study
- Receive FAA Notices of Presumed Hazard (NPH)

3

- Analyze identified impacts in FAA NPH
- Recommend further study by FAA and Public Notice (McCarran Airport and airlines would typically participate and provide comment)

4

- FAA will review public comments and make final determinations
- If as expected, UNLV will receive Determinations of No Hazard (DNH) for potential building heights as currently filed for review with FAA.

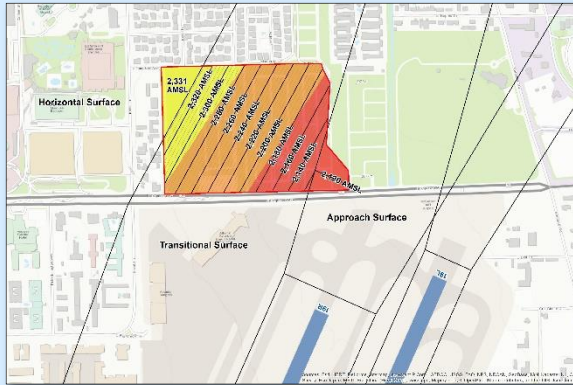
When final designs are complete, same obstruction evaluation process is used.

Obstruction Evaluation & Airspace Modeling

Predictive obstruction evaluation analysis includes all items necessary to make informed decisions about potential airspace impacts:

- 14 CFR Part 77 Obstacle Identification Surfaces
- Planned Airport Modifications
- Planned Instrument Procedures
- Visual Flight Rules (VFR) Traffic Pattern Airspace
- Instrument Departure and Approach Procedures
- Low Altitude Enroute Airways
- Military Training Routes and Airspace

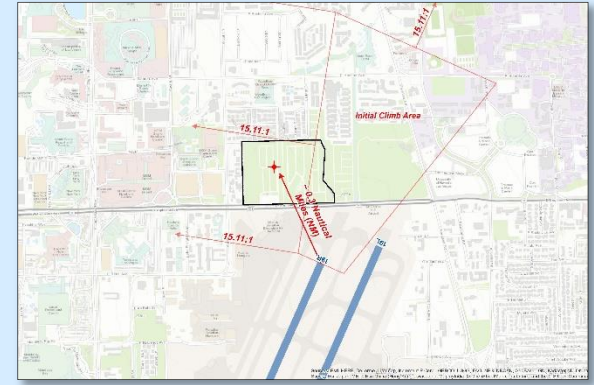
Obstruction Evaluation Analysis



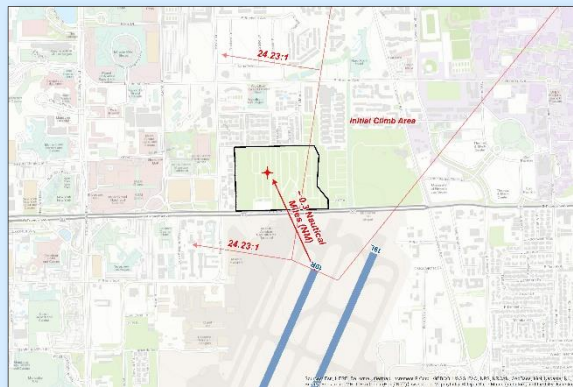
14 CFR Part 77
Screening Surfaces



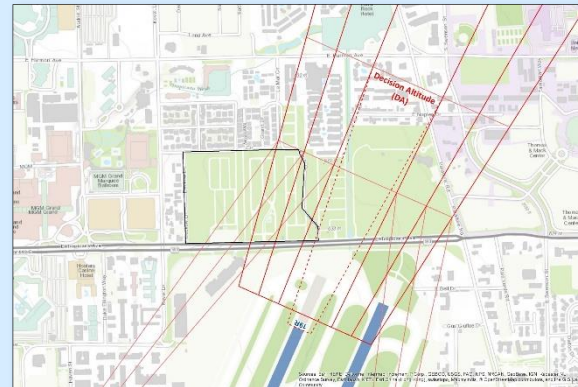
Runway Protection Zones
Enhance protection on ground



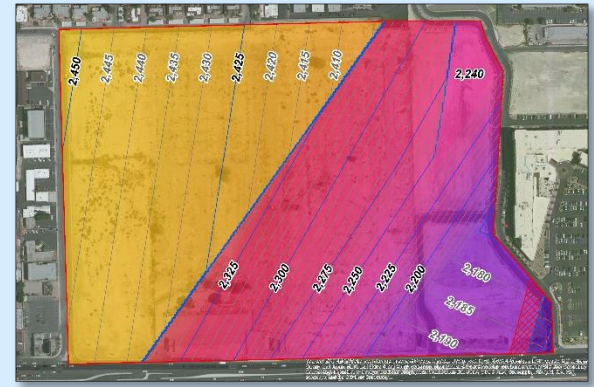
Instrument Departures



Diverse Vector Areas
Used by Air Traffic Control



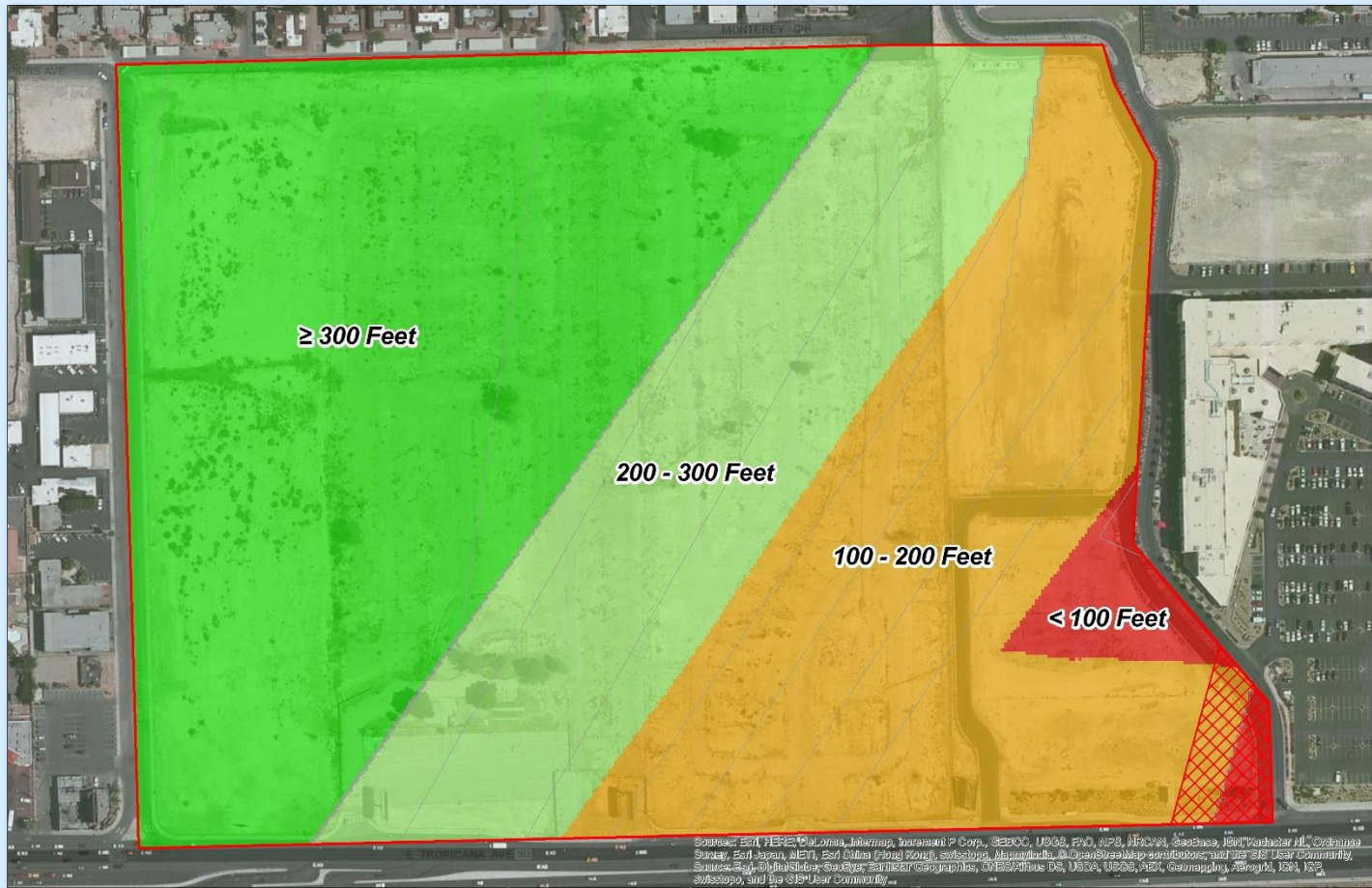
Instrument Approaches



Composite Height Constraints
Ensure obstacle clearance

Obstruction Evaluation Analysis

*Above Ground Level (AGL) Clearance
Derived from USGS 1/3 Arc Second Digital Elevation Model*



- AGL Clearance**
-  < 100 Feet
 -  100 – 200 Feet
 -  200 – 300 Feet
 -  ≥ 300 Feet
-  Runway Protection Zone (RPZ)

Clark County Airport Environs Overlay District (AEOD)

Clark County has development guidelines and requirements for sites impacted by their Airport Environs Overlay District (AEOD)

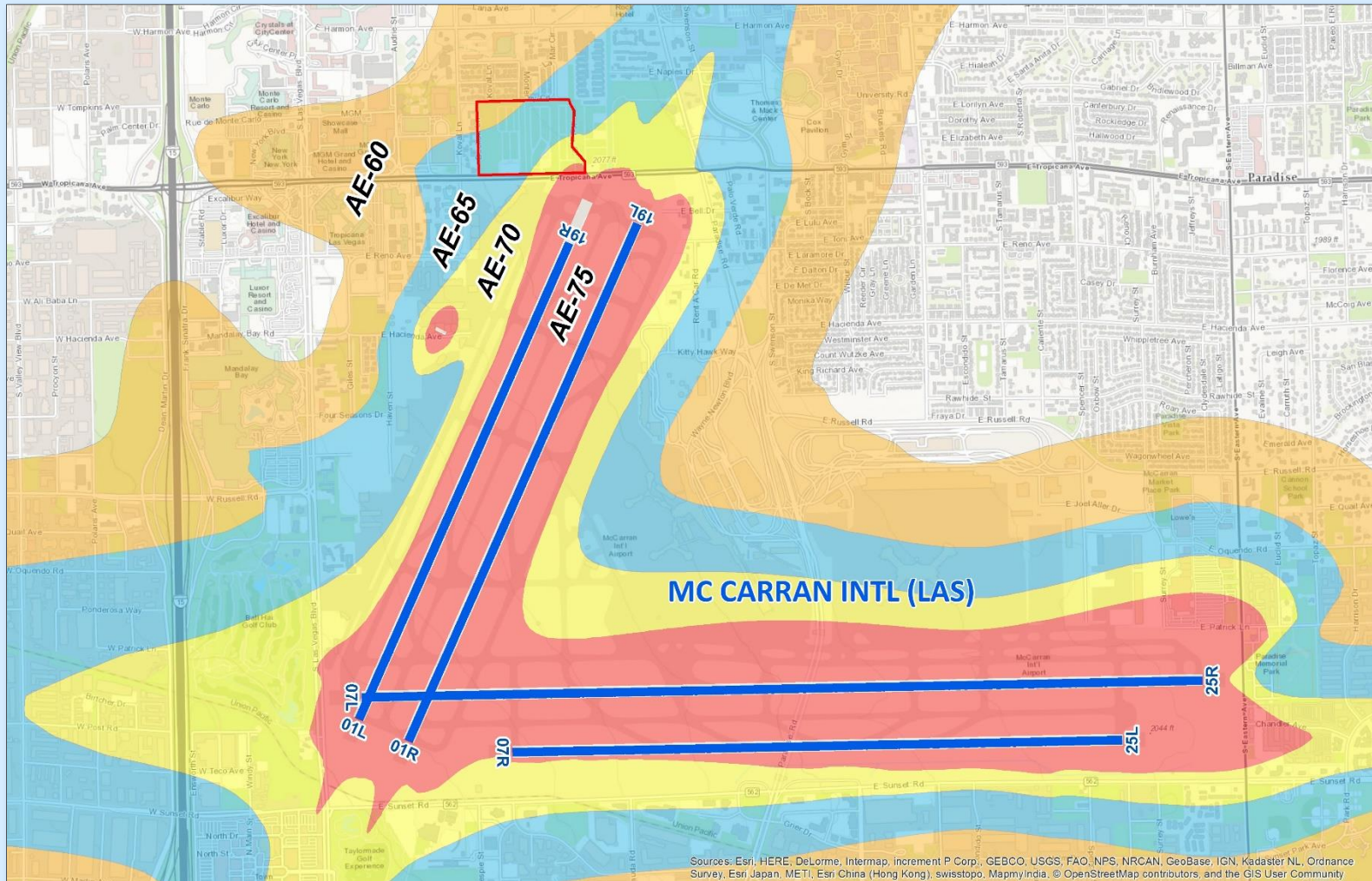
In addition to the FAA Obstruction Evaluation process:

Clark County Planning and McCarran Airport review development plans for projects in AEOD, for specific AEOD requirements and impacts.

Majority of UNLV 42 acre site is located within AE-60 and AE-65 noise subzones. Small southeastern section of the UNLV 42 acre site located within AE-70 and AE-75 noise subzones.

For context, Bluegreen Resorts site to the east largely resides in the AE-65 and AE-70 noise subzones.

Clark County Airport Environs Overlay District (AEOD)



Clark County Airport Environs Overlay District (AEOD)

UNLV is contemplating uses in master plan, including:

- Sports Assembly Facilities
- Education services
- Food/Retail
- Residential

These uses are generally permitted within the AE-60 and AE-65 subdistricts with instances of noise reduction requirements for construction – most notably for residential uses. The portions within AE-70 and AE-75 subdistricts have similar permitted uses with some additional noise reduction requirements for construction.

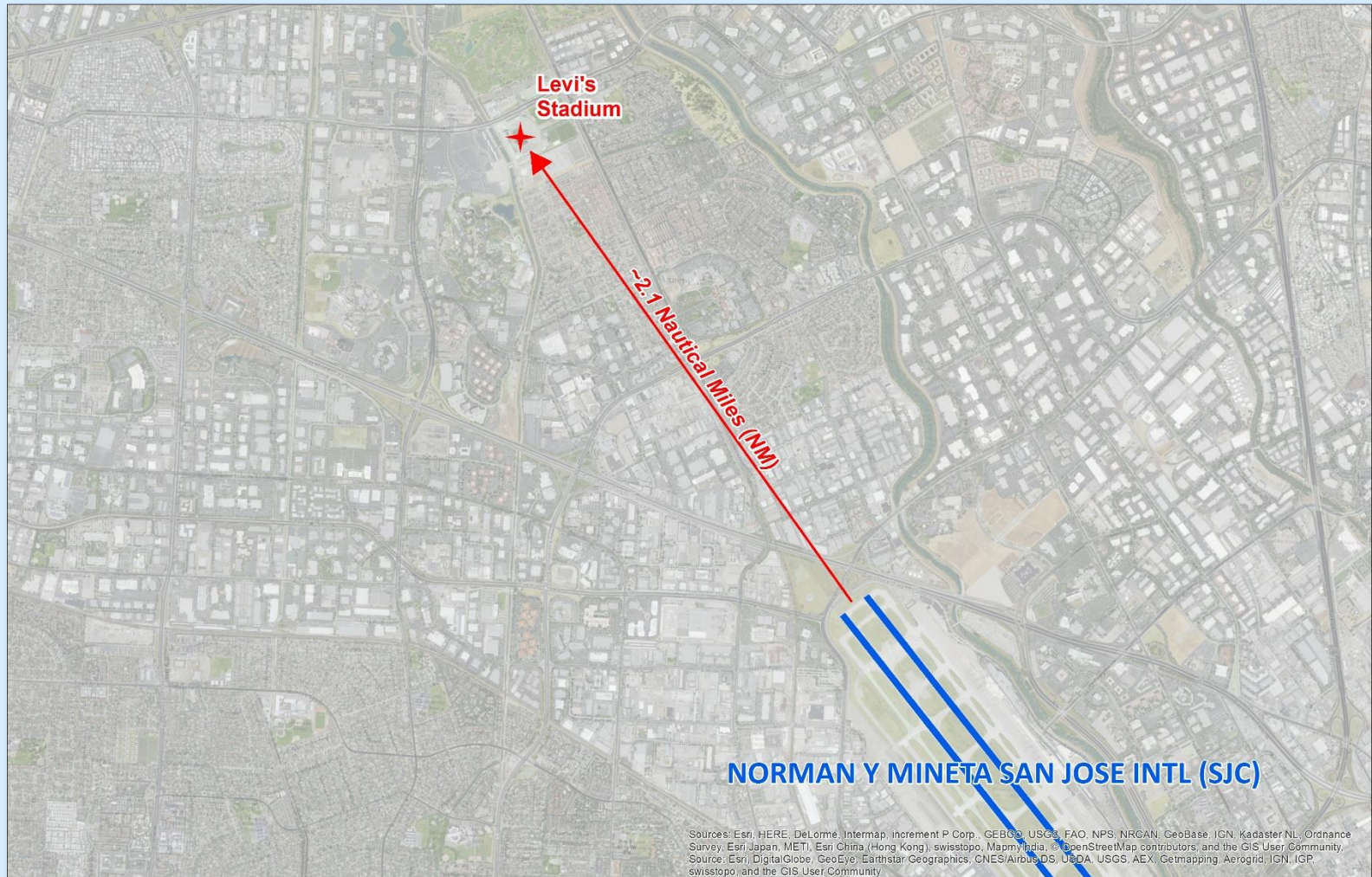
Clark County Airport Environs Overlay District (AEOD)

Examples of relevant requirements

CODE #S	SLUCM MAJOR GROUPS	SLUCM MINOR GROUPS	SUBDISTRICTS RISK ZONES AND NOISE ZONES										
			AE-RPZ	APZ-1	APZ-2	AE-60	AE-65	AE-70	AE-75	AE-80	LOZ-1	LOZ-2 APZ-3	LOZ-3 APZ-4
6700	Services	Government services	NO	NO	(YES)	YES	YES	25	30	35	NO	NO	NO
6800	Services	Educational services	NO	NO	NO	YES	25	30	NO	NO	NO	NO	NO
6910	Services	Religious activities	NO	NO	NO	YES	25	30	NO	NO	NO	NO	NO
6990	Services	Other misc. services	NO	NO	(YES)	YES	YES	25	30	35	NO	NO	NO
7110	Recreation	Cultural activities	NO	NO	NO	YES	25	30	NO	NO	NO	NO	NO
7120	Recreation	Nature exhibitions	NO	(YES)	(YES)	YES	YES	NO	NO	NO	NO	{YES}}	(YES)
7211	Recreation	Outdoor entertainment assembly	NO	NO	NO	YES	YES	NO	NO	NO	NO	NO	NO
7212	Recreation	Indoor entertainment assembly	NO	NO	NO	YES	25	30	NO	NO	NO	NO	NO
7221	Recreation	Outdoor sports assembly	NO	NO	NO	YES	YES	YES	NO	NO	NO	NO	NO
72211	Recreation	Outdoor motor vehicle race tracks & related uses	NO	(YES)	(YES)	YES	YES	(25)*	(30)*	(35)*	NO	NO	(YES)
72212	Recreation	Recreational vehicle accommodations and campgrounds in conjunction with and on the same property as an outdoor motor vehicle racetrack having fifty thousand (50,000) or more seats and used in connection with events thereon	NO	NO	NO	YES	YES	YES	NO	NO	NO	NO	(YES)
7222	Recreation	Indoor sports assembly	NO	NO	NO	YES	YES	25	30	35	NO	NO	NO
7230	Recreation	Misc. public assembly	NO	NO	NO	YES	(25)	(30)	NO	NO	NO	NO	NO
7310	Recreation	Fairgrounds and amusement parks	NO	NO	NO	YES	YES	YES	NO	NO	NO	NO	NO
7395	Recreation	Outdoor amusements	NO	NO	(YES)	YES	YES	YES	NO	NO	NO	NO	NO
7396	Recreation	Indoor amusements	NO	NO	(YES)	YES	YES	25	30	35	NO	NO	NO
7411	Recreation	Outdoor sports activities	NO	(YES)	(YES)	YES	YES	YES	NO	NO	NO	NO	NO
7413	Recreation	Indoor sports activities	NO	NO	(YES)	YES	YES	25	30	35	NO	NO	NO
7420	Recreation	Outdoor playgrounds and athletic areas	NO	NO	(YES)	YES	YES	YES	NO	NO	NO	NO	NO
7425	Recreation	Indoor playgrounds and athletic areas	NO	NO	(YES)	YES	YES	25	30	35	NO	NO	NO
7430	Recreation	Golf courses, driving ranges, riding stables & water recreation	[YES]	(YES)	(YES)	YES	YES	(25)	(30)	(35)	[YES]]*	{YES}}*	(YES)*
7490	Recreation	Other recreation	NO	(YES)	(YES)	YES	YES	YES	NO	NO	NO	NO	(YES)
7500	Recreation	Resorts & group camps	NO	NO	NO	YES	YES	YES	NO	NO	NO	NO	NO
7600	Recreation	Parks	NO	NO	(YES)	YES	YES	YES	NO	NO	NO	NO	(YES)
8150	Resources	Dairy farming	NO	YES	YES	YES	(25)	(30)	(35)	NO	NO	{YES}}	(YES)

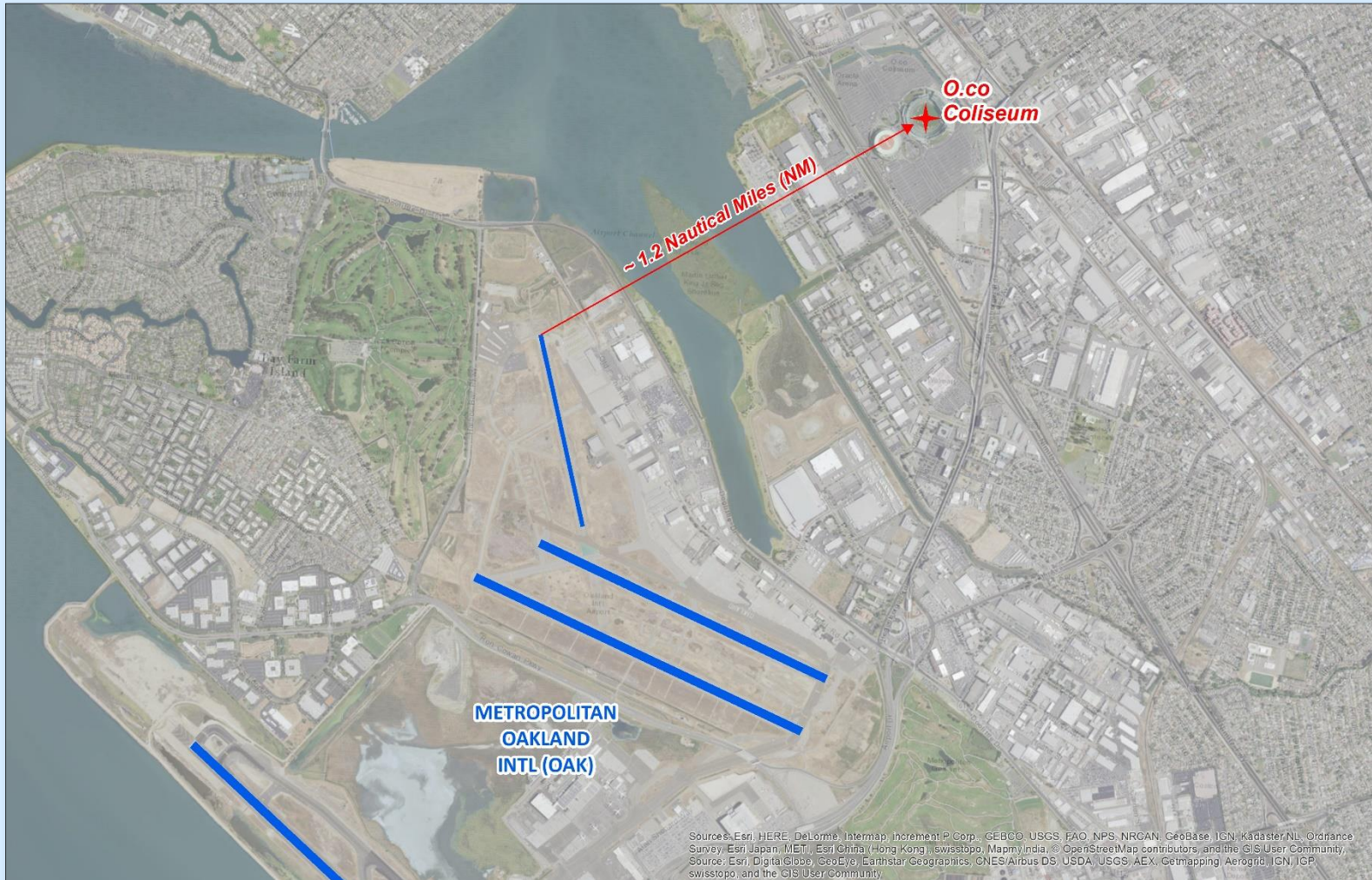
Levi's Stadium

Norman y Mineta San Jose International Airport



O.co Coliseum

Metropolitan Oakland International Airport



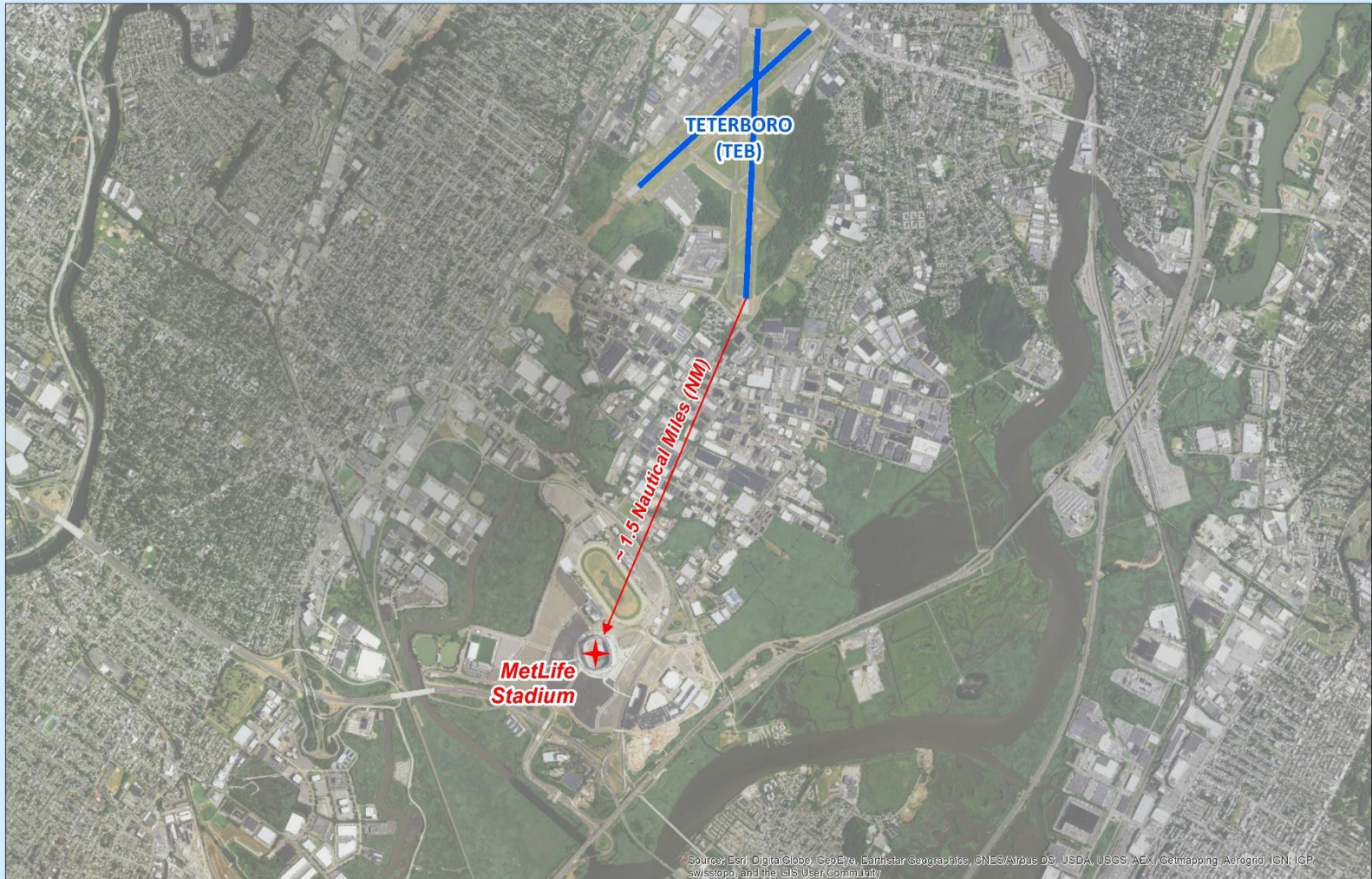
Citi Field and Arther Ash Stadium

LaGuardia Airport



MetLife Stadium

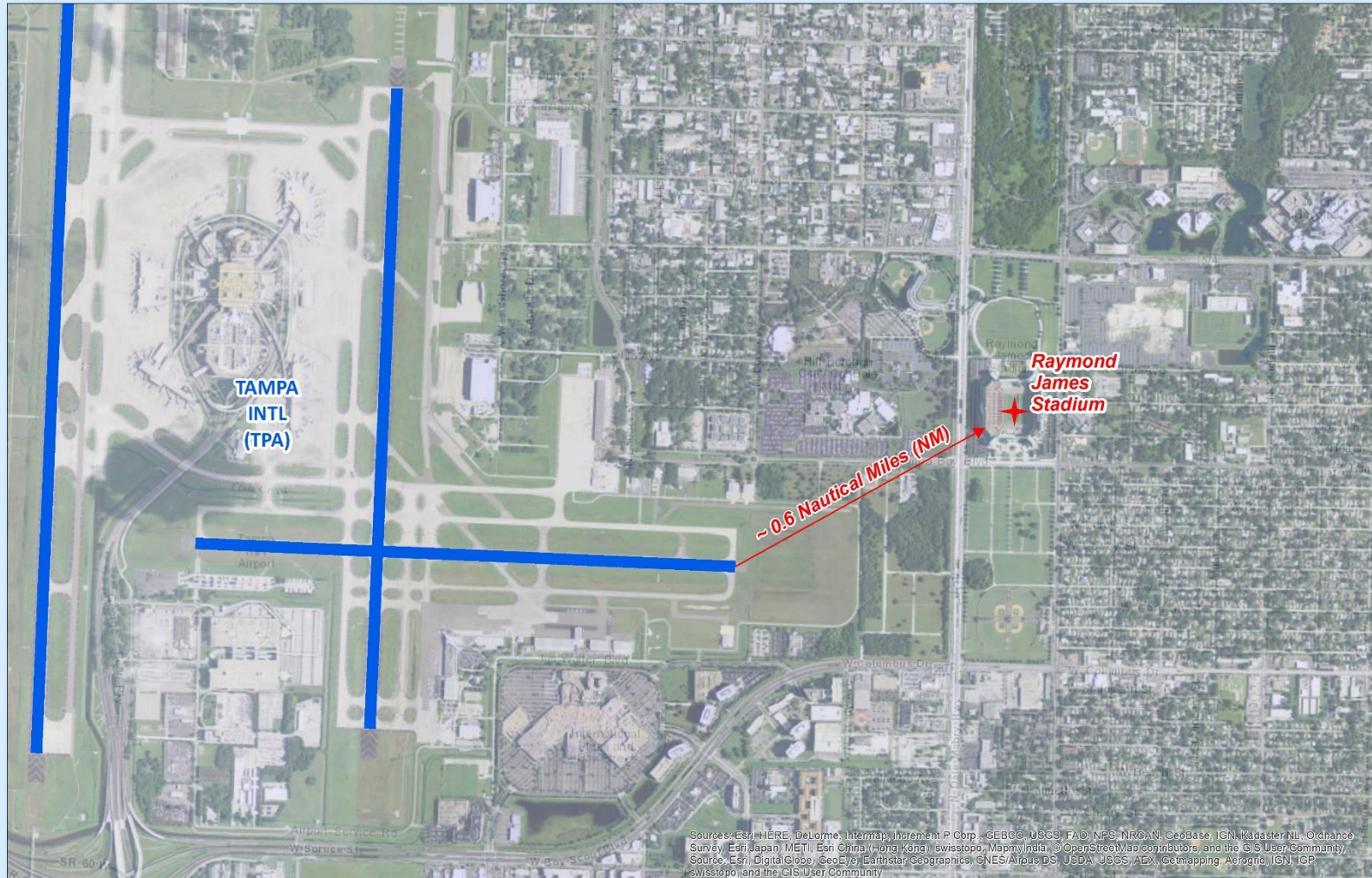
Teterboro Airport



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

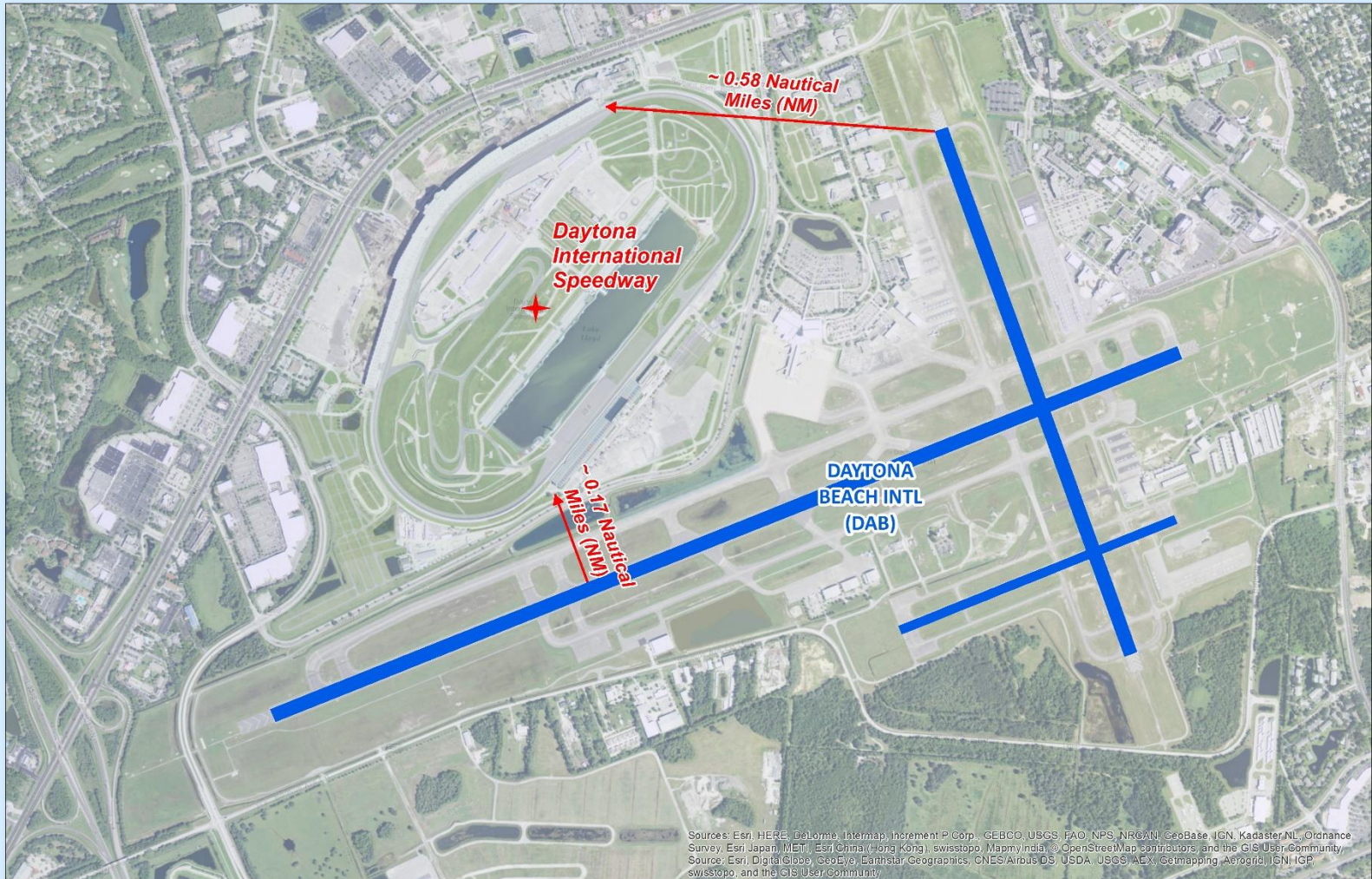
Raymond James Stadium

Tampa International Airport



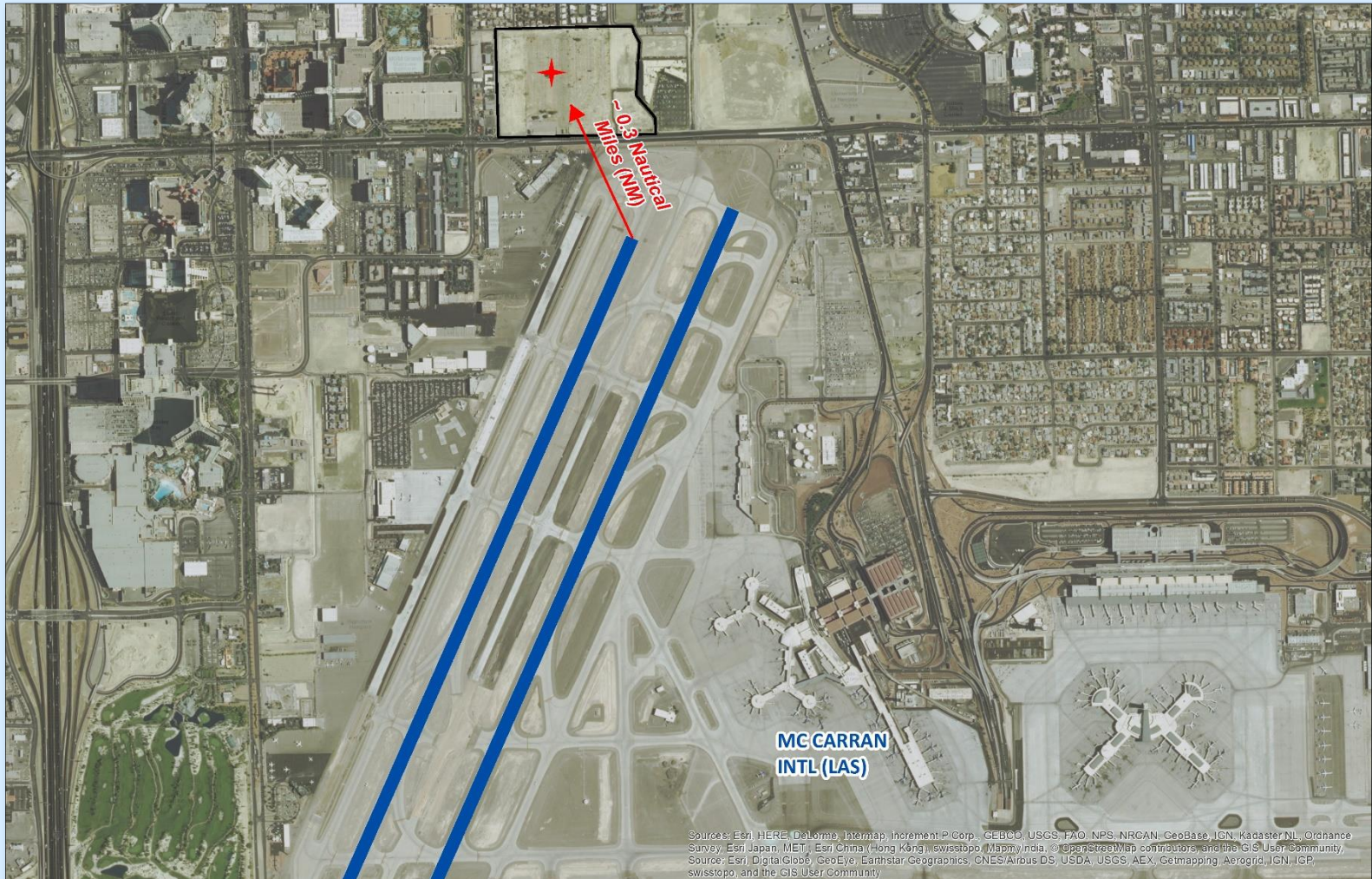
Daytona International Speedway

Daytona Beach International Airport



Comparison: UNLV 42 Acre Site

McCarran International Airport





Comparative Financials for Mountain West Conference Football Programs

Under the federal Equity in Athletics Disclosure Act, universities that receive Title IV funding must submit annual financial and participation data from their athletic programs to the Office of Postsecondary Education of the U.S. Department of Education. The following table summarizes the most recent data available on revenues and expenses for all Mountain West Conference football programs (Air Force Academy does not receive Title IV funding and therefore does not submit data).

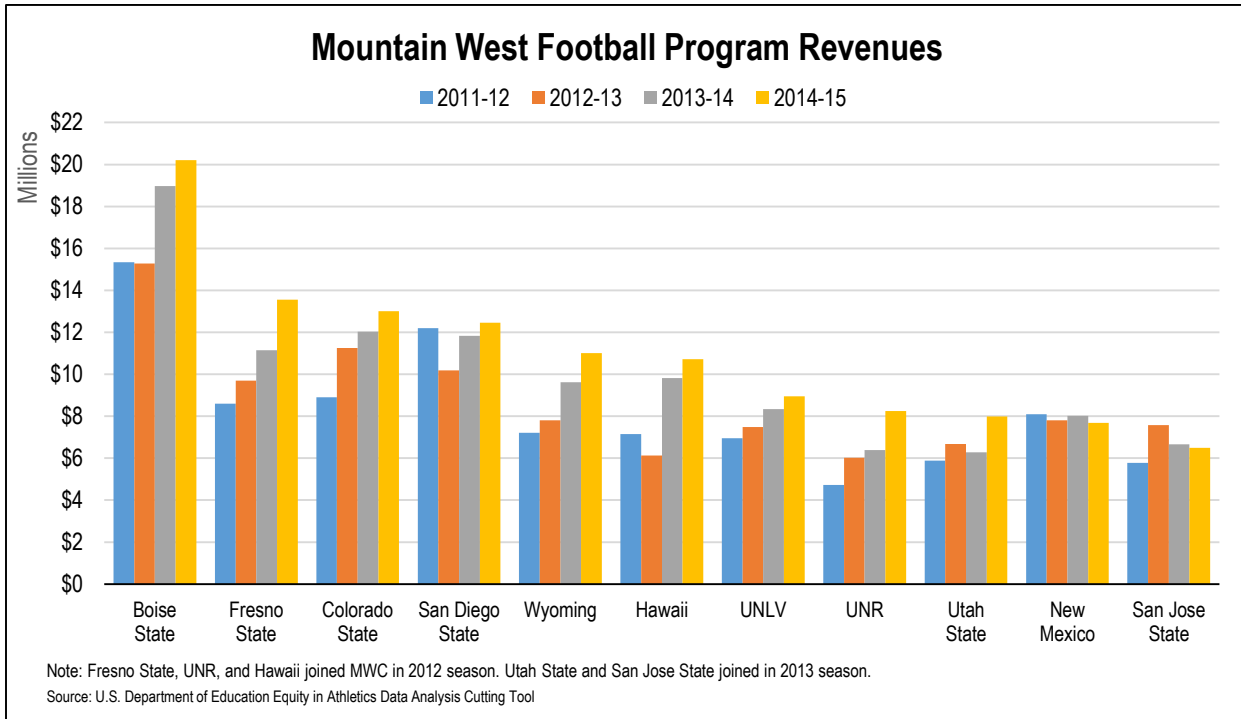
University Football Program Financials (2014-2015 Academic Year)

School	Revenue	Expenses	Net
Boise State University	\$20,206,989	\$8,839,739	\$11,367,250
California State University-Fresno	\$13,552,228	\$10,980,347	\$2,571,881
Colorado State University-Fort Collins	\$13,002,269	\$13,002,269	\$0
San Diego State University	\$12,459,848	\$13,364,530	(\$904,682)
University of Wyoming	\$11,008,232	\$8,061,049	\$2,947,183
University of Hawaii at Manoa	\$10,716,179	\$10,716,179	\$0
University of Nevada-Las Vegas	\$8,954,365	\$8,954,365	\$0
University of Nevada-Reno	\$8,252,434	\$7,087,956	\$1,164,478
Utah State University	\$7,992,075	\$7,992,075	\$0
University of New Mexico-Main Campus	\$7,677,165	\$7,677,165	\$0
San Jose State University	\$6,490,966	\$6,490,966	\$0

Source: U.S. Department of Education Equity in Athletics Data Analysis Cutting Tool

Revenue Note: All revenues attributable to intercollegiate athletic activities. This includes revenues from appearance guarantees and options, contributions from alumni and others, institutional royalties, signage and other sponsorships, sport camps, state or other government support, student activity fees, ticket and luxury box sales, and any other revenues attributable to intercollegiate athletic activities.

Expenses Note: All expenses attributable to intercollegiate athletic activities. This includes appearance guarantees and options, athletically related student aid, contract services, equipment, fundraising activities, operating expenses, promotional activities, recruiting expenses, salaries and benefits, supplies, travel, and any other expenses attributable to intercollegiate athletic activities.



Mountain West Football Game Day Scheduling

The following table summarizes which days of the week Mountain West Conference football games have been scheduled on during the past three seasons and in the upcoming season.

	Thursday	Friday	Saturday	Sunday
2013	7	9	80	1
2014	2	14	82	1
2015	4	4	88	0
2016	3	2	92	0

Source: Mountain West Conference Schedules



UNLV Home Football Game Attendance

Paid attendance numbers, including head count, gross and net revenue, for UNLV football games played locally during the past 10 years.

2006 Season	Date	Tickets Sold	Attendance
UNLV FOOTBALL v. IDAHO ST	9/2/2006	17,116	14,540
UNLV FOOTBALL v. NEVADA RENO	9/30/2006	36,755	30,292
UNLV FOOTBALL v. NEW MEXICO	10/14/2006	14,413	8,637
UNLV FOOTBALL v. TCU	11/4/2006	12,596	6,344
UNLV FOOTBALL v. WYOMING	11/18/2006	12,763	6,423
UNLV FOOTBALL v. AIR FORCE	11/24/2006	12,643	7,066
2006 TOTAL		106,286	73,302

2007 Season	Date	Tickets Sold	Attendance
UNLV FOOTBALL v. WISCONSIN	9/8/2007	33,524	28,492
UNLV FOOTBALL v. HAWAII	9/15/2007	35,391	27,666
UNLV FOOTBALL v. UTAH	9/22/2007	20,775	14,069
UNLV FOOTBALL v. BYU	10/13/2007	35,360	28,349
UNLV FOOTBALL v. COLORADO ST	10/20/2007	18,835	11,517
UNLV FOOTBALL v. SAN DIEGO ST	11/10/2007	18,343	11,517
2007 TOTAL		162,228	121,610

2008 Season	Date	Tickets Sold	Attendance
UNLV FOOTBALL v. UTAH STATE	8/30/2008	10,222	12,661
UNLV FOOTBALL v. IOWA STATE	9/20/2008	21,489	18,341
UNLV FOOTBALL v. NEVADA-RENO	9/27/2008	29,331	25,928
UNLV FOOTBALL v. AIR FORCE	10/18/2008	18,177	14,368
UNLV FOOTBALL v. TCU	11/1/2008	13,733	9,441
UNLV FOOTBALL v. NEW MEXICO	11/8/2008	11,545	7,466
UNLV FOOTBALL v. WYOMING	11/13/2008	18,258	9,886
2008 TOTAL		122,755	98,091



2009 Season	Date	Tickets Sold	Attendance
UNLV FOOTBALL v. SACRAMENTO STATE	9/5/2009	20,642	14,656
UNLV FOOTBALL v. OREGON STATE	9/12/2009	25,552	22,053
UNLV FOOTBALL v. HAWAII	9/19/2009	24,925	21,529
UNLV FOOTBALL v. BYU	10/10/2009	24,179	20,932
UNLV FOOTBALL v. UTAH	10/17/2009	23,951	19,303
UNLV FOOTBALL v. COLORADO STATE	11/7/2009	14,397	9,713
UNLV FOOTBALL v. SAN DIEGO STATE	11/28/2009	12,546	5,196
2009 TOTAL		146,192	113,382

2010 Season	Date	Tickets Sold	Attendance
UNLV FOOTBALL v. WISCONSIN	9/4/2010	28,251	22,645
UNLV FOOTBALL v. NEW MEXICO	9/25/2010	15,930	10,646
UNLV FOOTBALL v. NEVADA-RENO	10/2/2010	27,425	22,125
UNLV FOOTBALL v. TCU	10/30/2010	15,952	10,082
UNLV FOOTBALL v. WYOMING	11/13/2010	14,158	8,848
UNLV FOOTBALL v. AIR FORCE	11/18/2010	12,963	7,089
2010 TOTAL		114,679	81,435

2011 Season	Date	Tickets Sold	Attendance
UNLV FOOTBALL v. HAWAII	9/17/2011	20,599	16,613
UNLV FOOTBALL v. SOUTHERN UTAH	9/24/2011	17,492	12,447
UNLV FOOTBALL v. COLORADO STATE	10/29/2011	19,953	8,134
UNLV FOOTBALL v. BOISE STATE	11/5/2011	25,536	19,310
UNLV FOOTBALL v. SAN DIEGO STATE	11/26/2011	19,210	7,125
2011 TOTAL		102,790	63,629

2012 Season	Date	Tickets Sold	Attendance
UNLV FOOTBALL v. MINNESOTA	8/30/2012	10,236	12,337
UNLV FOOTBALL v. NORTHERN ARIZONA	9/8/2012	14,468	10,977
UNLV FOOTBALL v. WASHINGTON STATE	9/14/2012	16,269	12,576
UNLV FOOTBALL v. AIR FORCE	9/22/2012	13,234	9,716
UNLV FOOTBALL v. NV-RENO	10/13/2012	19,771	15,501
UNLV FOOTBALL v. NEW MEXICO	11/3/2012	12,070	7,730
UNLV FOOTBALL v. WYOMING	11/17/2012	9,919	6,061
2012 TOTAL		95,967	74,898



2013 Season	Date	Tickets Sold	Attendance
UNLV FOOTBALL v. ARIZONA	9/7/2013	26,737	17,940
UNLV FOOTBALL v. CENTRAL MICHIGAN	9/14/2013	10,866	6,617
UNLV FOOTBALL v. WESTERN ILLINOIS	9/21/2013	12,262	7,624
UNLV FOOTBALL v. HAWAII	10/12/2013	21,866	16,225
UNLV FOOTBALL v. SAN JOSE ST	11/2/2013	15,038	10,417
UNLV FOOTBALL v. UTAH ST	11/9/2013	14,250	9,465
UNLV FOOTBALL v. SAN DIEGO ST	11/30/2013	15,122	10,725
2013 TOTAL		116,141	79,013

2014 Season	Date	Tickets Sold	Attendance
UNLV FOOTBALL v. Northern Colorado	9/6/2014	15,943	11,639
UNLV FOOTBALL v. Northern Illinois	9/13/2014	13,407	9,075
UNLV FOOTBALL v. Fresno State	10/10/2014	14,449	9,786
UNLV FOOTBALL v. New Mexico	11/1/2014	12,451	7,566
UNLV FOOTBALL v. Air Force	11/8/2014	12,156	7,523
UNLV FOOTBALL v. Nevada-Reno	11/29/2014	19,679	14,750
2014 TOTAL		88,085	60,339

2015 Season	Date	Tickets Sold	Attendance
UNLV FOOTBALL v. UCLA	9/12/2015	31,191	26,305
UNLV FOOTBALL v. Idaho State	9/26/2015	15,852	10,899
UNLV FOOTBALL v. San Jose St	10/10/2015	18,294	13,366
UNLV FOOTBALL v. Boise St	10/31/2015	13,425	9,352
UNLV FOOTBALL v. Hawaii	11/7/2015	19,113	13,090
UNLV FOOTBALL v. San Diego St	11/21/2015	13,895	8,962
2015 TOTAL		111,770	81,974



Gross and Net Revenue for UNLV Football

	2007-08	2008-09	2009-10**	2010-11***	2011-12	2012-13	2013-14	2014-15**	2015-16
Home Games	6	7	7	6	5	7	7	6	6
Tickets Sold (Paid Attendance)	162,228	122,755	146,192	114,679	102,790	95,967	116,414	88,085	111,770
Attendance (Head Count)	121,610	98,091	113,382	81,435	63,629	74,898	79,013	60,339	81,974
Win-Loss Record	2-10	5-7	5-7	2-11	2-10	2-11	7-6	2-11	3-9

Gross Revenue

Ticket Sales	\$3,286,517	\$1,896,913	\$2,042,693	\$2,577,155	\$1,692,880	\$1,663,260	\$1,494,805	\$1,392,199	\$1,950,000
Game Guarantees	100,000	400,000	-	1,065,000	525,000	150,000	250,000	925,000	1,300,000
Contributions (No Priority Seating)	172	489	35,750	121,236	167,306	119,500	269,773	192,192	200,000
BCS/MWC Bowl Games	334,506	645,540	614,605	951,631	259,324	134,825	264,649	1,429,743	1,060,000
Television	777,777	800,000	814,815	829,630	958,333	533,333	412,121	596,932	650,000
Concessions* and Program Sales	925,442	830,330	711,537	720,196	536,398	680,584	672,321	535,508	707,000
Sponsorships*	328,931	422,565	629,215	601,665	617,600	618,122	613,251	618,122	625,000
Suites*	100,000	120,000	100,000	104,790	117,000	85,000	75,000	55,000	75,000
Club Seats*	191,970	228,690	210,735	196,020	154,575	212,625	228,684	236,170	250,000
Parking Fees	48,238	44,556	62,154	40,693	23,194	28,780	36,080	41,526	57,000
Endowment and Investment Income	23,141	-	-	154,866	94,997	11,886	-	16,893	15,000
Other	4,187	12,165	18,217	1,540	2,500	2,500	-	-	-
Subtotal Operating Revenue	\$6,120,881	\$5,401,248	\$5,239,721	\$7,364,422	\$5,149,107	\$4,240,415	\$4,316,684	\$6,039,285	\$6,889,000



Expenses

	2007-08	2008-09	2009-10**	2010-11***	2011-12	2012-13	2013-14	2014-15**	2015-16
Athletic Student Aid	\$1,748,774	\$1,818,972	\$2,085,770	\$2,128,266	\$2,452,793	\$2,388,878	\$2,606,792	\$2,660,652	\$2,700,000
Game Guarantees	500,000	350,000	607,000	300,000	475,000	765,000	725,000	600,000	625,000
Coaches' Salaries, Benefits, and Bonuses	1,765,181	1,593,718	2,140,065	1,620,730	1,659,303	1,627,233	2,383,904	3,029,770	2,810,000
Direct Support Staff Salaries, Benefits and Bonuses	186,914	131,432	158,936	138,601	131,756	245,307	159,696	301,946	180,000
Recruiting	244,836	342,894	286,086	292,618	273,670	284,774	288,590	348,539	350,000
Team Travel	736,922	432,938	437,189	706,111	580,253	410,171	493,301	705,857	852,000
Uniforms and Supplies.	286,903	300,439	334,370	333,352	284,125	371,750	264,701	455,792	450,000
Game Expenses	228,357	444,776	289,843	339,649	228,780	317,608	375,133	275,755	285,000
Medical Expenses and Medical Insurance	30,868	16,361	17,119	32,810	23,941	30,210	12,153	19,822	17,000
Equipment	69,486	4,465	-	1,785	145,825	8,915	-	-	224,000
Preseason	271,220	249,808	201,128	167,718	223,831	218,855	204,015	211,773	174,000
Training Table Meals	107,282	124,873	106,955	120,754	123,621	116,875	117,463	141,788	75,000
Concessions	447,347	463,833	389,968	395,894	285,066	401,544	403,393	319,109	353,500
Ticket Sales Commissions	-	-	-	-	-	106,476	79,259	82,876	73,500
Other Operating Expense	305,507	99,032	113,867	167,130	124,882	189,366	126,157	202,670	166,000
Subtotal Operating Expenses****	6,929,597	6,373,541	7,168,296	6,745,418	7,012,846	7,482,962	8,239,557	9,356,349	9,335,000
Excess (Deficiencies) of Revenues Over (Under) Expenses (net)	\$(808,716)	\$(972,293)	\$(1,928,575)	\$619,004	\$(1,863,738)	\$(3,242,547)	\$(3,922,874)	\$(3,317,064)	\$(2,446,000)

Notes

* Revenues from Concessions, Sponsorship, Suites, and Club Seats are retained by the Facility and do not directly to support football operations. The revenues presented in these categories are estimated.

** Coaching transitions occurred in 2009-10 and 2014-15.

*** Conference realignment occurred after the 2010-11 season.

**** Operating Expenses do not include overhead costs (i.e. utilities, facility maintenance), corporate sales expense, event front of house labor (i.e. users, ticket takers, or parking attendants), debt service costs, or administrative expenses from support departments (i.e. Executive Office, Training, Compliance, Marketing, Donor Services). All of these departments indirectly support the football program.

This report will not agree to Athletic's budgeted activities which is prepared on an accounting basis used by the university for budgetary purposes. This financial statement is not designed for those who are not informed about the management of these activities.

TO: Interested Parties
FROM: Global Strategy Group
DATE: March 22, 2016
RE: **POLL RESULTS – Nevadans want tax revenues to go to convention center, not NFL stadium**

A commanding majority of Nevadans support a proposal to use Clark County room tax revenues to modernize and expand the Las Vegas Convention Center. When confronted with the possibility that only one economic development project can be funded through the room tax, voters prefer that the convention center expansion move forward over the publicly-subsidized construction of an NFL-quality stadium in Las Vegas by a clear, double-digit margin. Voters across the state see the convention center as a more worthwhile use of public funding, and support for using room tax revenues to fund the convention center is particularly strong among voters closest to the issue in Clark County. Key findings from Global Strategy Group's recent poll of 800 likely 2016 General Election voters in Nevada are as follows:

KEY SURVEY FINDINGS:

- **Voters overwhelmingly support a plan to expand the Las Vegas Convention Center:** After hearing about a \$1.4 billion dollar plan to modernize and expand the convention center, including the fact that it would be funded through Clark County room tax revenues, roughly two-thirds of Nevadans support moving forward with the proposal (67% support/25% oppose). Support is even higher among the Clark County voters who stand to be affected most by the proposal (71% support/24% oppose).
- **Nevadans prefer the convention center expansion by a double-digit margin over a competing plan to use public dollars on an NFL stadium:** When voters also hear about the \$1.2 billion dollar proposal to build a new NFL-quality stadium in Las Vegas, with \$720 million coming from public funds, Nevadans would rather see room tax revenues devoted to the convention center plan by a 13-point margin (51% convention center/38% stadium). This margin extends to 18 points among Clark County voters (55% convention center/37% stadium).
- **Voters are skeptical about using public funds on a private stadium:** Nevadans are 32 points more likely to identify the convention center plan as having "clear public benefits" (57% convention center/25% stadium) than the stadium proposal, and twice as likely to believe the convention center expansion would be a "good use of taxpayer dollars" (52% convention center/26% stadium). By a 46-point margin, Nevadans are also more likely to describe the convention center plan as a "safe investment" (63% convention center/17% stadium) of public funds.

ABOUT THIS POLL

Global Strategy Group conducted a survey between March 9-13, 2016 with 800 likely 2016 General Election voters in Nevada. The results have a margin of error of +/- 3.5%, and care has been taken to ensure the geographic and demographic divisions of the expected electorate are properly represented based on past voter turnout statistics.



Future Las Vegas Hotel Room Inventory

The following table summarizes currently planned, proposed or under construction hotel projects in the Las Vegas area as listed in the April 2016 edition of the Las Vegas Convention and Visitors Authority Construction Bulletin. This list does not include the 3,875 rooms at the partially constructed Fontainebleau Las Vegas, which has been listed for sale since November 2015.

Las Vegas Hotel Room Inventory	
2015 End of Year Total	149,213
2016	
Residence Inn (South) #2	124
Thunderbird Hotel (formerly Aruba Hotel & Spa)	110
Total	149,447
2017	
All Net Resort and Arena	500
Lucky Dragon Hotel & Casino	206
Starwood Hotels & Resorts	125
Former Tod Hostel Motel	42
Total	150,320
2018	
Residence Inn Marriott (Henderson)	100
SpringHill Suites Marriott	252
Alon Las Vegas	1,100
Mardi Gras Hotel and Casino	386
Resorts World Las Vegas (Phase 1)	3,500
Total	155,658
2019 and Beyond	
Fairfield Inn (NW)	87
Wynn Paradise Park	1,000
Total	156,745



SOUTHERN NEVADA _____
Tourism Infrastructure Committee

Alternatives Analysis

Las Vegas Convention Center Expansion & Renovation Proposal

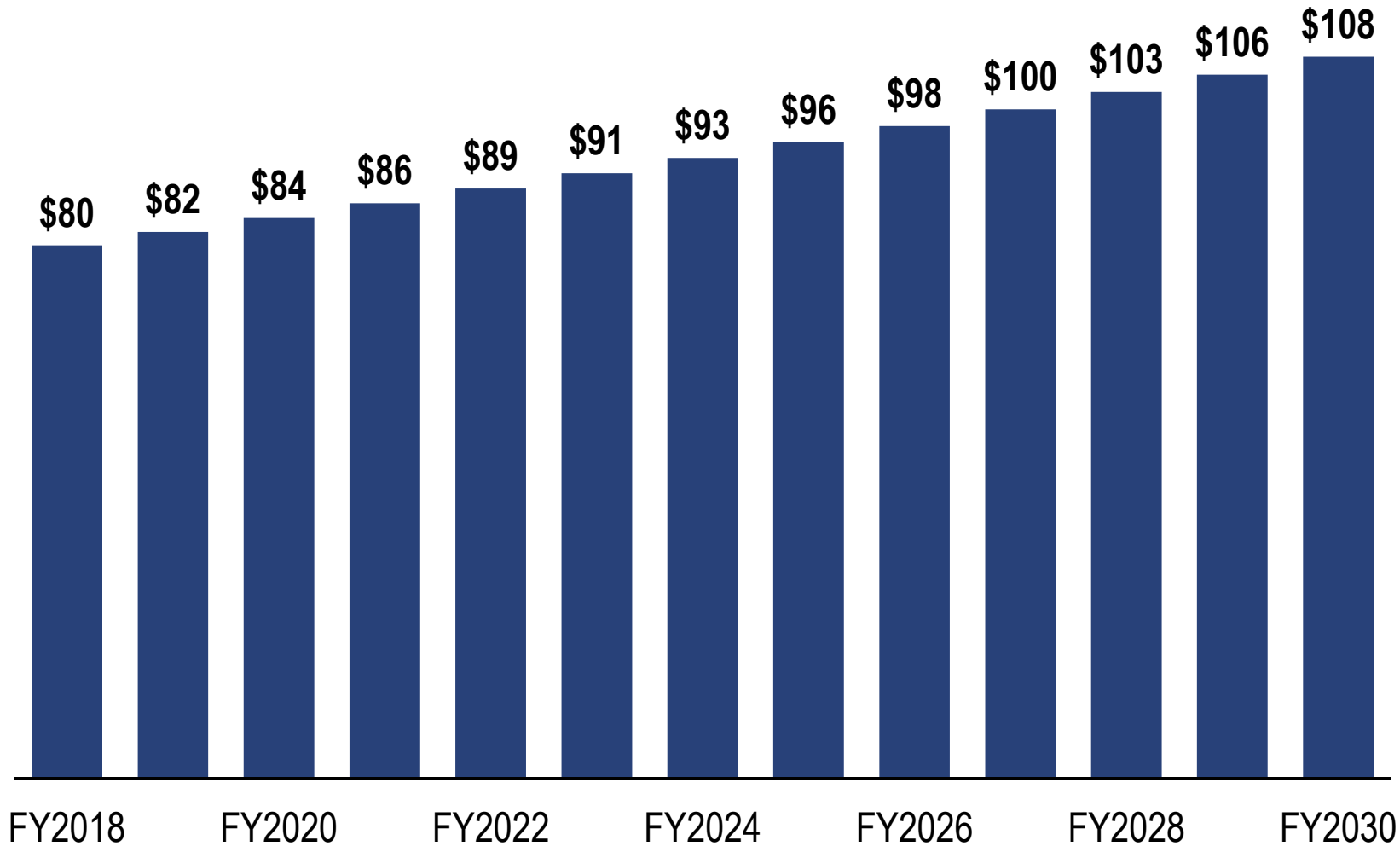
- The Las Vegas Convention and Visitors Authority (LVCVA) has proposed a \$1.4 billion expansion and renovation program for the Las Vegas Convention Center.
- As requested, the LVCVA provided a financial model that detailed its current operations and its plans for the expansion and renovation of the Las Vegas Convention Center through 2030.
- SNTIC staff was asked to review the model and was then provided with a set of alternative assumptions to determine their potential impact on available revenues and expected capital outlays and operating expenditures.
- Public agencies, such as the LVCVA, are rightly conservative in their budgeting and forecasting process. The objective of this exercise was to make reasonable modifications to key assumptions to determine the extent to which they affected the identified funding shortfall.



Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Baseline Program Funding Shortfall

(\$ in millions)



The Original Model Required Approximately \$1.22B in supplemental funding between 2018 and 2030.

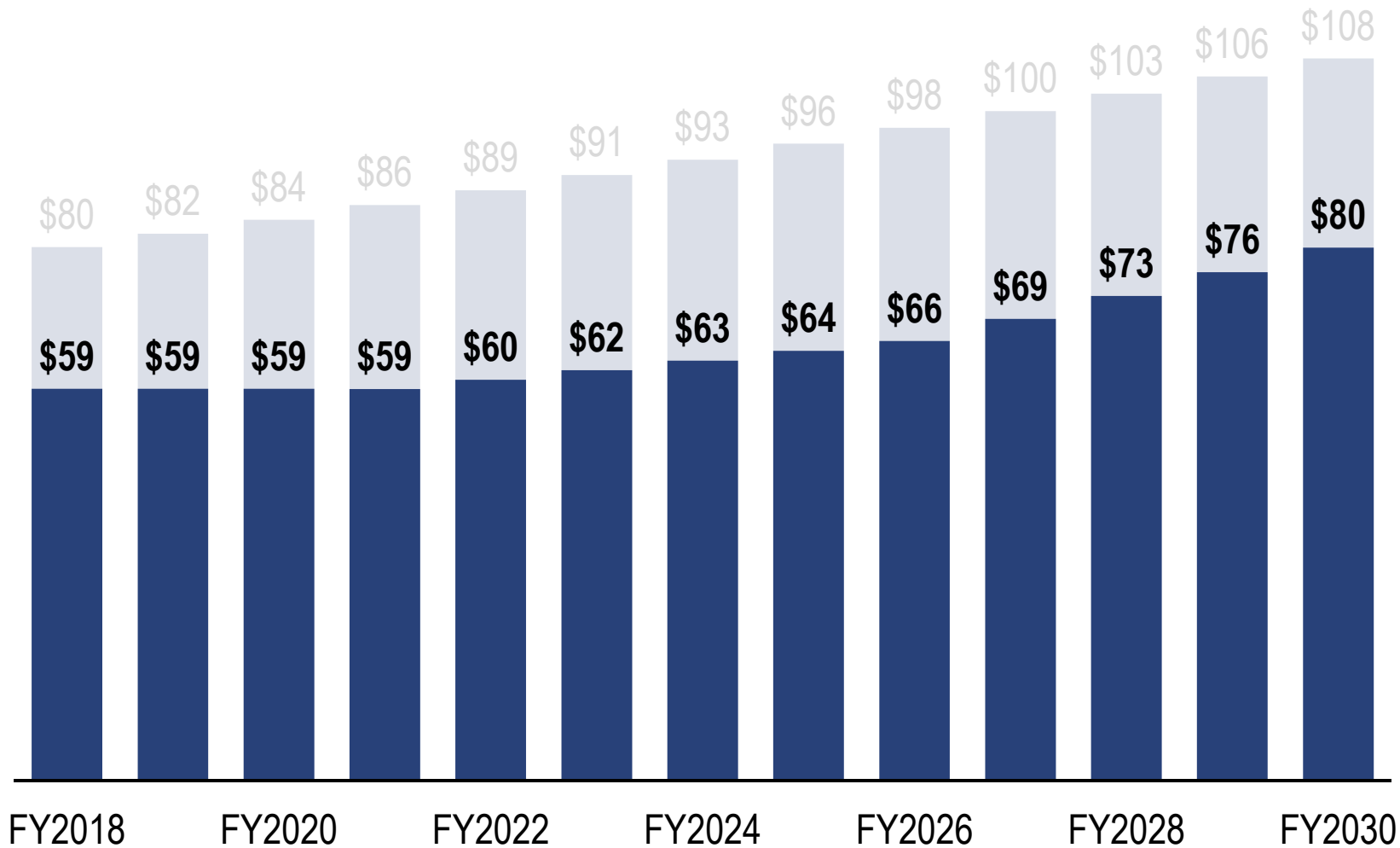
Source: LVCVA Funding Model, Condensed B



Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Modeled Program Funding Shortfall

(\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Modification #1 Modifying Room Tax Revenue Projections

Assumptions:

FY16: 10.5%

FY17-FY20: 3.0% to 3.5%

FY21-FY25: stays at 3.0%

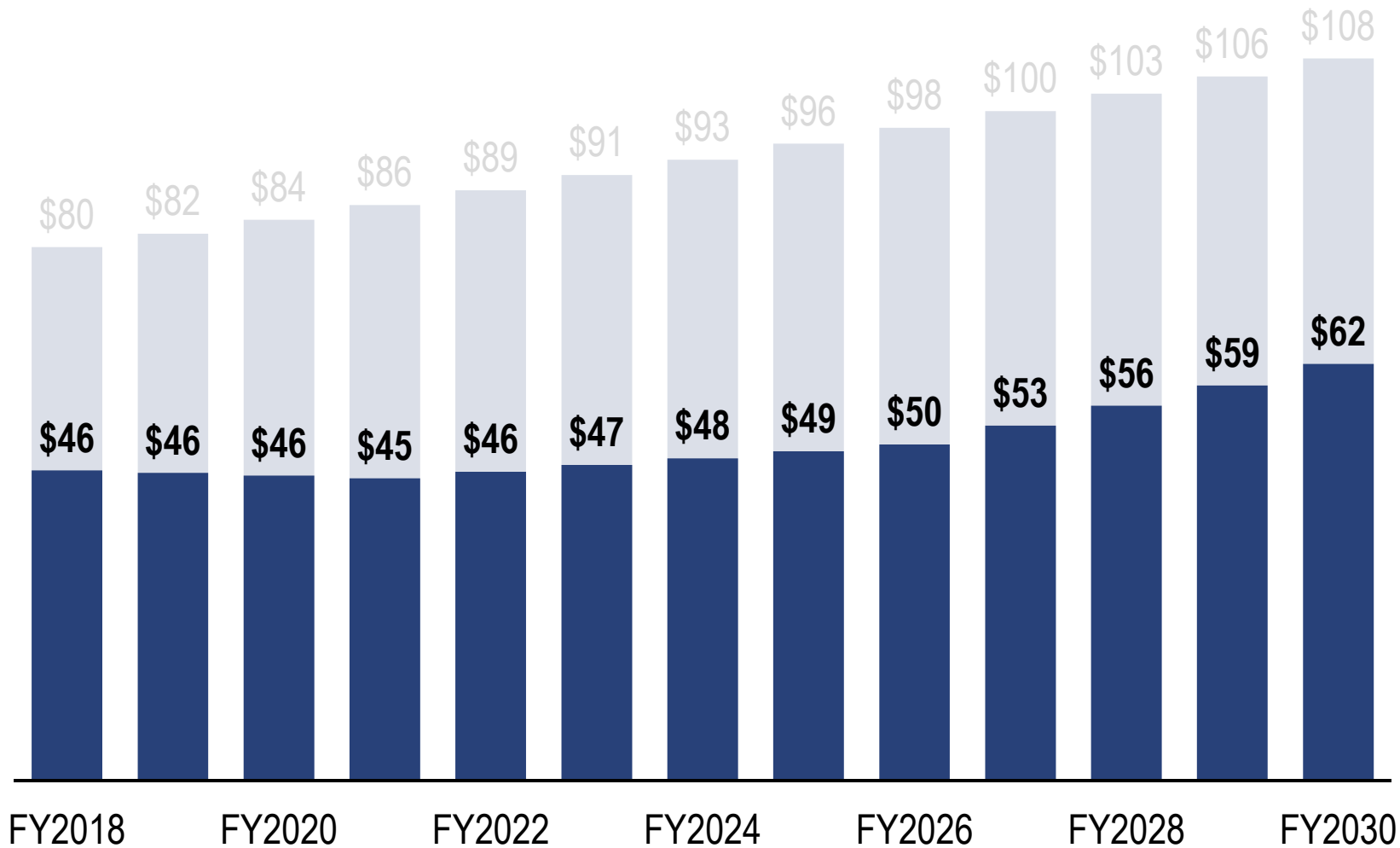
FY26-FY30: 3.0% to 2.5%



Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Modeled Program Funding Shortfall

(\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Modification #2

LVCVA Contribution to the Project

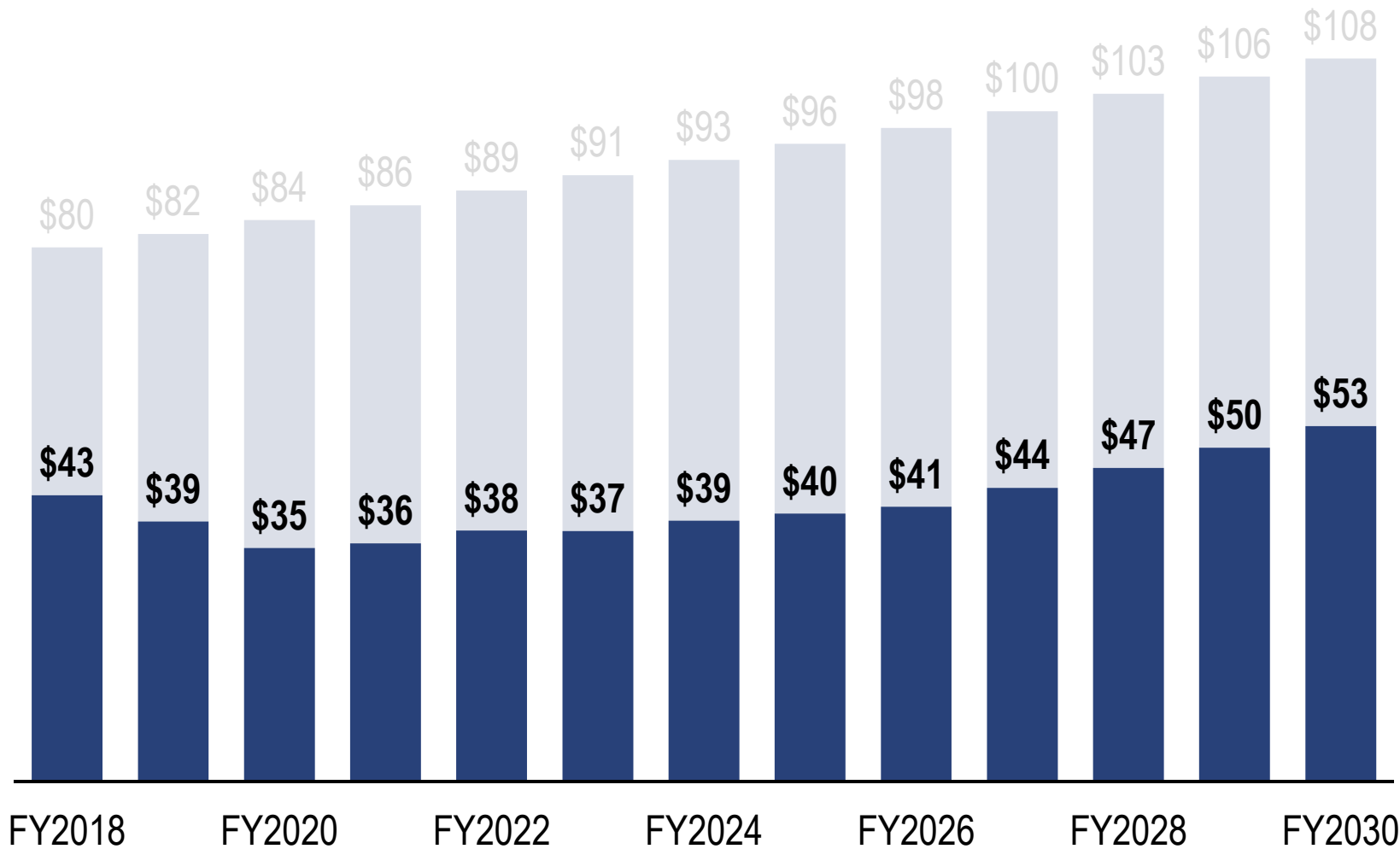
Assumptions:

\$12M in LVCVA operating revenues shifted to capital programs in FY2017

Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Modeled Program Funding Shortfall

(\$ in millions)



Modification #3

Adjustments to Interest Rate Assumptions

Assumptions:

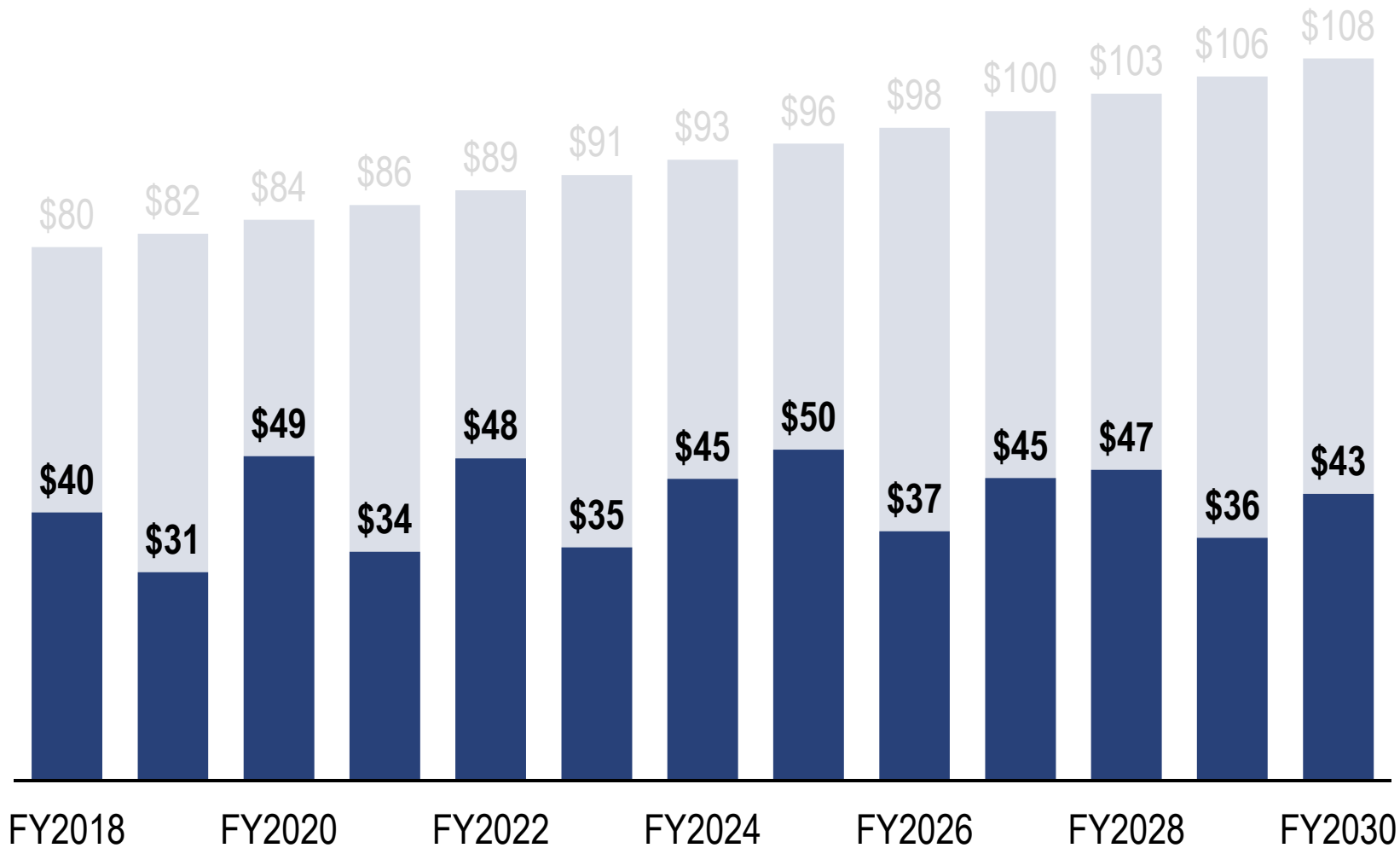
- Series 2017: 5.00% to 3.75%
- Series 2019: 5.25% to 4.75%
- Series 2021: 5.50% to 5.00%

Source: SNTIC Convention Center Model, Version 21

Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Modeled Program Funding Shortfall

(\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Modification #4

Various Minor Adjustments

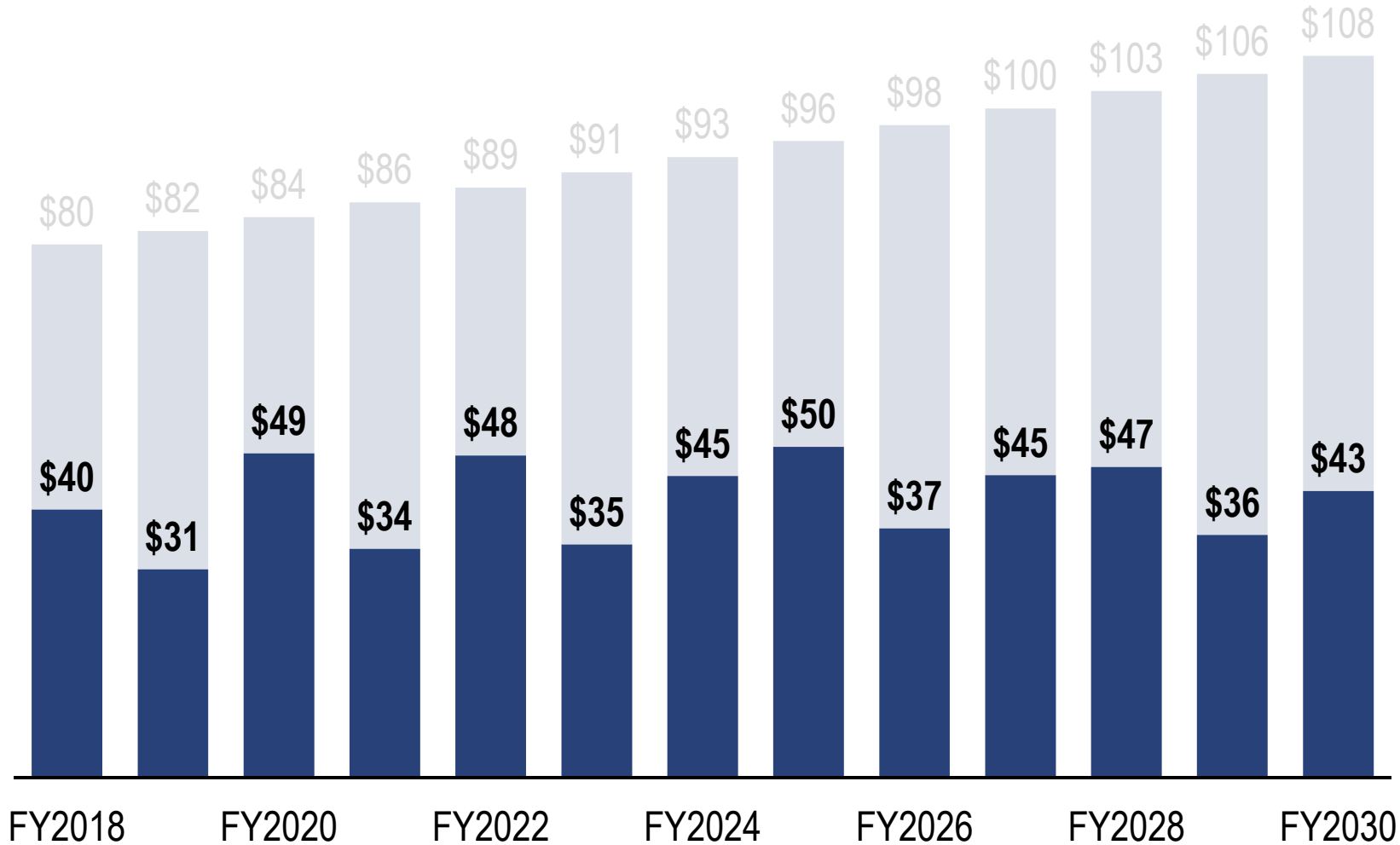
Assumptions:

Various adjustments to revenues, expenditures and ending fund balances

Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Modeled Program Funding Shortfall

(\$ in millions)

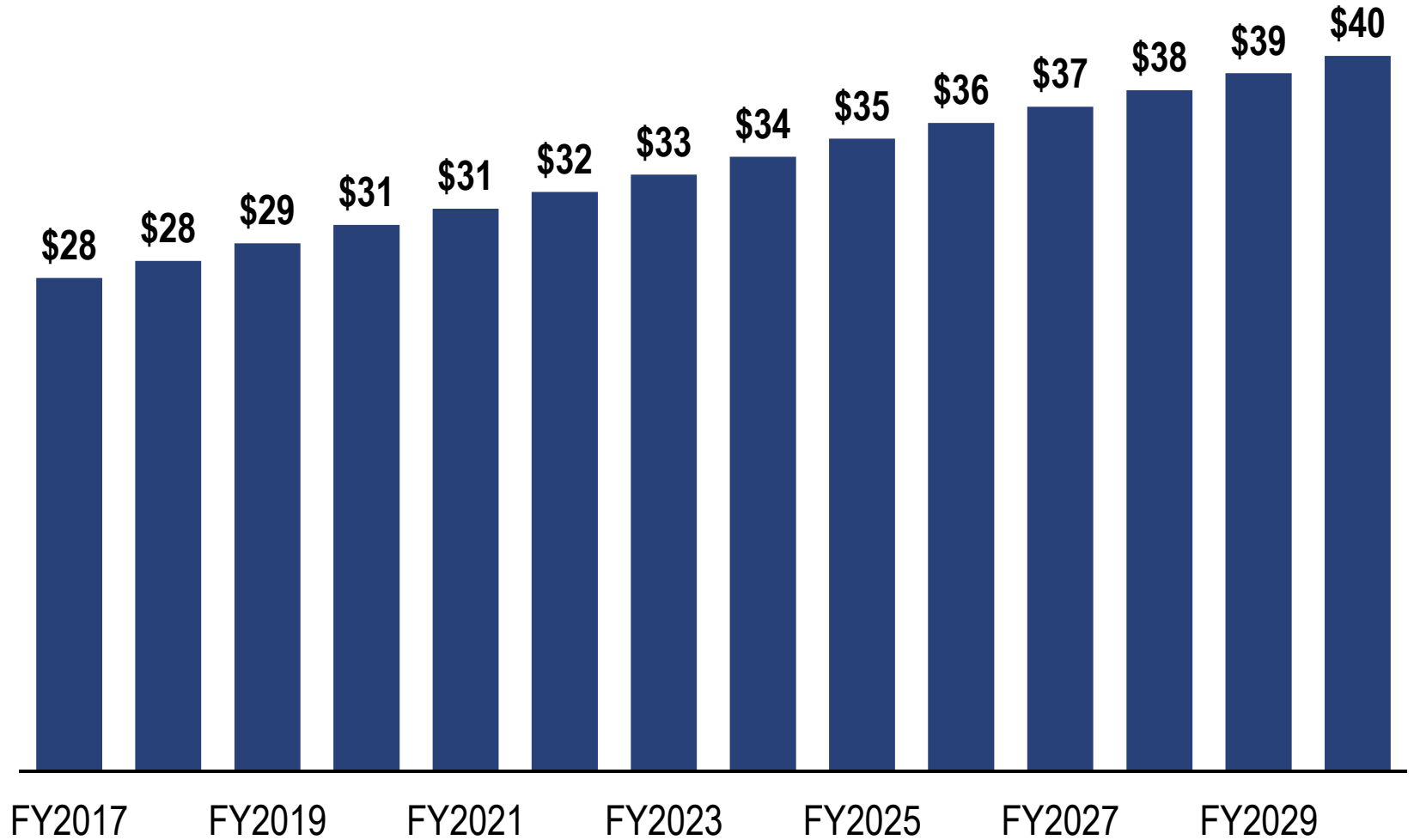


Result
**Funding Shortfall
Reduced from
\$1.2B to \$543M**

Source: SNTIC Convention Center Model, Version 21

Funding #1
**Cap the Local
Government Room
Tax Collection
Allowance at \$25M
Annually**

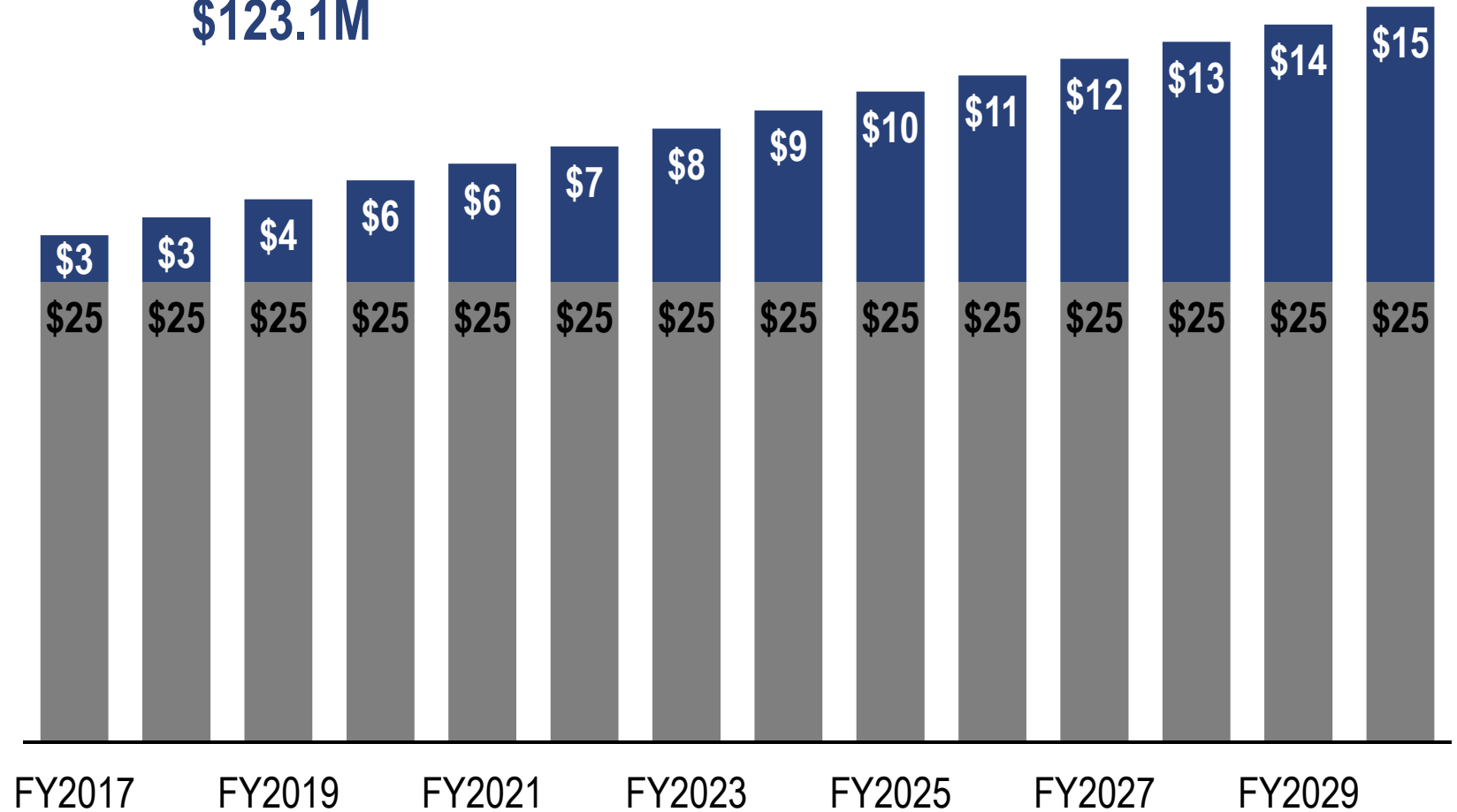
Las Vegas Convention Center Expansion & Renovation Proposal
Room Tax Collection Allowance Projection
(\$ in millions)



Funding #1
**Cap the Local
Government Room
Tax Collection
Allowance at \$25M
Annually**

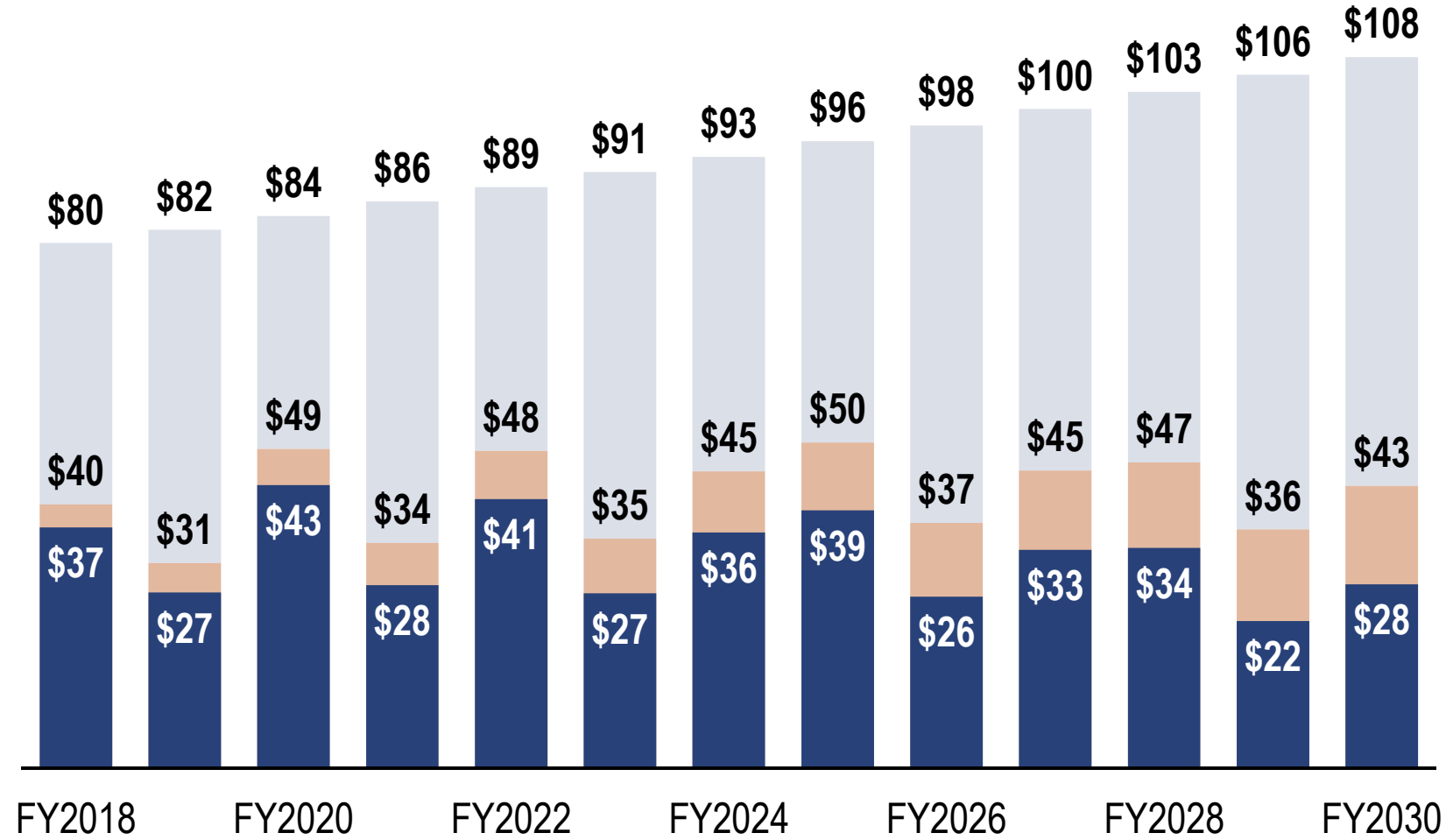
Las Vegas Convention Center Expansion & Renovation Proposal
Room Tax Collection Allowance Projection
(\$ in millions)

**Total Increment:
\$123.1M**



Collection Allowance Cap Reduces Funding Gap from \$543M to \$420M

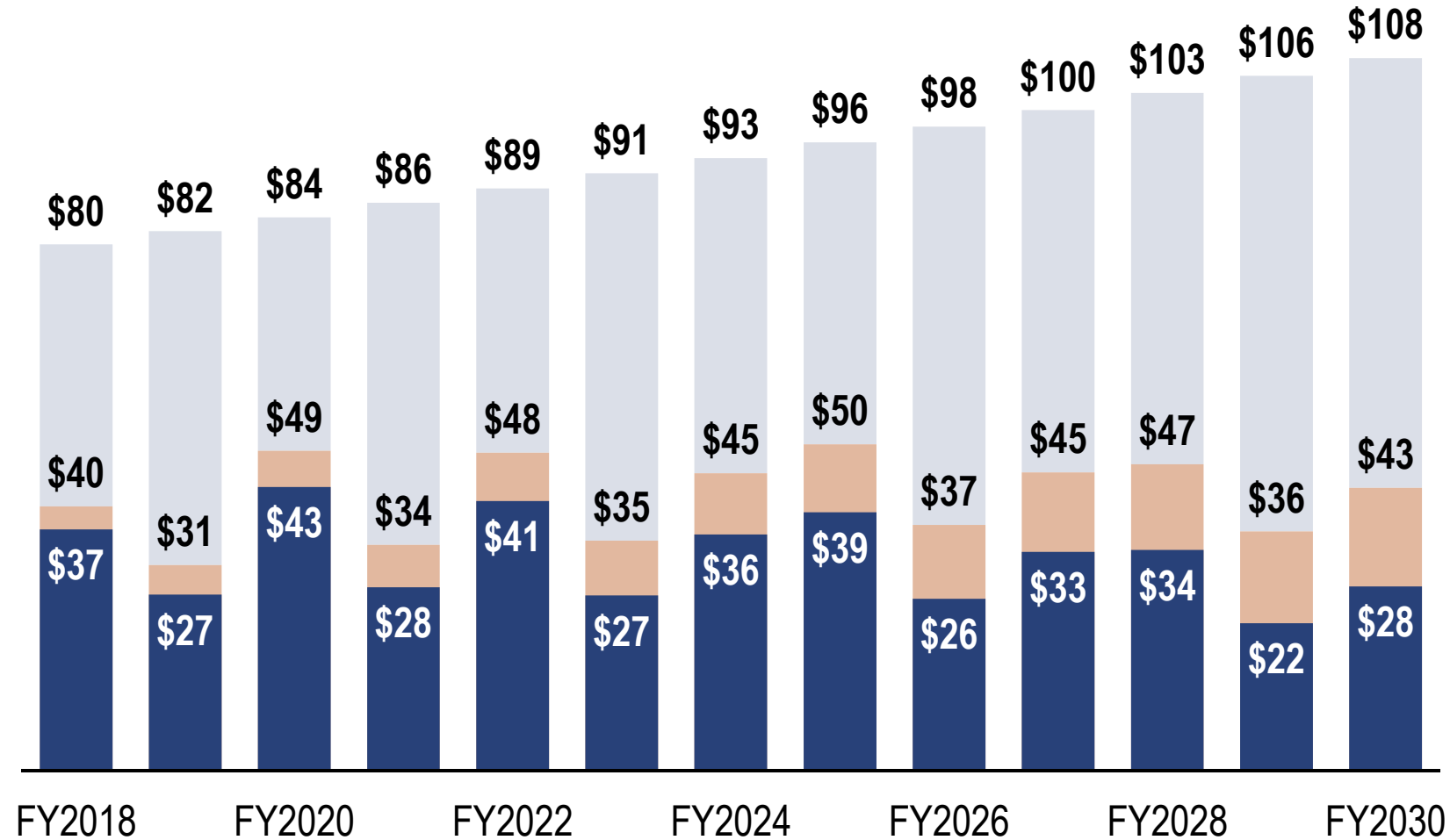
Las Vegas Convention Center Expansion & Renovation Proposal Phase II and III | Funding Shortfall After Collection Allowance Cap (\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Remaining Funding Shortfall: \$420M

Las Vegas Convention Center Expansion & Renovation Proposal Phase II and III | Funding Shortfall After Collection Allowance Cap (\$ in millions)



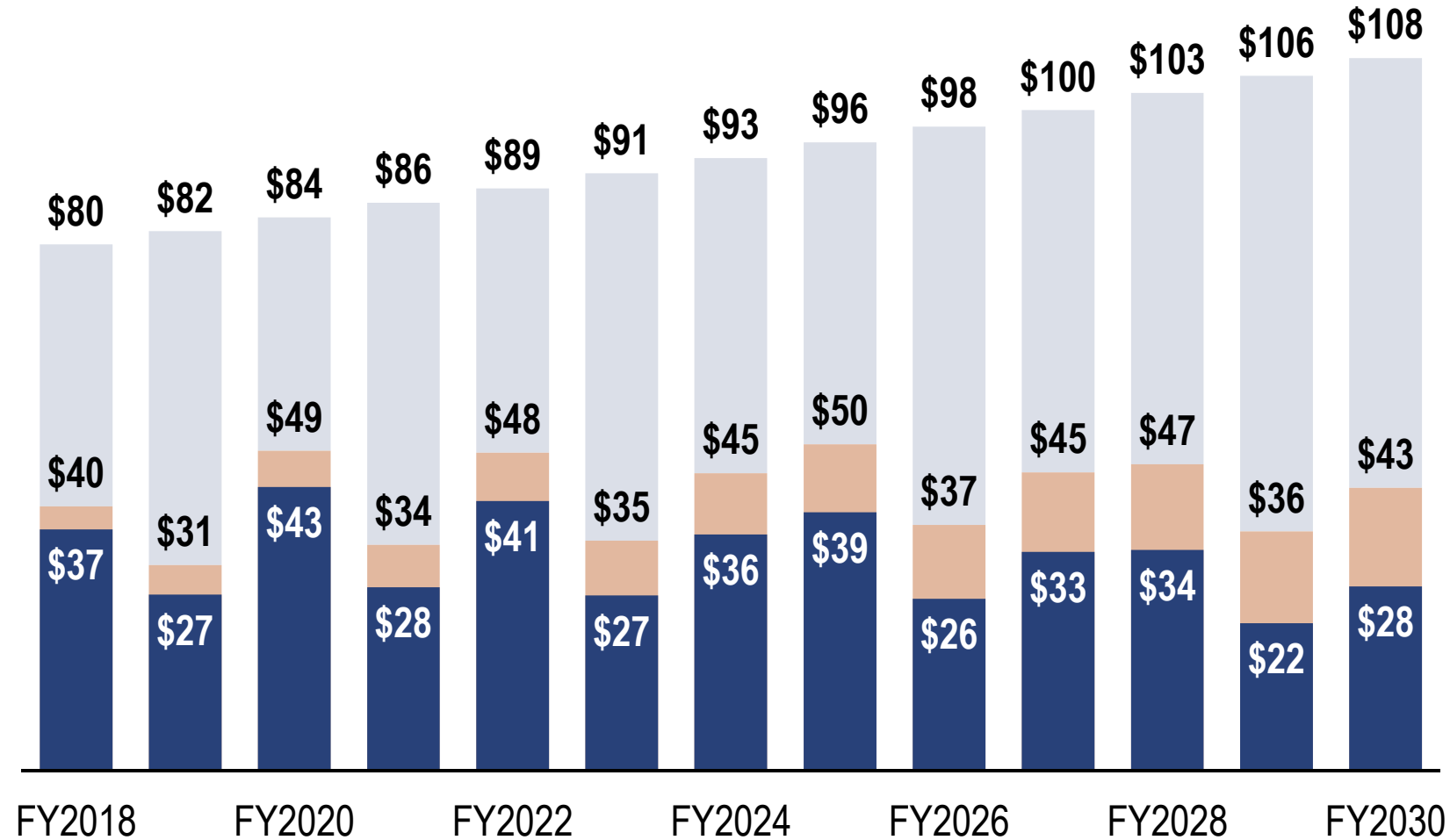
Source: SNTIC Convention Center Model, Version 21



**Remaining
Funding Shortfall:
\$420M**

**Projected Taxable
Room Revenue:
\$90.9B**

Las Vegas Convention Center Expansion & Renovation Proposal
Phase II and III | Funding Shortfall After Collection Allowance Cap
(\$ in millions)



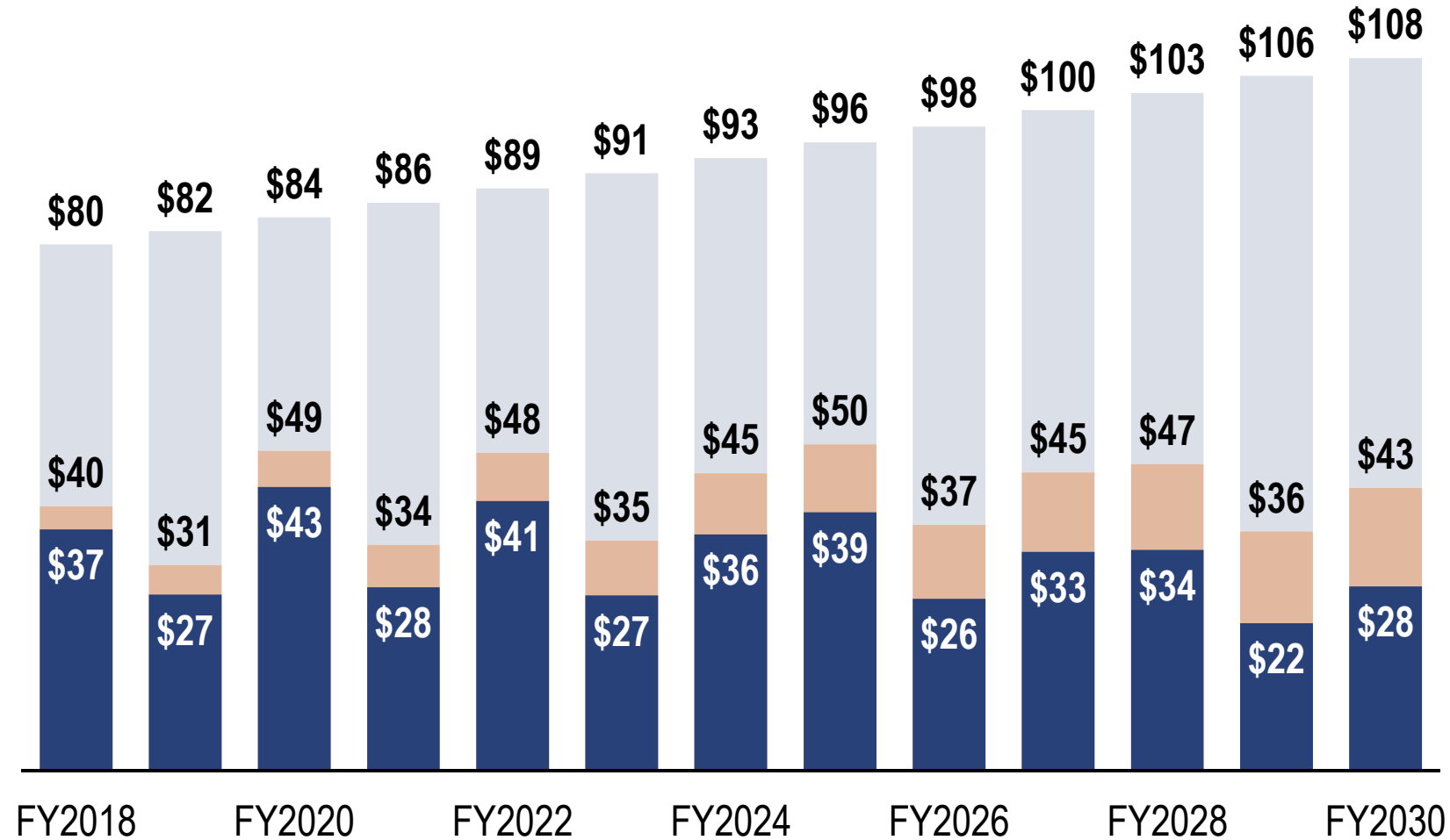
Source: SNTIC Convention Center Model, Version 21

**Remaining
Funding Shortfall:
\$420M**

**Projected Taxable
Room Revenue:
\$90.9B**

**Required Room
Tax Increment:
0.462%**

Las Vegas Convention Center Expansion & Renovation Proposal
Phase II and III | Funding Shortfall After Collection Allowance Cap
(\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Conclusions

- Adjustments/refinements may be required to fine tune the model; however, it would appear that a 0.5% to 0.6% increase in the room tax rate and a collection allowance cap of \$25 million would fund the Phase II expansion and the Phase III renovations as proposed by the LVCVA
- Direction is requested from the Committee relative to further refinements, alternative strategies and/or to take the next steps to develop this strategy into a formal recommendation





SOUTHERN NEVADA _____
Tourism Infrastructure Committee

Alternatives Analysis

Las Vegas Convention Center Expansion & Renovation Proposal

WELCOME

SOUTHERN *Nevada*

TOURISM INFRASTRUCTURE

COMMITTEE



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L A S V E G A S S T A D I U M

Tax Revenue Projections & Assumptions



EVENTS & ATTENDANCE

OVERVIEW:

It is estimated that a new stadium in Las Vegas could host 10 regular season NFL games and 36 other events

Of the 36 other events, 10 are existing events, 16 are new ticketed/competitive bid events and 10 are new corporate events/public shows

Existing events and the associated spending are not considered net new to the region

Annual turnstile attendance is estimated to total approximately 1.8 million

Net new annual overnight attendance is estimated to total approximately 845,000

Event	Annual Events	Average Paid Attendance	Average Turnstile Attendance	Annual Turnstile Attendance	Annual Overnight Attendance
NFL	10	65,000	63,296	632,960	221,536
UNLV	6	30,000	27,113	162,677	0
Soccer	2	40,000	36,000	72,000	40,000
Concerts	2	45,000	42,713	85,425	29,700
Rugby	4	22,500	21,375	85,500	67,500
Bowl Games	2	45,000	40,530	81,060	33,750
Corporate/Public Shows	10	30,000	28,500	285,000	150,000
Neutral Site CFB Game	2	55,000	49,500	99,000	82,500
Signature Events	2	40,000	36,000	72,000	72,000
Motorsports	3	45,000	40,500	121,500	0
Combative Events	1	55,000	49,500	49,500	49,500
Major Non-Recurring	2	55,000	49,500	99,000	99,000
Total	46	43,000	40,000	1,846,000	845,000

OUT-OF-STADIUM VISITOR SPENDING

COMMENTARY

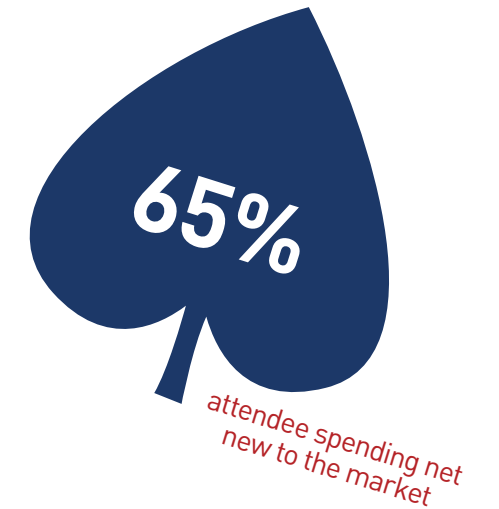
Spending by visitors for events consists of in-stadium spending on tickets, concessions, merchandise and parking, as well as out-of-stadium spending on lodging, food and beverage, shopping, entertainment, transportation, gaming and other services

Per capita out-of-stadium spending by overnight visitors is estimated to total \$1,236

65 percent of out-of-stadium visitor spending is considered net new and would not be spent without the presence of the stadium

INDUSTRY	SPENDING PER CAPITA
Lodging	\$86.55
Food and Beverage	\$168.99
Retail	\$147.89
Entertainment	\$62.05
Transportation	\$68.83
Gaming	\$107.38 ⁽¹⁾
Total	\$642
INDUSTRY	NET NEW SPENDING
Lodging	\$69,581,000
Food and Beverage	\$92,873,000
Retail	\$81,273,000
Entertainment	\$34,101,000
Transportation	\$37,827,000
Gaming	\$59,012,000
Total	\$374,667,000

(1) Assumes that 71% of overnight visitors gamble.



COUNTY SALES TAX

applied sales tax rate
3.55%

\$10.9M
 county sales tax
 revenue generated

Projected Sales Tax Base	
In-Stadium Spending	\$26,751,000
Out-Of-Stadium Attendee Spending	\$229,023,000
Out-Of-Stadium Visiting Team/ Event Personnel Spending	\$481,000
Indirect & Induced Spending	\$49,898,000

COUNTY HOTEL TAX

7.0%
applied hotel tax rate

\$4.9M
county hotel tax revenue generated

LODGING SPENDING	
NFL	
Annual Overnight Attendance	221,536
OTHER EVENTS	
Annual Overnight Attendance	623,950
LODGING SPENDING	
Number Lodged in Hotel/Motel	96%
Average Nights Per Stay	3.2
Average People Per Room	2.1
Total Number of Room Nights Occupied	1,236,825
Gross Attendee Lodging Spending	\$107,047,000
% of Attendee Spending Not Otherwise Spent	65%
Net New Attendee Lodging Spending	\$69,581,000
NUMBER OF VISITING TEAM/EVENT PERSONNEL	
NFL	1,500
UNLV	600
Concerts	120
Annual Overnight Visitors	2,220
LODGING SPENDING	
Average Hotel Cost Per Room	\$225
Average Nights Per Stay	1.5
Average People Per Room	1.5
Net New Visiting Team / Event Personnel Lodging Spending	\$500,000

HOTEL ROOM NIGHTS

INCREMENTAL ROOM NIGHTS	
NFL	
Number Lodged in Hotel/Motel	221,536
Number Lodged in Hotel/Motel	96%
Average Nights Per Stay	3.2
Average People Per Room	2.1
Total Number of Room Nights Occupied	324,076
Room Nights Occupied Per Game	32,408
OTHER EVENTS	
Number Lodged in Hotel/Motel	623,950
Number Lodged in Hotel/Motel	96%
Average Nights Per Stay	3.2
Average People Per Room	2.1
Total Number of Room Nights Occupied	912,750
Room Nights Occupied Per Event	25,354
VISITING TEAM/EVENT PERSONNEL	
Number Lodged in Hotel/Motel	2,220
Average Nights Per Stay	1.5
Average People Per Room	1.5
Total Number of Room Nights Occupied	2,220
Room Nights Occupied Per Event	123

(1) LVCVA 2014 Visitor Profile Study

COUNTY CAR RENTAL TAX

2.0%
applied car rental tax rate

\$243K
county car rental tax revenue generated

CAR RENTAL SPENDING	
NFL	
Annual Overnight Attendance	221,536
OTHER EVENTS	
Annual Overnight Attendance	623,950
CAR RENTAL SPENDING	
Transportation Spending Per Capital	\$69
Gross Attendee Transportation Spending	\$58,195,000
% of Attendee Spending Not Otherwise Spent	65%
Net New Attendee Transportation Spending	\$37,827,000
% Spent on Car Rental	10%
Average Length of Rental	2.0
Net New Attendee Car Rental Spending	\$12,105,000
VISITING TEAM/EVENT PERSONNEL	
NFL Bus Spending Per Day	\$1,200
UNLV Bus Spending Per Day	600
Concerts Van Spending Per Day	600
CAR RENTAL SPENDING	
Average Length of Stay	2.0
Net New Visiting Team / Event Personnel Car Rental Spending	\$33,600

STATE SALES TAX

applied sales tax rate
4.6%

\$13.5M
 state sales tax
 revenue generated

Projected Sales Tax Base	
In-Stadium Spending	\$42,509,000
Out-of-Stadium Attendee Spending	\$211,973,000
Out-of-Stadium Visiting Team/ Event Personnel Spending	\$481,000
Indirect & Induced Spending	\$39,418,000

STATE HOTEL TAX



LODGING SPENDING	
Net New Attendee Lodging Spending	\$69,581,000
Net New Visiting Team / Event Personnel Lodging Spending	\$500,000

STATE CAR RENTAL TAX

10.0%
applied car rental tax rate

revenue generated
state car rental tax
\$1.2M

CAR RENTAL SPENDING	
Net New Attendee Car Rental Spending	\$12,105,000
Net New Visiting Team / Event Personnel Car Rental Spending	\$33,600

STATE LIVE ENTERTAINMENT TAX

9.0%
applied live entertainment tax rate

\$15.6M
state live entertainment revenue generated

In-Stadium Spending				
Event	Paid Attendance	Average Per Event Ticket Price	Annual Events	Total Revenue
NFL	65,000	\$95.30	10	61,945,000
Soccer	40,000	\$40.14	2	3,211,000
Concerts	45,000	\$89.58	2	8,063,000
Rugby	22,500	\$30.00	4	2,700,000
Bowl Games	45,000	\$75.67	2	6,810,000
Corporate/Public Shows ⁽¹⁾	30,000	\$17.50	10	5,250,000 ⁽¹⁾
Neutral Site CFB Game	55,000	\$124.51	2	13,696,000
Signature Events	40,000	\$148.50	2	11,880,000
Motorsports	45,000	\$30.27	3	4,086,000
Combative Events	55,000	\$200.00	1	11,000,000
Major Non-Recurring	55,000	\$99.45	2	10,940,000
Total In-Stadium Ticket Spending			40	139,581,000

Out-of-Stadium Spending	
NFL	
Net New Annual Overnight Attendance	221,536
OTHER EVENTS	
Net New Annual Overnight Attendance	623,950
ENTERTAINMENT SPENDING	
Entertainment Spending Per Capita	\$62.05
Gross Attendee Entertainment Spending	\$52,462,000
% of Attendee Spending Not Otherwise Spent	65%
Net New Attendee Entertainment Spending	\$34,101,000

(1) Includes revenue from ticketed public events only.
Note: UNLV is exempt from the live entertainment tax

STATE GENERAL FUND GAMING TAX

7.75%
applied gaming tax rate

state gaming tax
revenue generated
\$4.6M

GAMING SPENDING	
NFL	
Annual Overnight Attendance	221,536
OTHER EVENTS	
Annual Overnight Attendance	623,950
GAMING SPENDING	
Gaming Spending Per Visit	\$107.38
Gross Attendee Gaming Spending	\$90,788,000
% of Attendee Spending Not Otherwise Spent	65%
Net New Attendee Gaming Spending	\$59,012,000

STATE MODIFIED BUSINESS TAX

1.475%
applied tax rate

\$3.0M
state modified
business tax revenue
generated

WAGES	
Stadium Operations Full & Part Time Labor	\$3,000,000
NFL Event Labor	12,738,000
Player Costs	165,000,000
NFL Sales & Marketing	21,700,000
Total Wages Paid Over \$50,000	\$202,388,000



LAS VEGAS STADIUM

Event Projections &
Seasonalities

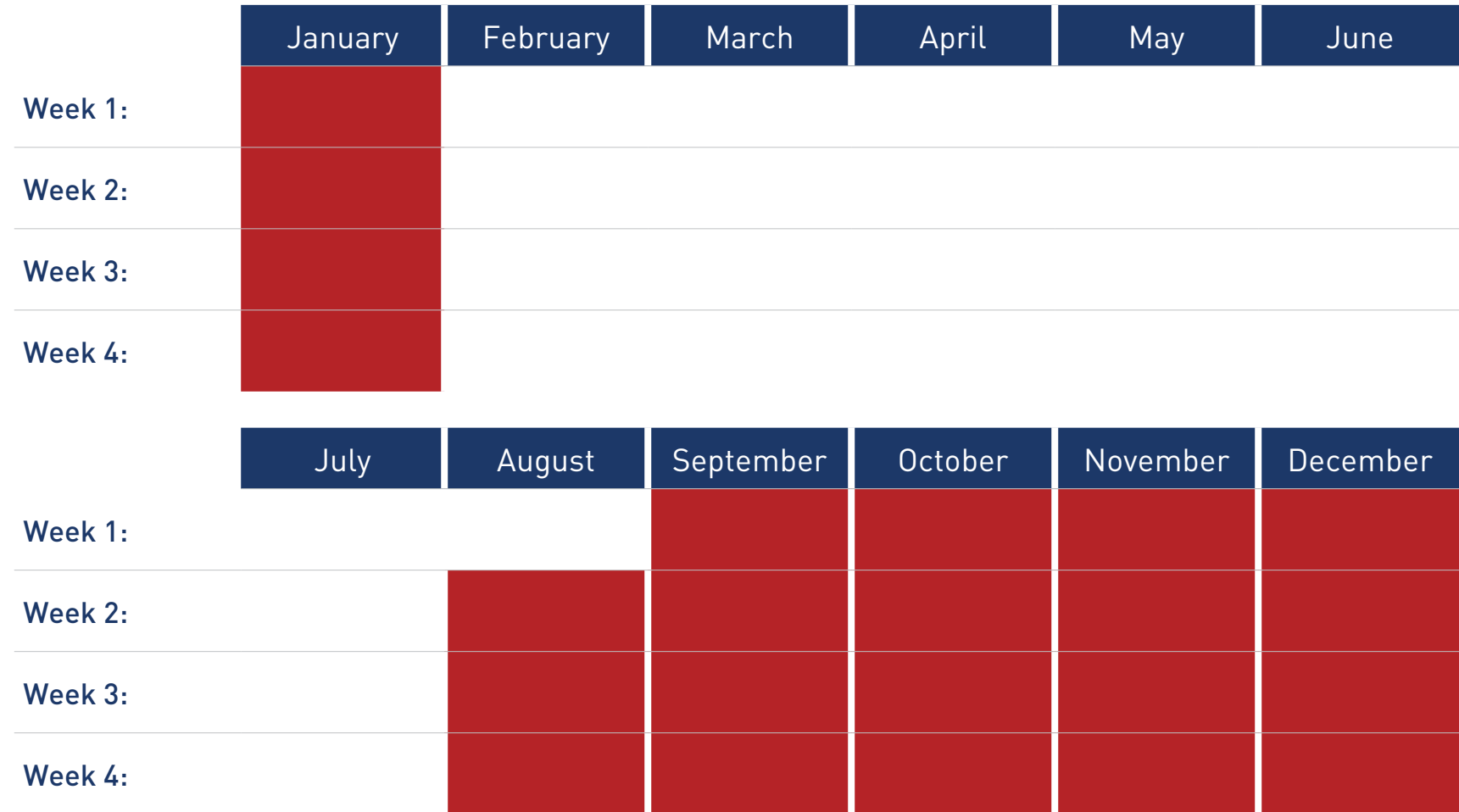


NFL GAMES

Base	Upside	ADR	Occupancy
10	10	\$121.96	91.9%

NFL AVERAGE ATTENDANCE

- 2015 – 68,274
- 2014 – 66,386
- 2013 – 65,772
- 2012 – 65,074
- 2011 – 64,698

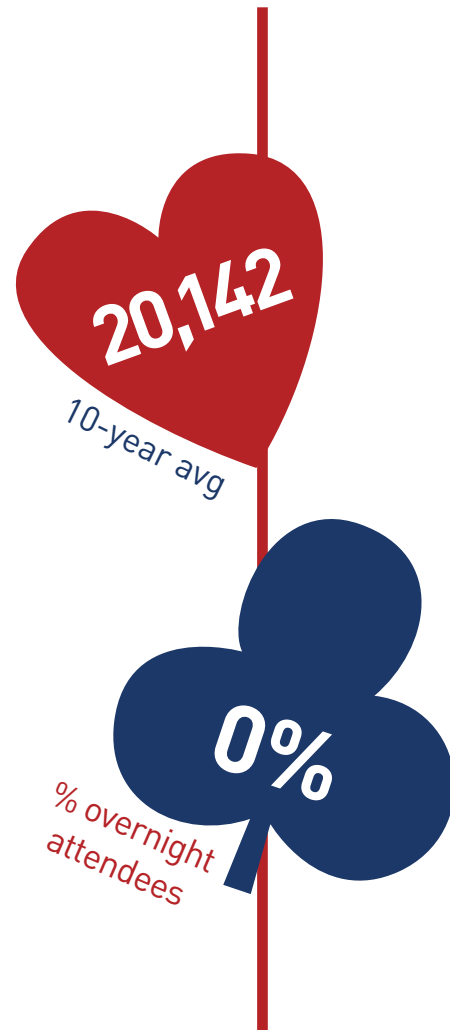


As shown, the NFL season commences the second week of August with four preseason games, followed by 16 regular season games played over 17 weeks between September and the end of December. NFL playoff games are hosted throughout the month of January, with the Super Bowl played the first week of February.

*Includes international games

10-YEAR UNLV AVERAGE ATTENDANCE:

UNLV FOOTBALL



Base	Upside	ADR	Occupancy
6	6	\$127.75	95%

January	February	March	April	May	June
---------	----------	-------	-------	-----	------

Week 1:

Week 2:

Week 3:

Week 4:

July	August	September	October	November	December
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Week 1:

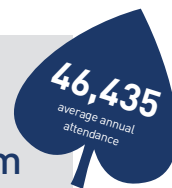
Week 2:

Week 3:

Week 4:

The UNLV football season spans from the beginning of September to the end of November. Average attendance at UNLV home football games over the past 10 years is approximately 20,000, ranging from a low of 15,674 in 2014 to a high of 29,281 in 2007.

20% increase in attendance for Baylor in a new on-campus stadium



CONCERTS

RECENT STADIUM CONCERT ACTS:

2014:

Beyoncé
George Strait
One Direction

2015:

AC/DC
Kenny Chesney / Jason Aldean
Taylor Swift
The Rolling Stones

2016:

Beyoncé
Coldplay
Guns N' Roses
Kenny Chesney
Luke Bryan

33%
% overnight attendees

Base	Upside	ADR	Occupancy
2	3	\$119.53	96%

	January	February	March	April	May	June
Week 1:						
Week 2:						
Week 3:						
Week 4:						

	July	August	September	October	November	December
Week 1:						
Week 2:						
Week 3:						
Week 4:						

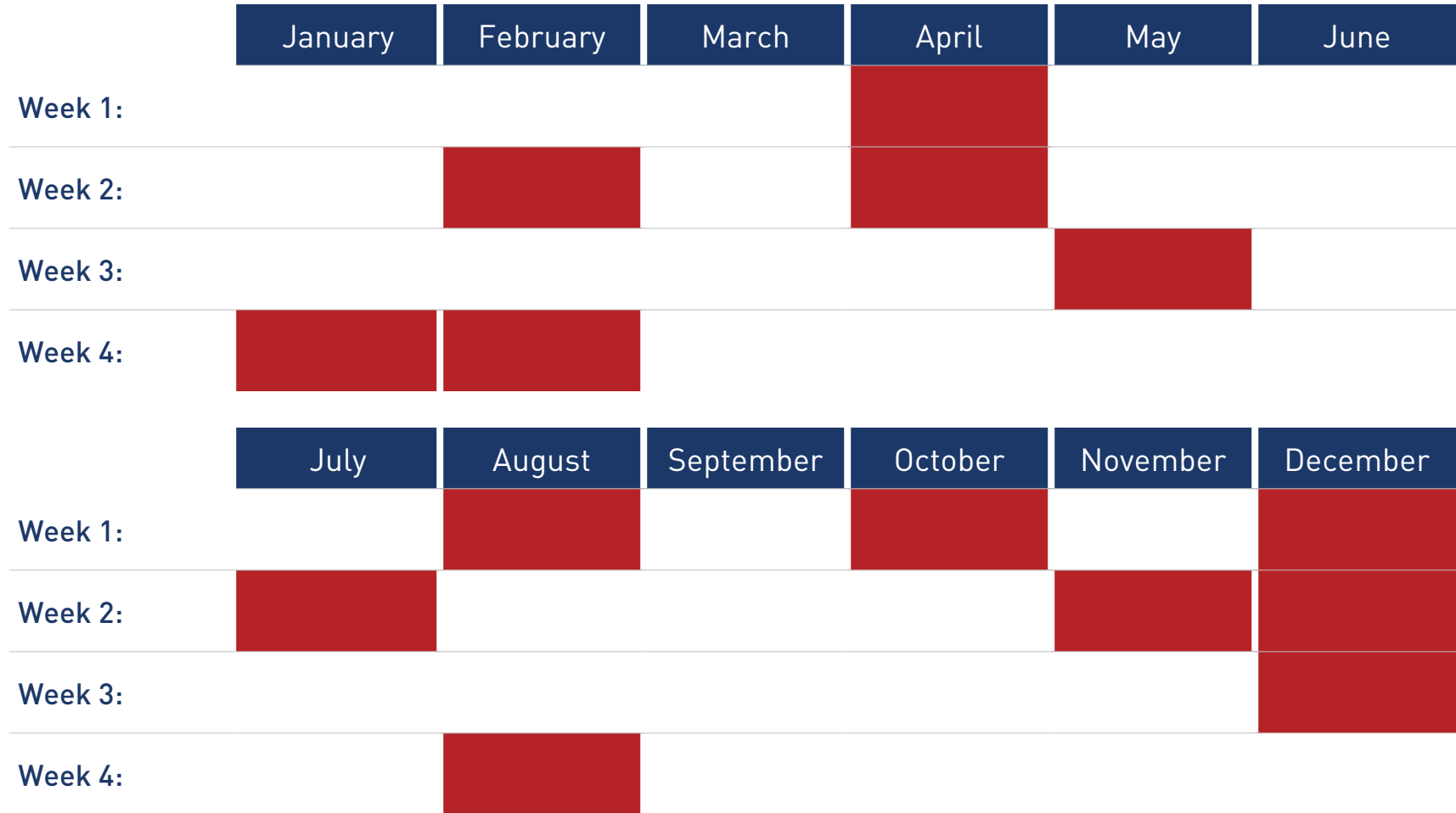
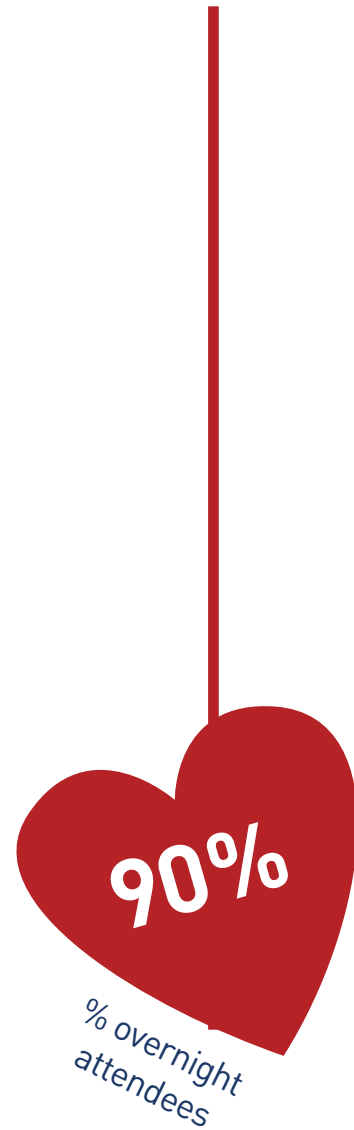
Based on a review of Pollstar data from 2014 to 2016, the vast majority of stadium concerts occur between May and October.

POTENTIAL SIGNATURE EVENTS:

- Academy Awards
(4th week of February)
- Academy of Country Music Awards
(1st week of April)
- Barrett-Jackson Auto Auction
(1st week of October)
- Billboard Awards
(3rd week of May)
- eSports Championships
The International
(1st week of August)
Evolution Championship Series
(2nd week of July)
- Grammy's
(2nd week of February)
- Miss Universe Pageant
(3rd week of December)
- Mountain West Conference
Football Championship
(2nd week of December)
- MTV Movie Awards
(2nd week of April)
- MTV Video Music Awards
(4th week of August)
- NASCAR Champions Week
(1st week of April)
- NFL Pro Bowl
(4th week of January)
- NFL Scouting Combine
(4th week of February)
- Pac-12 Football Championship Game
(2nd week of December)
- Rock N' Roll Las Vegas Marathon
(2nd week of November)
- Screen Actors Guild
(2nd week of November)

SIGNATURE EVENTS

Base	Upside	ADR	Occupancy
2	4	\$119.66	93%



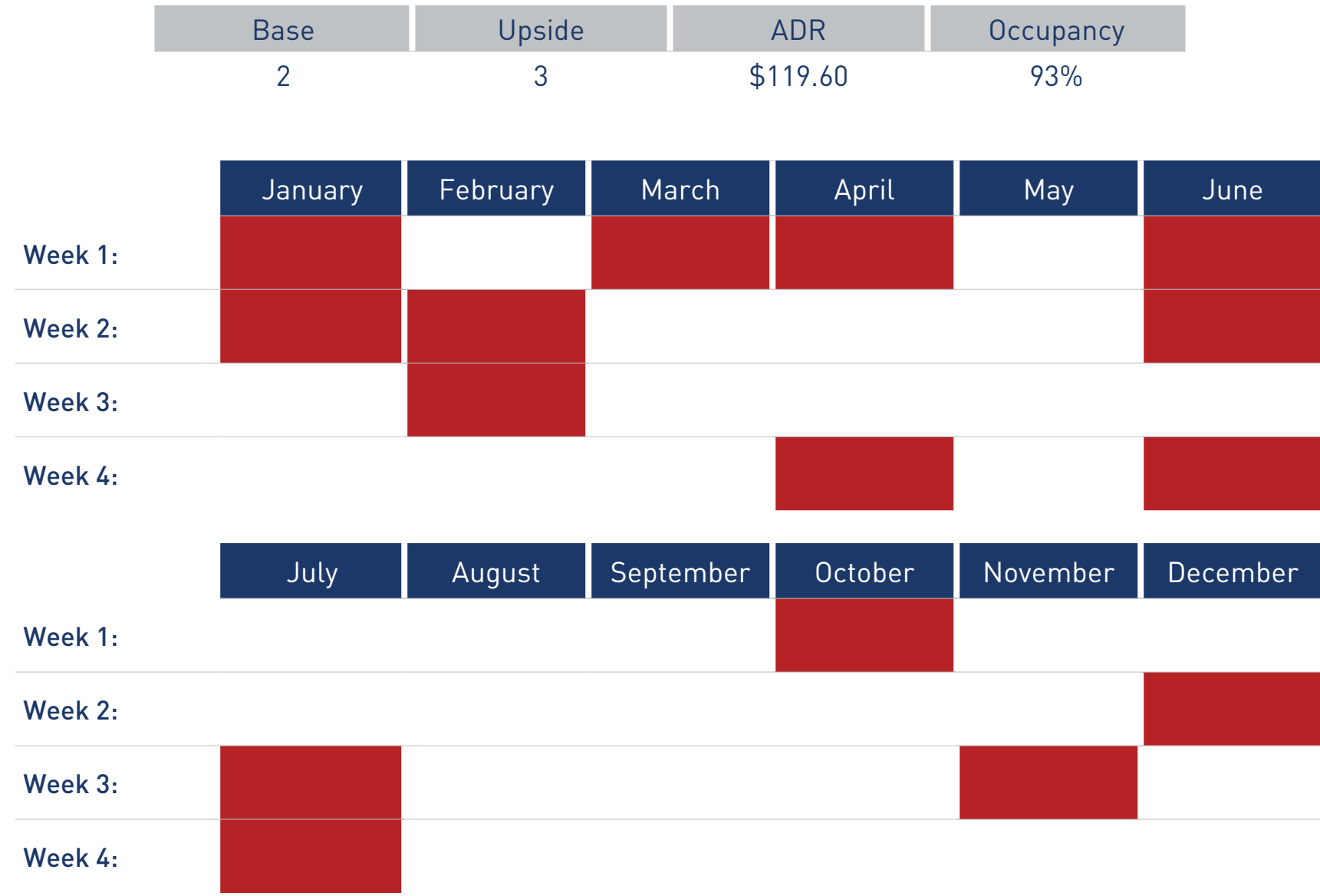
As shown above, the majority of Signature Events identified as part of this analysis are held October to February each year. Signature Events are generally not hosted during the summer and fall.

POTENTIAL SIGNATURE EVENTS:

- Champions Classic
(3rd week of November)
- College Football Playoff
(1st and 2nd week of January)
- CrossFit Games
(3rd week of July)
- Democratic National Convention
(4th week of July)
- eSports Championships
League of Legends World Championship (1st week of October)
Intel Extreme Masters (1st week of March)
- MLS Cup
(2nd week of December)
- NCAA Final Four
(1st week of April)
- NBA Draft
(4th week of June)
- NFL Draft
(4th week of April)
- NHL Draft
(4th week of June)
- NHL Stadium Series
(3rd week of February)
- Republican National Convention
(3rd week of July)
- Super Bowl
(2nd week of February)
- WrestleMania
(1st week of April)
- X Games
(1st or 2nd week of June)

90%
% overnight attendees

MAJOR NON-RECURRING EVENTS



As shown above, Signature Events are hosted throughout the year with a slight drop-off in the late summer and early fall.

INTERNATIONAL SOCCER

INTERNATIONAL SOCCER COMPETITIONS & SEASONALITY:

Club Team Friendlies

(June through August)

International Team Friendlies

(1st week of June, 1st week of September, 1st week of October, 2nd week of November)

World Cup Qualifiers

(2nd & 3rd weeks of March, 2nd & 3rd weeks of June, 1st & 2nd weeks of September, 2nd week of November, 4th week of March, 2nd & 3rd weeks of October)

CONCACAF Champions League

(1st, 3rd, & 4th weeks of August, 2nd & 3rd week of September, 3rd week of October, 3rd week of February, 3rd week of April, 3rd week of March)

CONCACAF Gold Cup

(month of July)

CONCACAF Gold Cup Final

(2nd week of October)

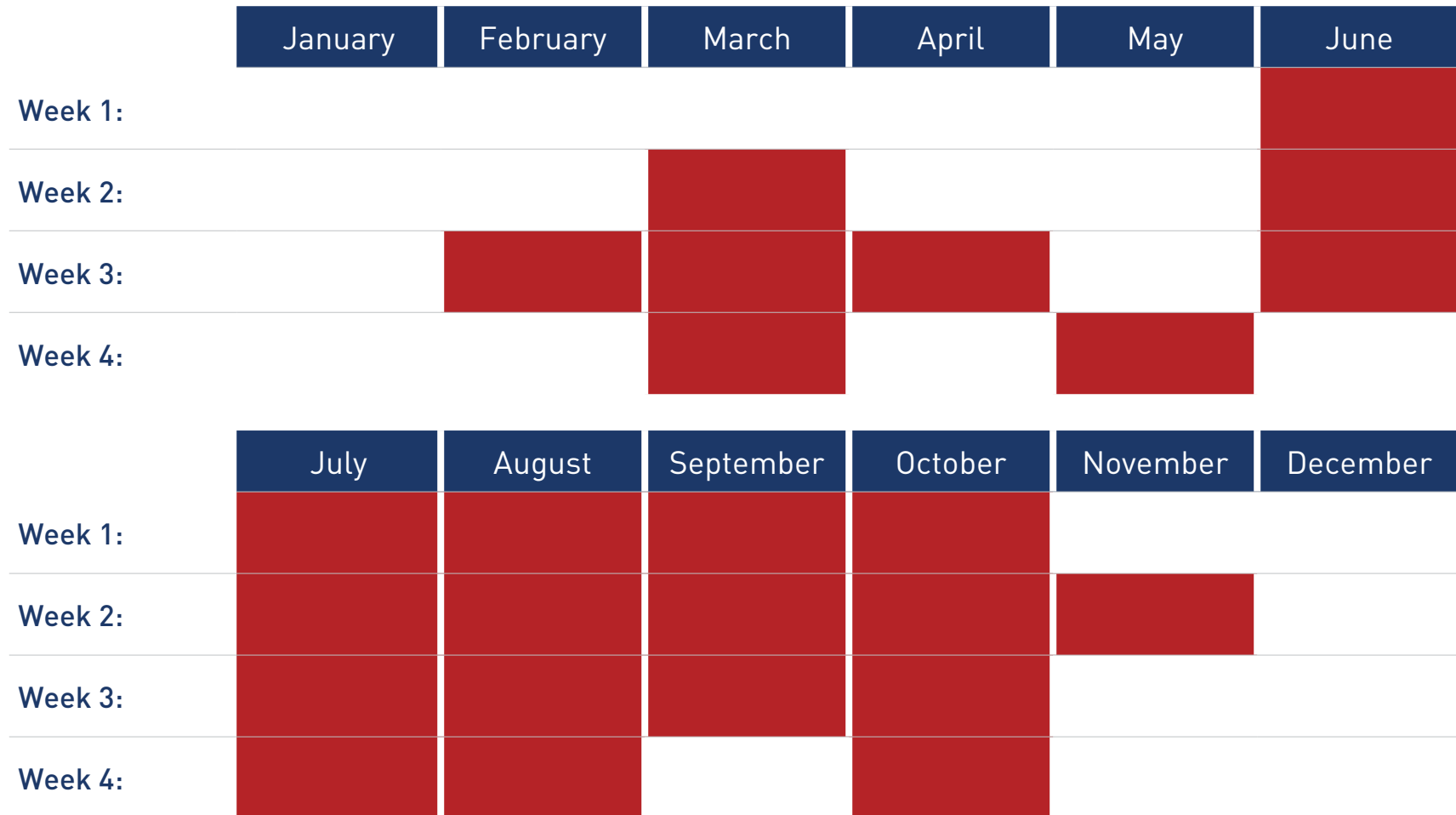
International Champions Cup

(month of July to mid-August)

50%

% overnight attendees

Base	Upside	ADR	Occupancy
2	3	\$119.48	95%



Depending on competition and event, international soccer matches are hosted throughout the year, with the exception of the months of December and January. The number and type of competitions increases when international teams begin qualifying for the FIFA Men's and Women's World Cup.

RECENT NEUTRAL SITE COLLEGIATE FOOTBALL GAME SITES:

AT&T Stadium *Arlington, TX*

- 2015** → Alabama vs. Wisconsin (64,279)
A&M vs. Arkansas (67,339)
Baylor vs. Texas Tech (56,179)

- 2014** → Florida State vs. Oklahoma State (61,521)
A&M vs. Arkansas (68,113)
Baylor vs. Texas Tech (54,179)

Bank of American Stadium *Charlotte, NC*

- 2015** → North Carolina vs. South Carolina (51,664)

MetLife Stadium *East Rutherford, NJ*

- 2014** → Syracuse vs. Notre Dame (76,802)
Syracuse vs. Penn State (61,202)
Syracuse vs. USC (39,507)

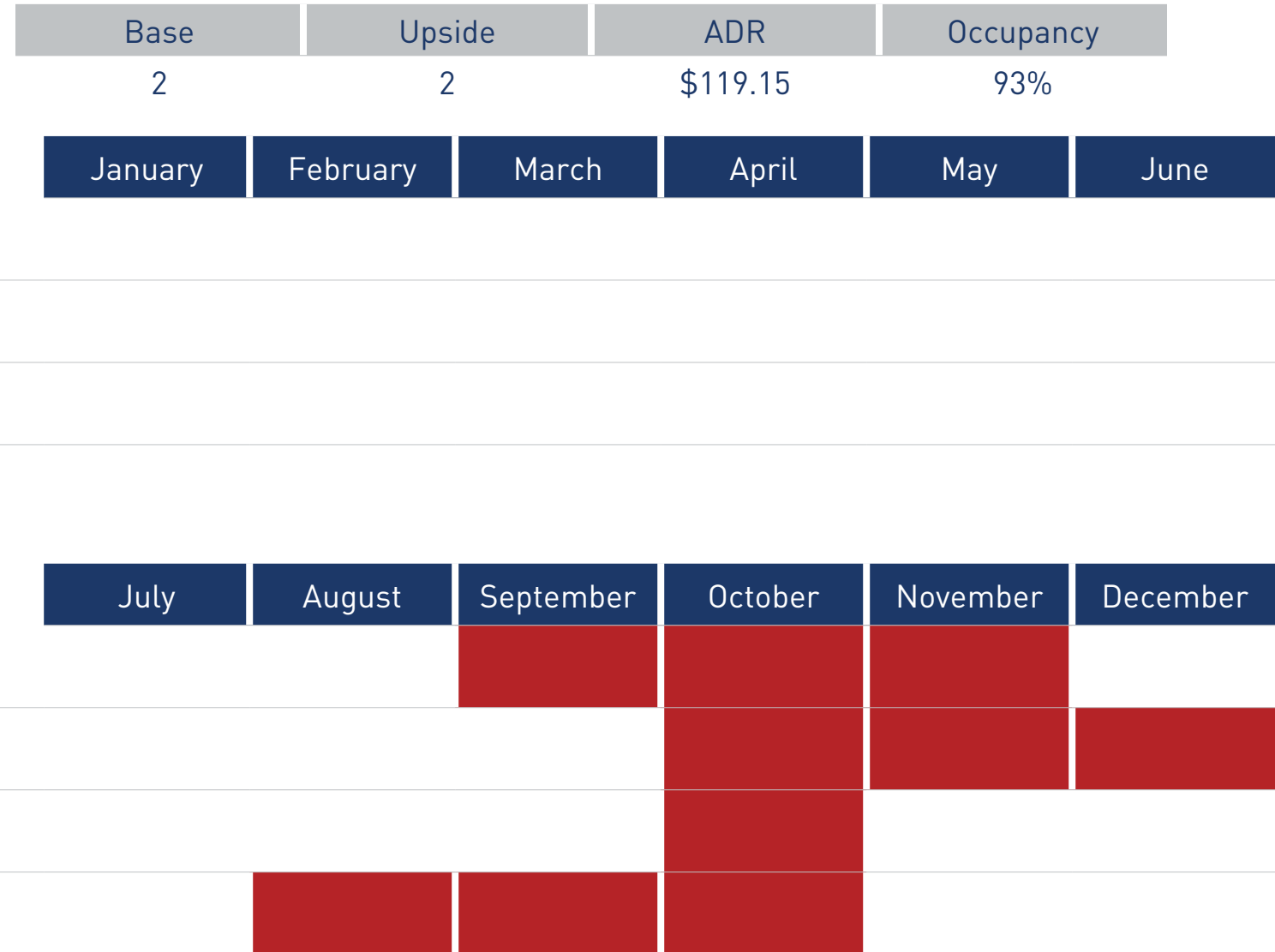
NRG Stadium *Houston, TX*

- 2015** → A&M vs. Arizona State (66,308)
- 2014** → LSU vs. Wisconsin (71,599)
- 2013** → Oklahoma State vs. Mississippi State (35,874)

Other stadiums that have hosted Neutral Site Collegiate Football Games include: Alamodome (San Antonio, TX); Arrowhead Stadium (Kansas City, MO); Citrus Bowl (Orlando, FL); EverBank Field (Jacksonville, FL); FedEx Field (Landover, MD); Ford Field (Detroit, MI); Georgia Dome (Atlanta, GA); Lambeau Field (Green Bay, WI); Lincoln Financial Field (Philadelphia, PA); Lucas Oil Stadium (Indianapolis, IN); Soldier Field (Chicago, IL); Sports Authority Field at Mile High (Denver, CO).

75%
% overnight attendees

NEUTRAL SITE COLLEGIATE FOOTBALL GAMES

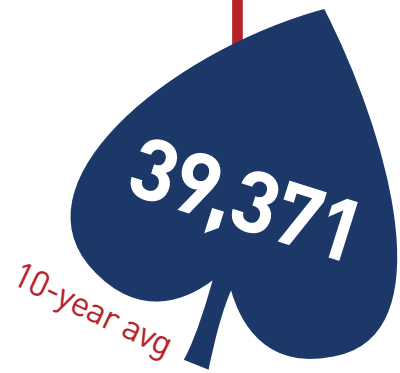


Although the vast majority of Neutral Site Collegiate Football Games are hosted during the first two weeks of the college football season (last week of August and first week of September), a number of other games are hosted throughout the college football regular season which runs until early December.

10-YEAR LAS VEGAS BOWL ATTENDANCE:

LAS VEGAS BOWL

- 2015** ▶ BYU vs. Utah
(42,213)
- 2014** ▶ Utah vs. Colorado State
(33,067)
- 2013** ▶ Fresno State vs. USC
(42,178)
- 2012** ▶ Washington vs. Boise State
(33,217)
- 2011** ▶ Arizona State vs. Boise State
(35,720)
- 2010** ▶ Utah vs. Boise State
(41,923)
- 2009** ▶ Oregon State vs. BYU
(40,018)
- 2008** ▶ BYU vs. Arizona
(40,047)
- 2007** ▶ BYU vs. UCLA
(40,712)
- 2006** ▶ BYU vs. Oregon
(44,615)



Base	Upside	ADR	Occupancy
1	1	\$107.13	86%

January	February	March	April	May	June
---------	----------	-------	-------	-----	------

Week 1:

Week 2:

Week 3:

Week 4:

July	August	September	October	November	December
------	--------	-----------	---------	----------	----------

Week 1:

Week 2:

Week 3:

Week 4:

The Las Vegas Bowl is hosted each year during the third week of December. Average attendance at the Las Vegas Bowl over the past 10 years is approximately 39,000, ranging from a low of 33,067 in 2014 to a high of 44,615 in 2006. In 2015, approximately 42,000 people attended the Las Vegas Bowl between BYU and Utah, second-highest in the last 10 years.

NEW COLLEGIATE BOWL GAME

MARKETS HOSTING MULTIPLE BOWL GAMES:

- Atlanta
- Dallas / Ft. Worth
- Miami
- New Orleans
- Orlando
- Phoenix
- San Diego

75%
% overnight attendees

Base	Upside	ADR	Occupancy
1	1	\$107.13	86%

January	February	March	April	May	June
---------	----------	-------	-------	-----	------

Week 1:

Week 2:

Week 3:

Week 4:

July	August	September	October	November	December
------	--------	-----------	---------	----------	----------

Week 1:

Week 2:

Week 3:

Week 4:



Given that the Las Vegas Bowl is hosted during the third week of December (the first week of bowl season), a new collegiate bowl game would be hosted during the last week of December, prior to the College Football Playoff, which begins on New Years Eve or New Years Day.

RUGBY

POTENTIAL RUGBY EVENTS:

America's Rugby Championship
(month of February)

Autumn Internationals
(month of November)

Mid-Year Rugby Internationals
(mid-May through end of June)

Pacific Nations Cup
(2nd and 3rd weeks of June & July)

Pre-Rugby World Cup matches
(4th week of August & 1st week of September)

Rugby neutral site matches
(1st week of April & 4th week of June)

Rugby World Cup
(mid-September through the end of October)

Rugby World Cup Sevens
(4th week of June)

USA Sevens
(1st week of March)

Women's Rugby World Cup
(first 3 weeks of August)

75%
% overnight attendees

Base	Upside	ADR	Occupancy
4	6	\$119.48	95%



As shown, rugby competitions are generally hosted throughout the year from February through November. World Cup events are hosted every four years during the summer and fall, depending on competition.

COMBATIVES

RECENT COMBATIVE EVENTS HOSTED IN NORTH AMERICAN STADIUMS:

BOXING:

Manny Pacquiao vs. Jorge Solis
(Alamodome- 2008)

Oscar De La Hoya vs. Steve Forbes
(StubHub Center - 2008)

Shane Mosley vs. Ricardo Mayorga
(StubHub Center - 2008)

Manny Pacquiao vs. Joshua Clottey
(AT&T Stadium - 2010)

Manny Pacquiao vs. Antonio Margarito
(AT&T Stadium - 2010)

Miguel Cotto vs. Yuri Foreman
(Yankee Stadium - 2010)

Canelo Alvarez vs. Austin Trout
(Alamodome - 2013)

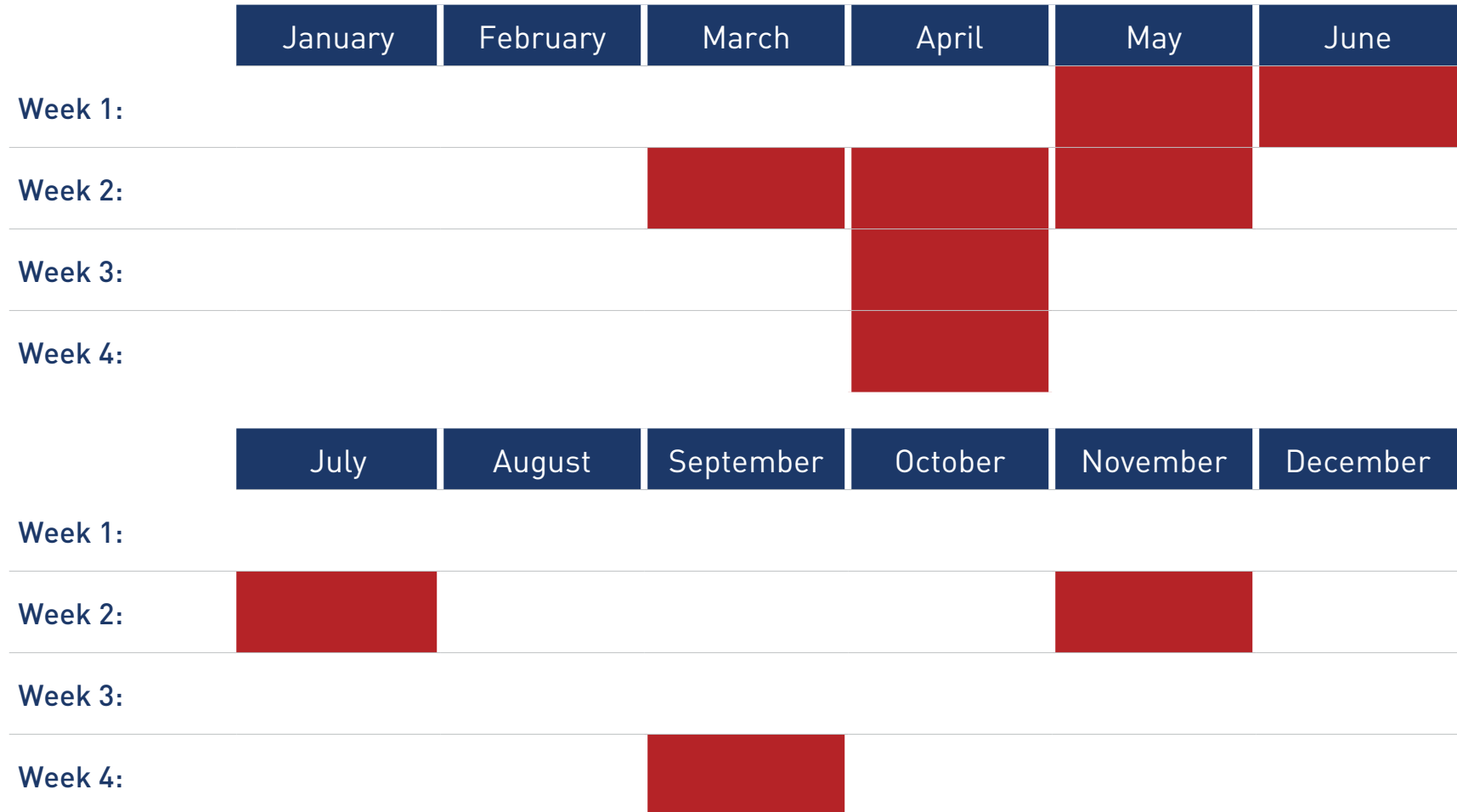
Canelo Alvarez vs. James Kirkland
(Minute Maid Park - 2015)

MMA:

UFC 129
(Rogers Centre - 2011)

90%
% overnight attendees

Base	Upside	ADR	Occupancy
1	2	\$119.62	96%



The table above depicts the times during which major boxing and Mixed Martial Arts events have been hosted at North American stadiums since 2008. In addition to the events listed, UFC International Fight Week is hosted in Las Vegas during the second week in July. Combative events can be hosted throughout the year, and are based on the availability and schedule of fighters.

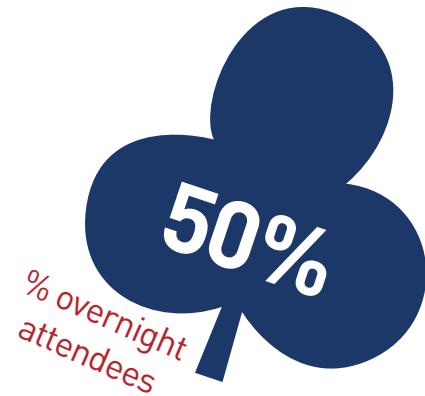
MOTORSPORTS

EXISTING MOTORSPORTS EVENTS:

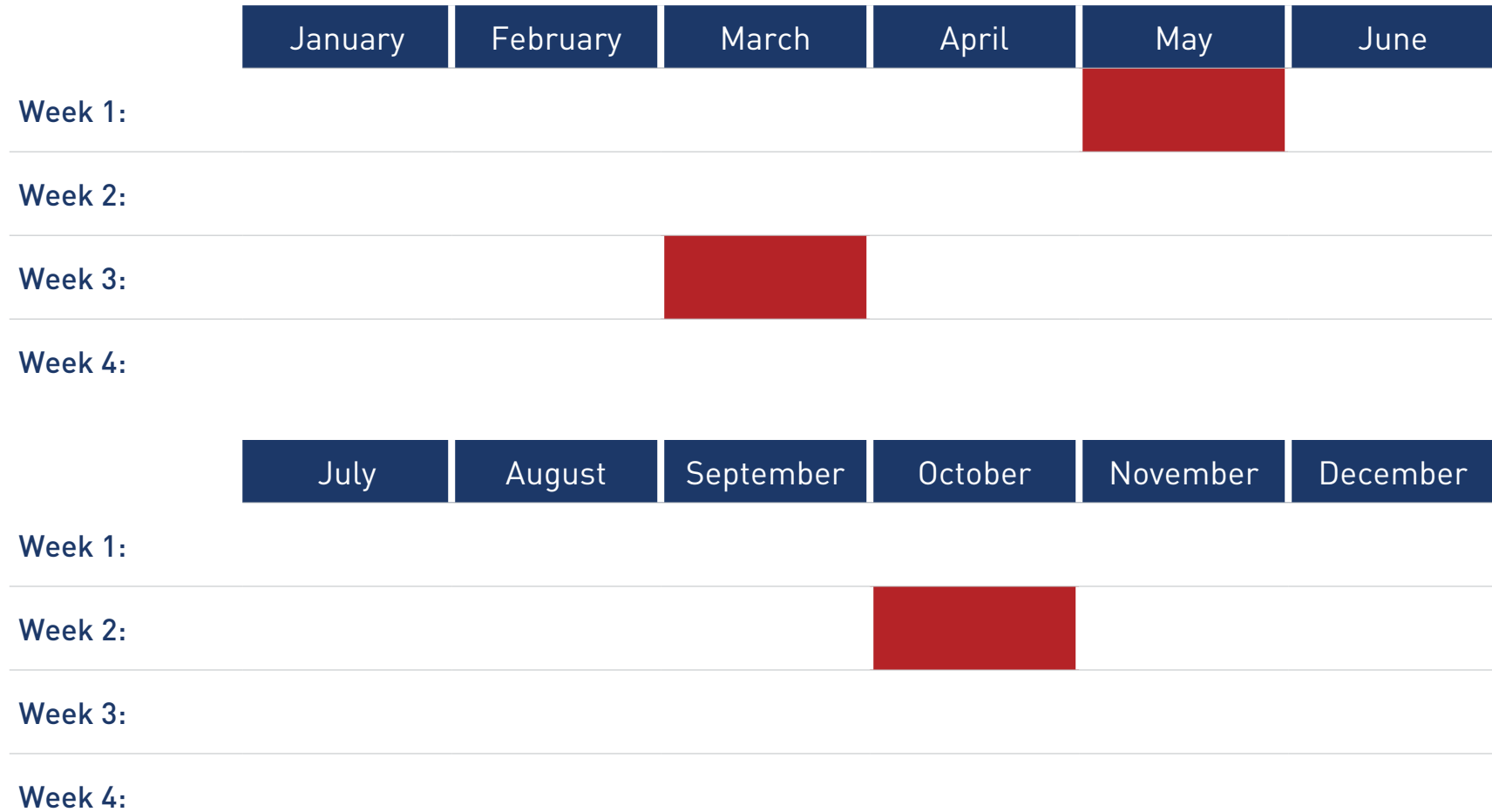
Monster Jam World Finals
(3rd week of March)

Monster Energy AMA Supercross
Finals
(1st week of May)

Monster Energy Cup
(2nd week of October)



Base	Upside	ADR	Occupancy
3	4	\$128.94	96%



As shown, Sam Boyd Stadium currently hosts three motorsports events throughout the year. It is anticipated that these existing motorsports events would be hosted at a new enclosed stadium in Las Vegas.



LAS VEGAS STADIUM

Unique Funding Sources



BRIMER BILL (TEXAS)

CSHB 92 allows cities and counties to build sports and community venue projects and related infrastructure

Two cities, two counties, or a city and a county can form a venue district to build a sports or community venue project

Entities can issue bonds to finance projects once they gain voter approval

Projects can tap a variety of funding mechanisms, including:

- Half-cent sales tax;
- \$2 admissions tax;
- \$1 parking tax;
- 10 percent hotel occupancy tax;
- 5 percent car rental tax; and,
- \$5,000 facility use tax

The bill only applies if the two jurisdictions jointly create a venue district



THE EVENTS TRUST FUND (TEXAS)

The Events Trust Fund helps offset the cost of attracting and staging major events events

The Events Trust Fund applies local and state gains from taxes generated over a 30-day period from an event or series of events conducted no more than once annually, including:

- Sales and use taxes;
- Auto rental taxes;
- Hotel taxes; and,
- Alcoholic beverage taxes

Eligible events are not restricted to sports, but the venue must have been selected over others as a sole event site or the sole site in Texas and adjoining states.

The Events Trust Fund can be used to help pay costs related to preparing for or conducting the event, including equipment, or to pay principal and interest on notes used to build or improve facilities to host the event

One hundred percent of allowable expenses can be funded provided sufficient tax receipts are deposited in the trust fund



FLORIDA SPORTS DEVELOPMENT INCENTIVE

- ▶ The Florida Sports Development Incentive allows applicants to build or renovate sports projects and related infrastructure.
- ▶ A project may receive funding based on 75% of the average annual new incremental state sales taxes generated by sales at the facility due to development or improvements.
- ▶ Annual distributions will be limited to the following funding categories:
 - Total project cost is \$200 million or greater, the annual distribution may be up to \$3 million.
 - Total project cost is at least \$100 million but less than \$200 million, the annual distribution amount may be up to \$2 million.
 - Total project cost is less than \$100 million and more than \$30 million, the annual distribution amount may be up to \$1 million.
 - Total project cost is at least \$100 million, and the applicant is certified under s. 288.1162, F.S., and currently receiving state distributions under s. 212.20, F.S. The annual distribution amount may be up to \$1 million if the applicant meets the requirements of s. 288.11625(6)(a)4, F.S.



NEIGHBORHOOD IMPROVEMENT ZONE (ALLENTOWN, PA)

- Created by a state law in 2011, the Neighborhood Improvement Zone (NIZ) is a special taxing district that encourages development and revitalization in Allentown
- The NIZ was created as an economic development tool to spur the transformation of downtown Allentown, beginning with the construction of PPL Center
- The NIZ consists of approximately 128 acres in center city Allentown and along the western side of the Lehigh River
- All taxes generated within the NIZ, excluding school district and city taxes, can be used to pay debt on bonds and loans that are issued for qualifying capital improvements in the zone
- The NIZ is overseen and managed by the Allentown Neighborhood Improvement Zone Development Authority (ANIZDA)





LAS VEGAS STADIUM

U.S. Markets Hotel Tax SOURCES AND USES



INTRODUCTION

CSL conducted a review of lodging tax rates, revenues and uses across the United States. This research identified 10 of the largest cities in the U.S. that are also major tourist destinations, including:

Houston

Chicago

San Francisco

Los Angeles

Dallas

New York City

Boston

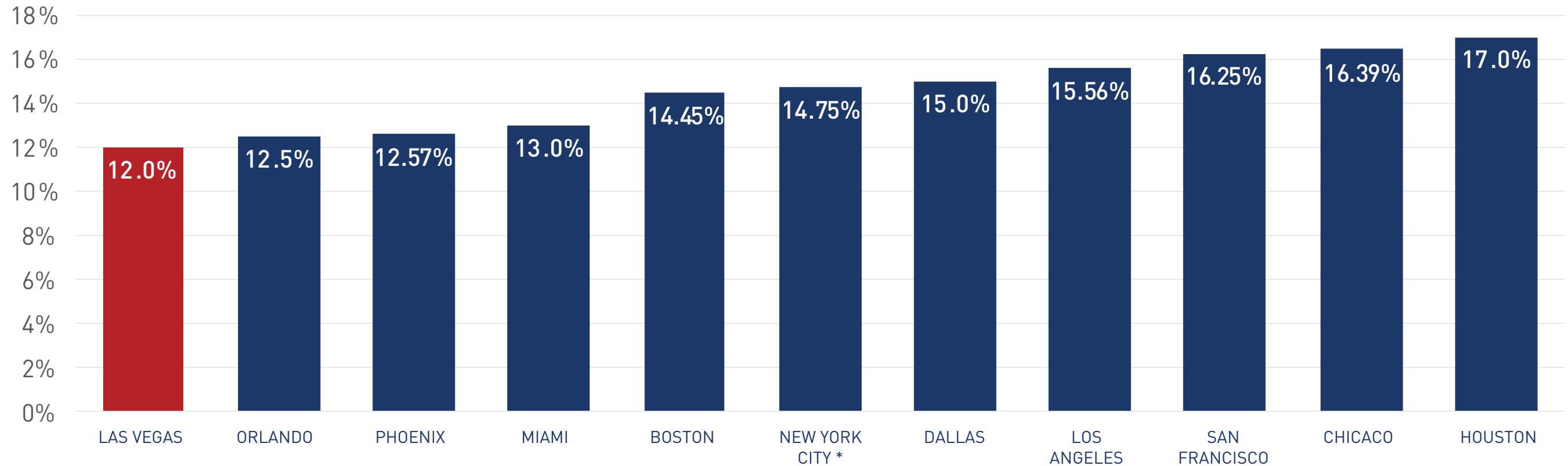
Miami

Phoenix

Orlando

The following slides provide a summary of the lodging tax rates levied at the state, county and city levels and any special taxes imposed in each destination, as well as the distribution of revenue from taxes levied.

LODGING TAX RATE COMPARISON



* In addition to a rate of 14.75% the City of New York imposes a \$1.50 state fee per room and a \$0.50 - \$2.00 city fee per room based on room price.

LAS VEGAS

Total Hotel Tax Rate: 12%

5% State Transient Lodging Tax

7% County Transient Lodging Tax

Tax Uses

State and County Transient Lodging Tax:

0.5% goes to tourism with the balance remitted to the general fund.



HOUSTON

Total Hotel Tax Rate: 17%

- 6% State Hotel Tax
- 2% Harris County Hotel Tax
- 7% City of Houston Hotel Tax *(collected by Houston First Corporation)*
- 2% Harris County Houston Sports Authority *(collected by Harris County)*

Tax Uses

State Hotel Tax:

0.5% goes to tourism with the balance remitted to the general fund.

Harris County Hotel Tax:

Funds are used for the promotion of tourism. These funds are used to fund the cost of utilities and NRG insurance expenditures for NRG Park; the County's annual agreement with the Greater Houston Convention and Visitors Bureau; debt service payments for bonds secured by the Hotel Occupancy Tax; and a portion of the operations of the Harris County Sports and Convention Corporation.

City of Houston Hotel Tax:

These funds go toward projects that benefit the business of conventions and tourism. In the last few years, this has ranged from the expansion of the George R. Brown Convention Center to funding 90 percent of the operations of the Greater Houston Convention & Visitors Bureau.

Harris County Houston Sports Authority:

The Harris County - Houston Sports Authority is a government agency that maintains and oversees the bond debt service on the professional sports stadiums, as well as assists with the sports marketing for the destination.



CHICAGO

Total Hotel Tax Rate: 16.39%

6.17%	State Hotel Tax ⁽¹⁾
1.08%	Chicago Municipal Hotel Tax ⁽²⁾
4.5%	City of Chicago Hotel Accommodations Tax
2.14%	Illinois Sports Facilities Authority (ISFA) Hotel Operator's Tax ⁽³⁾
2.5%	Metropolitan Pier and Exposition Authority (MPEA) Hotel Tax

Tax Uses

State Hotel Tax:

Build Illinois Fund (50%), General Revenue Fund (44%), Local Tourism Fund (3%), Chicago Travel Industry Promotion Fund (2%), International Tourism Fund (1%)

Chicago Municipal Hotel Tax:

Funds support the promotion of tourism and cultural and recreational activities in Chicago

City of Chicago Hotel Accommodations Tax:

Funds go toward the City services such as public safety, infrastructure, City development, community services, regulation, facility management and general expenses

Illinois Sports Facilities Authority (ISFA) Hotel Operator's Tax:

Proceeds are used for the corporate purposes of the authority, including construction costs for the Comisky Baseball Park

Metropolitan Pier and Exposition Authority (MPEA) Hotel Tax:

MPEA owns and manages McCormick Place and the Navy Pier

(1) State effective tax rate calculation: (6% of 94%) x (1% Municipal +2% ISFA) + 6%

(2) Chicago Municipal effective tax rate calculation: (1% of 99%) x (6% State +2% ISFA) + 1%

(3) ISFA effective tax rate calculation: (2% of 98%) x (6% State +1% Municipal) + 2%



SAN FRANCISCO

Total Hotel Tax Rate: 16.25%

14% City of San Francisco Hotel Tax

2.25% Tourism and Moscone District Assessment Fee

Tax Uses

City of San Francisco Hotel Tax & Tourism and Moscone District Assessment Fee:

Revenues are allocated as follows: Moscone Convention Center (50%), administration (up to 0.6%), refunds of overpayment (as required), publicity and advertising (as appropriated) and general fund (remainder)



LOS ANGELES

Total Hotel Tax Rate: 15.56%

1.56% County Transient Occupancy Tax

14% City Hotel Tax

Tax Uses

County Hotel Tax:

Supports countywide general fund services, such as parks, libraries, senior services, and law enforcement, but is not limited to any specific use

City Hotel Tax:

13% is remitted to the General Fund and the other 1% is remitted to the Greater Los Angeles Visitors and Convention Bureau Trust Fund

(1) County effective tax rate calculation: (12% rate x 13% adjustment for unincorporated areas)



DALLAS

Total Hotel Tax Rate: 15%

6% State Hotel Tax

7% City Hotel Tax

2% Dallas Tourism Public Improvement District
(covers hotels in the city with 100 or more rooms)

Tax Uses

State Hotel Tax:

0.5% goes to tourism with the balance remitted to the general fund.

City Hotel Tax:

30% goes to the Dallas Convention & Visitors Bureau to market the convention center through 2020 and the remainder pays for Convention Center debt

Dallas Tourism Public Improvement District Tax:

Funds support Dallas' effort to be a top 5 destination for conventions and tourism



NEW YORK CITY

Total Hotel Tax Rate: 14.75%

Plus:

\$1.50 Unit Fee

\$0.50 to \$2.00 Fee

4% State Sales Tax

4.5% City Sales Tax

0.375% Transportation District Tax

5.875% Hotel Room Occupancy Tax

\$1.50 New York City Hotel Unit Fee *(per unit per day)*

\$0.50 to \$2.00 Hotel Room Occupancy Fee *(based on room rate)*

Tax Uses

State Sales Tax:

Funds go to the general fund

City Sales Tax:

Funds go toward City general fund

Transportation District Tax:

Funds go to the Metropolitan Transportation Authority

Hotel Room Occupancy Tax:

Funds the City's budget but is not limited to any specific use

\$1.50 New York City Hotel Unit Fee:

Funds capital projects at the Javits Convention Center

\$0.50 to \$2.00 Hotel Room Occupancy Fee:

Funds the City's budget but is not limited to any specific use



BOSTON

Total Hotel Tax Rate: 14.45%

5.7% State Hotel Tax

6% Local-Option Tax (City)

2.75% Convention Center Tax

Tax Uses

State Hotel Tax:

65% is remitted to the General and the remainder to the Massachusetts Tourism Fund

Local-Option Tax (City):

Hotel tax revenue from rooms built after July, 1997 is first used to pay the debt on the convention center and revenue from the tax is also directed toward the City general fund

Convention Center Tax:

Convention center financing



MIAMI

Total Hotel Tax Rate: 13%

- 6% Florida State Sales Tax
- 1% Miami-Dade County Sales Tax
- 3% Convention Development Tax (CDT)
- 2% Tourist Development Tax (TDT)
- 1% Professional Sports Facilities Franchise Tax

Tax Uses

Florida State Sales Tax:

Funds go toward the general fund

Miami-Dade County Sales Tax:

Includes a 0.5% surtax that supports the operation, maintenance, and administration of the county public general hospital and a 0.5% surtax that supports the costs of a fixed guideway rapid transit system

Convention Development Tax (CDT):

Two-thirds (2/3) of the CDT receipts are distributed to Miami-Dade County and one-third (1/3) is used to fund the Miami Arena (excess one-third (1/3) receipts go back to Miami-Dade County)

Tourist Development Tax (TDT):

60% of the TDT is distributed to the Greater Miami Convention and Visitors Bureau, 20% to the Miami-Dade County Department of Cultural Affairs and 20% to the City of Miami

Professional Sports Facilities Franchise Tax:

Used only for debt service payments on county debt for professional sports facilities



PHOENIX

Total Hotel Tax Rate: 12.57%

5.5% State of Arizona Privilege (Sales) Tax

1.77% Maricopa County Tax

5.3% City of Phoenix Hotel/Motel Tax

Tax Uses

State of Arizona Privilege (Sales) Tax:

Distributed to the General Fund (70%), the counties (12%), education programs (11%) and the cities (7%)

Maricopa County Tax:

1% of the 1.77% tax rate is remitted to tourism development and the remainder of funds go to support roads and jails

City of Phoenix Hotel/Motel Tax:

Phoenix divides funds as follows: Convention Center (2%), Sports Facility (1.0%), General Fund (1.2%), Police/Fire Projection (0.1%), Parks/Desert Preserve (0.1%), Transportation (0.7%) and Public Safety Expansion (0.2%)



ORLANDO

Total Hotel Tax Rate: 12.5%

- 6% Florida State Sales Tax
- 0.5% Orange County Sales Tax
- 6% Orange County Tourist Development Tax

Tax Uses

Florida State Sales Tax:

Funds go toward the general fund

Orange County Sales Tax:

School capital outlay surtax

Orange County Tourist Development Tax:

Expenditures for the first four cents are limited by Florida Statutes to the acquisition and operation of convention centers, sports stadiums and arenas, auditoriums and museums, promotion and/or advertisement of tourism and funding of tourist and convention bureaus and tourist information centers. Expenditures for the fifth cent are limited by Florida Statutes to pay the debt service on bonds issued to finance the construction, reconstruction, or renovation of a professional sports franchise facility or subsequently a convention center or promote and advertise tourism. Expenditures for the sixth cent are limited by Florida Statutes to pay the debt service on bonds issued to finance the construction, reconstruction, or renovation of a new professional sports franchise facility or a retained spring training franchise that was not based in Florida prior to April 1, 1987.





LAS VEGAS STADIUM

Benefits to UNLV



STADIUM BENEFITS TO UNLV

A NEW STADIUM WILL BENEFIT UNLV IN A VARIETY OF AREAS, INCLUDING:

- Supports the vision of UNLV to become a Top Tier institution with an athletic, academic, and campus experience consistent with its aspirational peers.
- Will bring all of UNLV's athletic programs near campus.
- Similar to the impact of the Thomas & Mack Center on the University's basketball program, a new stadium will enhance the competitiveness and financial performance of the football program.
- A sound financial operating model can provide net operating revenue from the stadium to help support the academic mission of the University.
- A stadium in close proximity to The Strip will enhance the visibility of the University and its recruiting of student-athletes and faculty.
- A new state-of-the-art stadium will enhance the profile of the UNLV football program and increase its attractiveness to a Power 5 conference looking for expansion opportunities.
- A stadium is an integral University asset and will enhance the experience for the entire University community.



UNLV FINANCIAL IMPACT

- Note: The Thomas & Mack Center/Sam Boyd Stadium/Cox Pavilion operation at UNLV generates revenue to directly (through cash contributions) and indirectly (by paying expenses for activities) support UNLV athletics. Any impact on the net revenue for the TMC/SBS/Cox operation would directly impact financial support for UNLV Athletics. The specific impact relative to Sam Boyd Stadium is highlighted below.
 - The current activities at Sam Boyd Stadium bring in a net of \$3.5M per year (on average, which does not include UNLV Football home games and all of which goes to support UNLV athletics).
 - Assuming a new stadium were located on the 42 acre parcel, UNLV would want to use the stadium for UNLV home football games without payment of regular lease fees. UNLV would pay actual operating costs and be allowed to recover net operating revenue from the football games (to include use of all stadium areas, including VIP areas).
 - If this proposed structure were in place there would be no net loss relative to the operations from Sam Boyd Stadium.



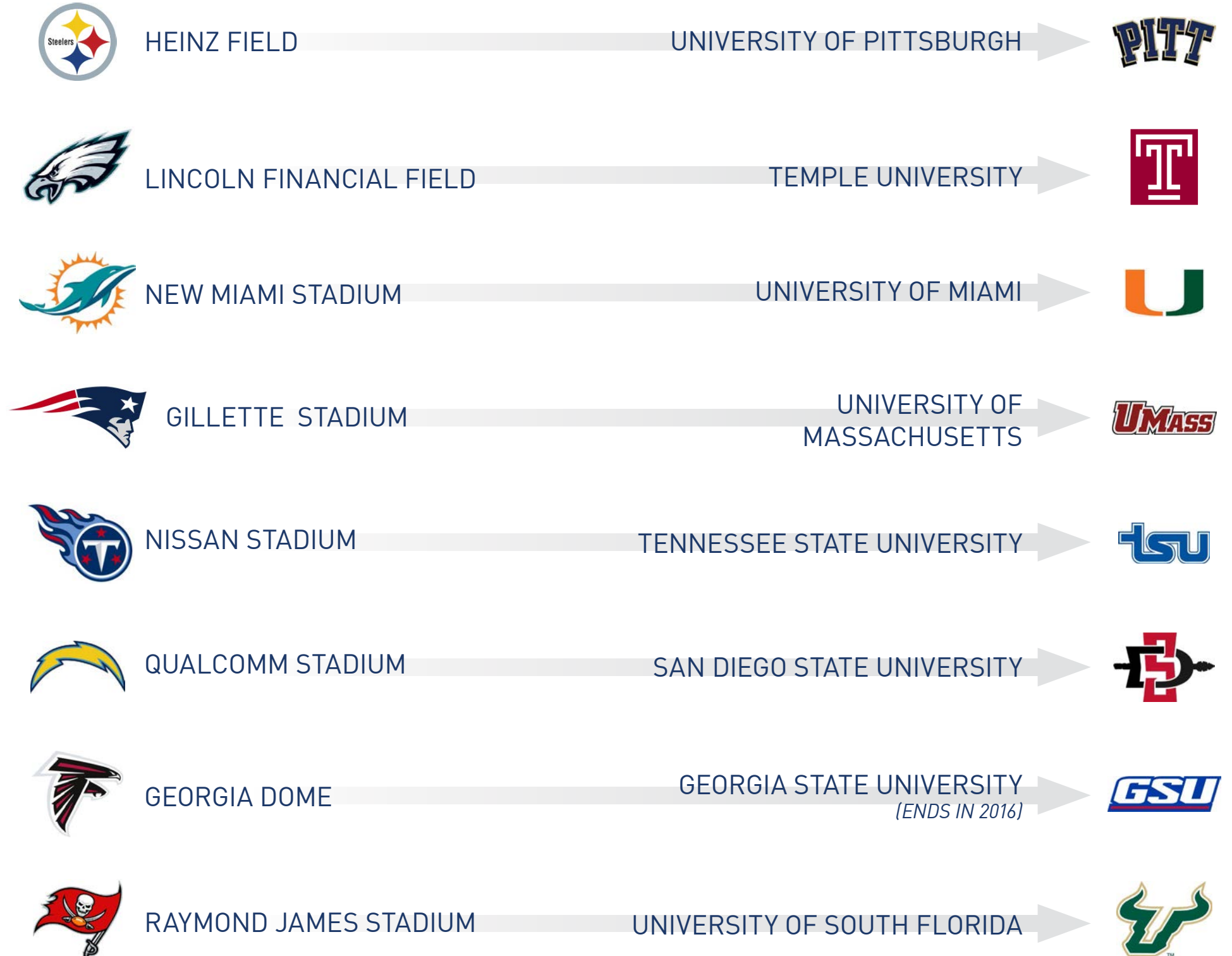


LAS VEGAS STADIUM

Shared NFL &
Collegiate Stadiums



CURRENT NFL & COLLEGIATE SHARED STADIUMS





LAS VEGAS STADIUM

Updated Cost Estimate



UPDATED COST MODEL

Building Program:	Enclosed Stadium	Enclosed NFL Stadium
Total Square Feet	1,100,000	1,600,000
Total Seating Capacity	50,000	65,000
Luxury Suite Inventory	50	100
Club Seat Inventory	2,500	6,000
Project Costs:		
Hard Construction	\$647,416,000	\$897,659,000
Soft Costs	161,854,000	\$280,518,000
On-Site Improvements	34,500,000	34,500,000*
Off-Site Improvements	26,100,000	26,100,000*
Structured Parking	82,500,000	82,500,000
Surface Parking	11,700,000	11,700,000
Total	\$964,070,000	\$1,332,977,000
Retractable Roof (Incremental Cost)	\$55,000,000	\$55,000,000
Total With Retractable Roof	\$1,019,070,000	\$1,387,977,000

Note: It is estimated that a retractable roof could cost an additional \$50 million to \$60 million.

* On-and off-site improvement costs will vary depending on the site location.



LAS VEGAS STADIUM

NFL Funding



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	50%	50%	\$228.69	\$351.92
			AVERAGE (FACILITIES OPENED/RENOVATED SINCE 2010)	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.

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 (45 percent)

The State of Minnesota issued \$498 million in appropriation bonds to fund the State's and the City of Minneapolis's share of U.S. Bank Stadium. The State's portion of the bonds (\$348 million) will be paid with general fund appropriations. It is expected that the amount of these appropriations will be offset by additional general fund revenues generated from lawful gambling tax changes. If these revenues are insufficient, the expectation is that other general fund money will be used to pay the bonds.

The City's share (\$150 million) will be funded by the imposition of Minneapolis City taxes including a half percent local sales tax and up to a three percent tax on liquor, lodging and restaurants through 2046.

The State has also authorized tax exemptions including a sales tax exemption on construction materials for the stadium and stadium infrastructure and a property tax exemption.

Private contribution (55 percent).

- \$100 million from private contributions
- \$494.0 million provided by the Vikings
- \$14 million from other sources

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 <i>(PSL, Stadium Revenues)</i>	\$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:

Public contribution (16 percent)

The City of Atlanta contributed \$200 million toward the cost of Mercedes-Benz Stadium through the existing hotel-motel tax that had been used to fund the debt on the Georgia Dome. In 2010, the Georgia General Assembly approved an extension of the City's 7 percent hotel-motel tax through December 31, 2050, contingent upon a 39.3 percent portion being used to fund a successor facility to the Georgia Dome. The State of Georgia will contribute \$40 million toward parking expansion.

Private contribution (84 percent).

- 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

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

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:

Public contribution (36 percent)

The City of Arlington provided \$325 million in voter-approved City bonds backed by a 0.5 percent sales tax increase, 2 percent hotel tax and 5 percent car rental tax. The City also issued \$115 million in revenue bonds backed by a 10 percent admission tax and \$3 parking surcharge. Tarrant County contributed \$25 million in cash for roads/parking lots.

Private contribution (64 percent).

- 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

METLIFE STADIUM



YEAR OPENED	2010
CAPACITY	82,566
SQ FOOTAGE	2.1 MILLION
PROJECT COST	\$1,600 MILLION
% PRIVATE	100%
% PUBLIC	0%*

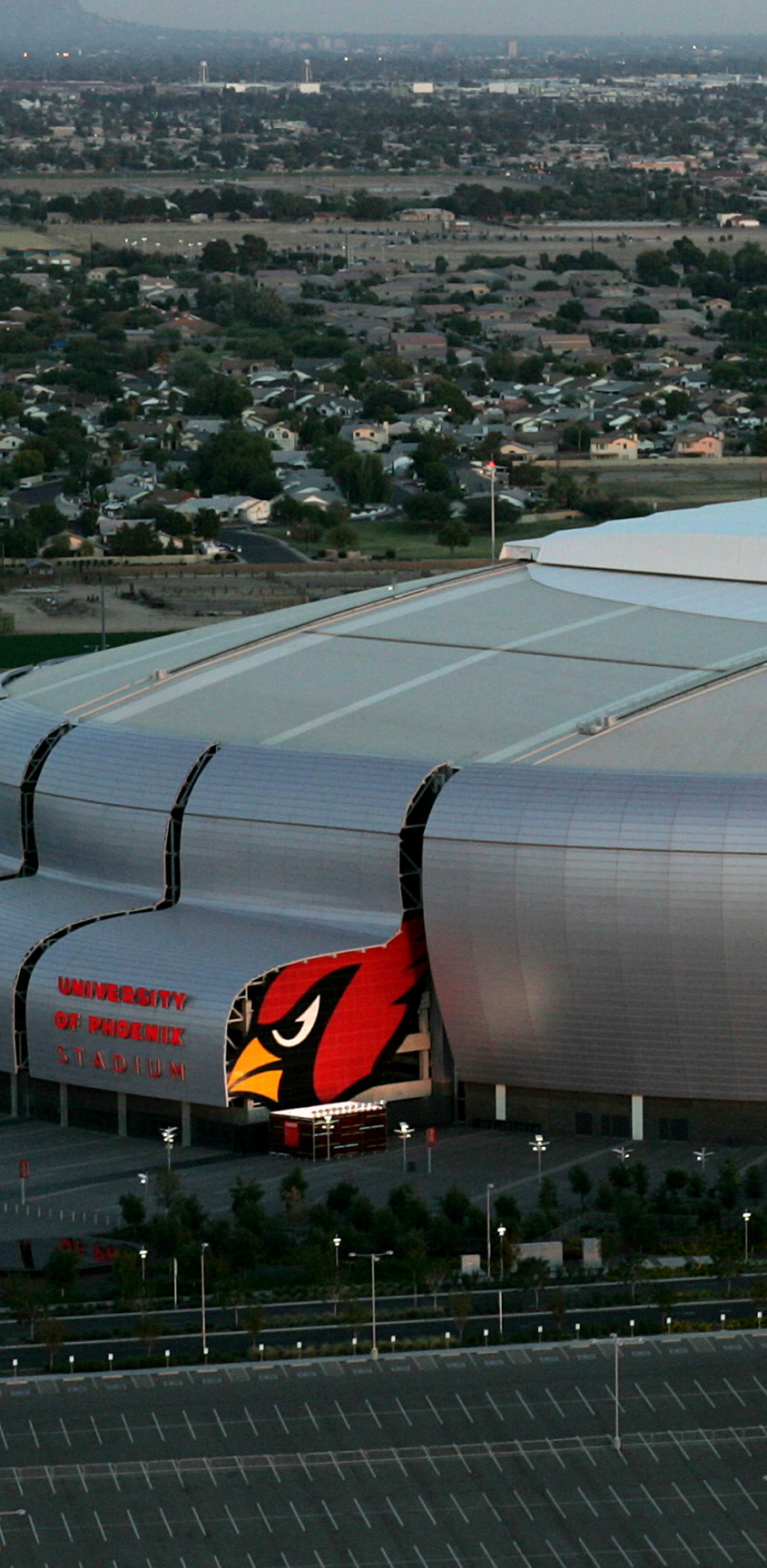
**excluding public land donation*

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

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 contribution (32 percent):

Public funding of the stadium included the Arizona Tourism and Sports Authority contributing \$265.9 million for stadium costs and \$10.3 million for site improvement through a one percent county hotel tax, a 3.25 percent county car rental surcharge, state sales tax receipts on stadium events, state corporate income tax on the NFL and other project revenues including the AZTSA's share of rent, concessions and parking. The City of Glendale/ADOT provided \$23.8 million for site improvements.

Private contribution (68 percent):

- Cardinals contribution consisted of \$113.6 million for stadium construction costs and \$26.3 million for site improvement

Funding Sources & Uses	
Sources	
<i>Stadium Sources</i>	
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	
<i>Stadium Uses</i>	
Stadium GMP	\$367
Other Fees	12.6
<i>Stadium Improvement</i>	
Site Improvements	41.0
Glendale Roadway Improvements	19.3
Total Uses (\$M)	\$439.7

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:

Public contribution (43 percent):

The Harris County Sports Authority contributed \$194 million that was secured by County hotel/motel tax revenue and short-term car rental taxes. User fees including a 10 percent ticket tax, a \$1.00 parking surcharge and sales tax rebates on in-stadium spending accounted for \$140 million in project funding.

Private contribution (57 percent):

- 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



LAS VEGAS STADIUM

NFL Stadium
Third-Party Events



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 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 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

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 Ecuador
- US vs Brazil

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 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 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



LAS VEGAS STADIUM

Stadium Authorities



MINNESOTA SPORTS FACILITIES AUTHORITY

OVERVIEW:

Established by the State legislature in 2012, the Minnesota Sports Facilities Authority is responsible for the design, construction and operation of U.S. Bank Stadium.

BOARD COMPOSITION:

The Authority is comprised of five board members: the chair, appointed by the governor of the State of Minnesota, two members appointed by the governor and two members appointed by the mayor of the City of Minneapolis.

BOARD ROLE:

The board makes policies for the administration of the Authority and it appoints a CEO/Executive Director to act as the administrative head of the Authority. The CEO/Executive Director serves at the pleasure of the board, carries out the policies established by the board, directs business and administrative procedures, and recommends personnel to be appointed by the board.



MINNESOTA SPORTS FACILITIES AUTHORITY

FUNDING:

All activities of the Authority are accounted for in one enterprise fund. Sources of funds include:

Operating Revenues/Expenses: Operating revenues include parking revenues, charges for services, and miscellaneous revenues. Operating expenses include concession costs related to the cessation of Metrodome operations, personal services, professional services, contractual services, supplies, repairs and maintenance, utilities, rent, insurance, parking operations, other expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition and construction-related activities are reported as non-operating revenues and expenses.

Contributions for the Stadium Project: Amounts reported as other contributions for the stadium project include contributions from: 1) the Minnesota Vikings, 2) the State of Minnesota, 3) City of Minneapolis, and 4) private contributions. These contributions fund their respective share of the non-capitalized stadium construction expenses and are reported as non-operating revenues.

Stadium Builders Licenses Revenues: Effective July 31, 2014, the Authority entered into an Amended and Restated Purchase and Sale Agreement with the Minnesota Stadium Funding Trust whereby the Authority agreed to sell its interest in Stadium Builders Licenses (SBL) tranches of SBL revenues to Minnesota Stadium Funding Trust pursuant to SBL contracts.

Sales Tax Revenues: A portion of the City of Minneapolis sales tax collections (hotel, liquor and food taxes downtown, as well as the City's half-cent sales tax), are for the benefit of the Authority.



SANTA CLARA STADIUM AUTHORITY

OVERVIEW:

The Stadium Authority exists as a public body, separate and distinct from the City of Santa Clara, and was established to provide for development and operation of Levi's Stadium, in order to ensure that the stadium serves the goals of its other member—the City of Santa Clara. The Stadium Authority is structured so that the City is not liable for the debts or obligations of the Stadium Authority.

BOARD COMPOSITION:

The seven elected members of the City Council serve as the governing board for the Authority. The Mayor serves as chair of the Authority, with the City Manager as the Executive Director and the City Attorney as the Authority's General Counsel.

BOARD ROLE:

The Board operates the Stadium Authority, responsible for construction, management and operation of Levi's Stadium for NFL Events, Non-NFL Events and Civic Events. Annually, the Authority must approve the Stadium Operating and Maintenance Plan, a Capital Expenditure Plan and an Annual Stadium Operating Budget.



SANTA CLARA STADIUM AUTHORITY

FUNDING:

Operating Revenues/Expenses: Operating revenues include NFL ticket surcharges, Stadium Builder License proceeds, non-NFL event rent, intangible license fees, naming rights, sponsorship revenue, rent, senior and youth program fees, fanwalk revenue and non-NFL ticket surcharges. Operating expenses include stadium management, insurance, senior and youth program fees, other expenses, ground rent, performance rent and fund expenses.



HARRIS COUNTY - HOUSTON SPORTS AUTHORITY

OVERVIEW:

The Authority is a government agency that maintains and oversees the bond debt service on the professional sports stadiums, as well as assists with the sports marketing for the destination. Houston Sports facilities include: Minute Maid Park, NRG Stadium, Toyota Center and Tundra Garage and BBVA Compass Stadium.

BOARD COMPOSITION:

The Board of Directors is comprised of citizens of Houston and Harris County to include business owners, entrepreneurs and attorneys, as well as religious and community leaders. Each is selected by Harris County or the City of Houston to ensure that the taxpayers are represented while overseeing the investment in Houston's major sports facilities. All board members are volunteers without political agenda.

BOARD ROLE:

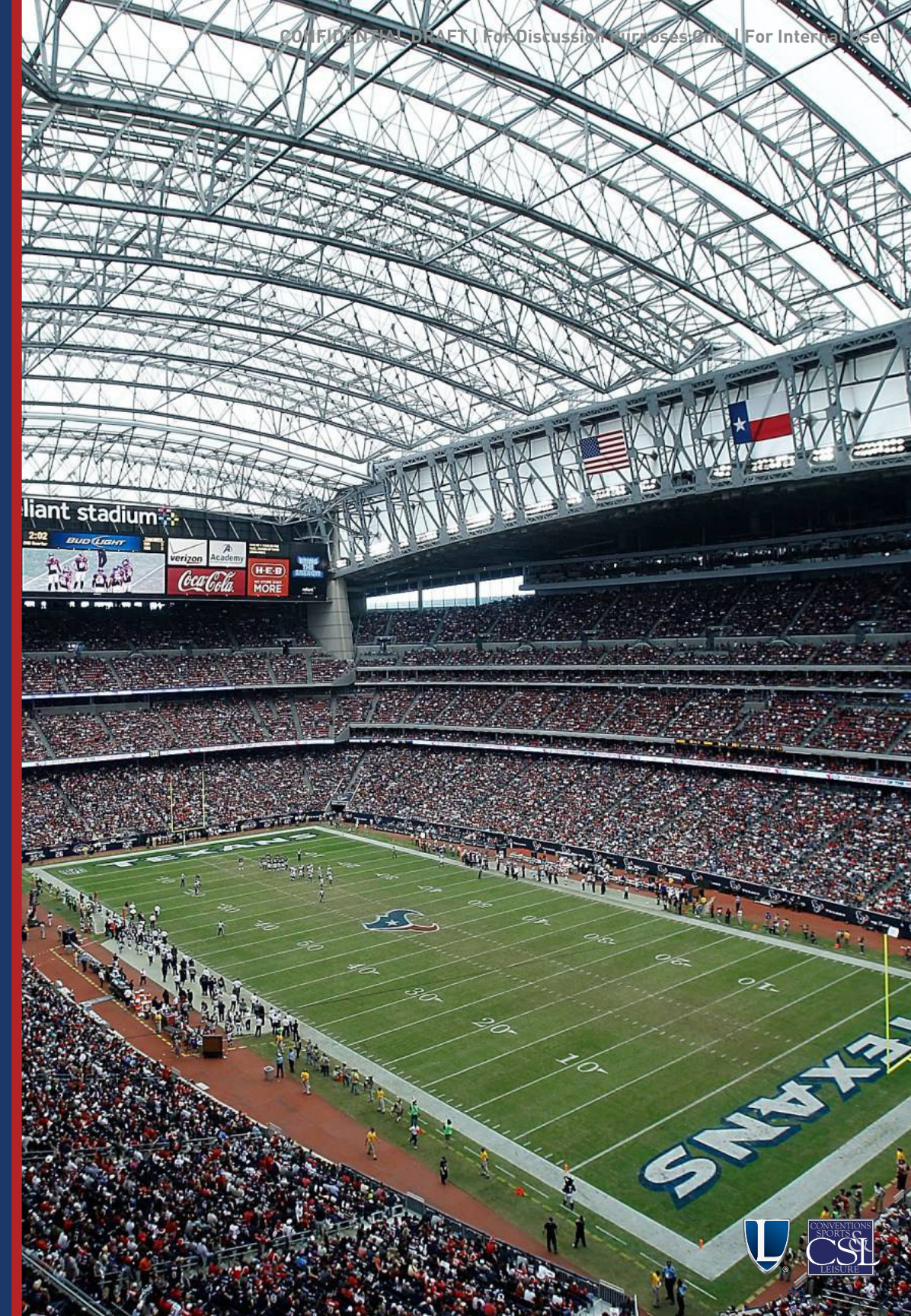
The Board governs the Authority which shall establish a fund known as the venue project fund and use money in such fund for planning, acquiring, establishing, developing, constructing or renovating one or more approved venue projects, including projects for professional baseball team and a professional football team (which project is expected to be suitable for rodeo purposes) and, for a basketball team, a professional hockey team and other sports and community venue purposes.



HARRIS COUNTY - HOUSTON SPORTS AUTHORITY

FUNDING:

- The proceeds from any tax imposed (currently includes a 2% Hotel Occupancy Tax and 5% Car Rental Tax)
- All revenue from the sale of bonds or other obligations
- Money received by the municipality or county from funding concepts such as the sale of luxury boxes or licenses for personal seats
- Any other revenue received by the municipality or county from the approved venue project, including stadium rental payments and revenue from concessions and parking
- Money deposited into the venue project fund is the property of the municipality or county depositing the money



ARIZONA TOURISM AND SPORTS AUTHORITY

OVERVIEW:

The Arizona Tourism and Sports Authority (“TSA”) has the following funding priorities and responsibilities: Designing and constructing University of Phoenix Stadium, which is home to the Arizona Cardinals football team and the Fiesta Bowl; funding tourism promotion in Maricopa County by distributing monies to the Arizona Office of Tourism; awarding monies to renovate existing or construct new Cactus League spring training baseball facilities in Maricopa County; awarding grants for youth and amateur sports facilities and programs in Maricopa County; funding TSA operations (including staff salaries, travel, and insurance), as well as funding the operations of University of Phoenix Stadium; and establishing and funding reserves for its operations.

BOARD COMPOSITION:

A nine-member board of directors, appointed to 5-year terms, governs TSA: The Governor appoints five board members, with one member representing the tourism industry, one representing the hotel and motel industry, one representing youth sports organizations, and one representing Major League Baseball spring training organizations. No more than three of these members may be from the same political party. The President of the Senate and the Speaker of the House each appoint two members who cannot both be from the same political party.

BOARD ROLE:

The Board of Directors, on behalf of the Authority, may: enter into contracts, including intergovernmental agreements; enter into an intergovernmental agreement with the Arizona Exposition and State Fair Board for the joint use of properties and facilities; adopt administrative rules as necessary to operate the Authority; acquire and operate, maintain, encumber, and dispose of real and personal property and interests in property; and retain legal counsel and other consultants as necessary to carry out the purposes of the Authority.



ARIZONA TOURISM AND SPORTS AUTHORITY

FUNDING:

Hotel bed tax increase: For 30 years, TSA receives revenue from a 1 percent increase in Maricopa County's hotel bed tax.

Car rental surcharge: For 30 years, TSA receives a portion of the revenues generated by a 3.25 percent car rental surcharge in Maricopa County.

Sales tax recapture: TSA recaptures all state sales tax paid at Cardinals games, including those played at Arizona State University's Sun Devil Stadium before the new facility was constructed, as well as any sales taxes paid on materials purchased for the new facility's construction.

NFL tax: TSA receives all state income taxes paid by the Cardinals' corporate organization, its employees (including players), and their spouses. Statute guarantees a minimum amount that TSA will receive, with this amount growing by 8 percent annually. TSA receives additional money from the State General Fund if the income tax revenues collected do not meet the required minimum amount. This distribution does not expire, but through fiscal year 2031, TSA will receive at least \$397.8 million in state income tax revenue.

Other facility-generated revenue: TSA generates revenues from events held in the facility, including rent from the Cardinals and other users of the facility, concessions, and parking revenues.





LAS VEGAS STADIUM

Proposed Tax Increment
District



PROPOSED TAX INCREMENT DISTRICT

- Proposed legislation to include the establishment of a Tax Increment District (the “TID”) or other such district for the property contained within the project area (TBD).
- The TID will provide for the recapture of all State and County incremental tax revenues generated by the project including but not limited to: Sales, Use, MBT, and LET.
- The receipts of all incremental tax revenue generated by the project shall be remitted quarterly to the Clark County Stadium Authority (established by the legislation) for the term of the lease (65 years) with the stadium developer.
- The Clark County Stadium Authority will remit the receipts of such revenue collected to the stadium developer. Developer may among other things use such proceeds to secure project debt, repay equity, repay debt, pay any operating costs, pay marketing costs and pay for maintenance and capital expenses related to the project.





LAS VEGAS STADIUM

Outline of Clark County
Stadium Authority Structure



OUTLINE OF CLARK COUNTY STADIUM AUTHORITY STRUCTURE

- Proposed legislation to include the establishment of the Clark County Stadium Authority (CCSA). The sole purpose of the CCSA is to provide governance and oversight for the development and management of the proposed stadium.
- The CCSA would be provided the necessary powers and authorities to enter into a long term lease and other agreements with Sands-Majestic (“Stadium Developer-Operator”)for the development and management of the proposed stadium project.
- The CCSA would have a board consisting of no more than 5 members.
- The CCSA would have approval rights over the final project plan, contracts for construction, construction and operating budgets as provided by the Stadium Developer-Operator and other agreements customary with projects of this nature.
- The CCSA would have the powers to issue or co-issue bond debt (similar to the LVCVA) for the purposes of providing the public funding component of the project financing plan.





LAS VEGAS STADIUM

Funding Model



FUNDING MODEL FOR THE STADIUM

- To be provided the week of April 25



LAS VEGAS STADIUM

Economic & Fiscal Impact Analysis



EVENTS & ATTENDANCE

ENCLOSED STADIUM EVENTS & ATTENDANCE		
	Events	Average Attendance
NFL	0	0
UNLV FOOTBALL	6	30,000
SOCCER	2	40,000
CONCERTS	2	45,000
RUGBY	4	22,500
BOWL GAMES	2	45,000
CORPORATE EVENTS/PUBLIC SHOWS	10	30,000
NEUTRAL SITE CFB GAME	2	55,000
SIGNATURE EVENTS	2	40,000
MOTORSPORTS	3	45,000
COMBATIVE EVENTS	1	55,000
MAJOR NON-RECURRING	2	55,000
TOTAL	36	

ENCLOSED STADIUM EVENTS & ATTENDANCE NFL INCLUDED		
	Events	Average Attendance
NFL	10	65,000
UNLV FOOTBALL	6	30,000
SOCCER	2	40,000
CONCERTS	2	45,000
RUGBY	4	22,500
BOWL GAMES	2	45,000
CORPORATE EVENTS/PUBLIC SHOWS	10	30,000
NEUTRAL SITE CFB GAME	2	55,000
SIGNATURE EVENTS	2	40,000
MOTORSPORTS	3	45,000
COMBATIVE EVENTS	1	55,000
MAJOR NON-RECURRING	2	55,000
TOTAL	46	

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).

SUMMARY OF CSL ECONOMIC & FISCAL IMPACTS

ECONOMIC IMPACT SUMMARY Net New Annual Operations Impacts:		
	CLARK COUNTY	STATE OF NEVADA
Direct Spending	\$301,191,000	\$280,129,000
Total Output	\$503,600,000	\$466,663,000
Jobs (FTEs)	4,894	4,684
Earnings	\$298,183,000	\$180,550,000
FISCAL IMPACT SUMMARY Net New Annual Operations Impacts:		
Sales Tax	\$7,648,000	\$9,478,000
Live Entertainment Tax	N/A	\$9,229,000
Modified Business Tax	N/A	\$41,000
Hotel Tax	\$3,606,000	\$2,576,000
NV General Fund Gaming Tax	N/A	\$3,375,000
Car Rental Tax	\$179,000	\$894,000
Total	\$11,433,000	\$25,593,000
Total Combined		\$37,026,000

ECONOMIC IMPACT SUMMARY - NFL INCLUDED Net New Annual Operations Impacts:		
	CLARK COUNTY	STATE OF NEVADA
Direct Spending	\$530,310,000	\$410,405,000
Total Output	\$869,951,000	\$678,710,000
Jobs (FTEs)	7,987	6,703
Earnings	\$335,113,000	\$260,560,000
FISCAL IMPACT SUMMARY - NFL INCLUDED Net New Annual Operations Impacts:		
Sales Tax	\$10,868,000	\$13,541,000
Live Entertainment Tax	N/A	\$15,631,000
Modified Business Tax	N/A	\$2,985,000
Hotel Tax	\$4,906,000	\$3,504,000
NV General Fund Gaming Tax	N/A	\$4,573,000
Car Rental Tax	\$243,000	\$1,214,000
Total	\$16,017,000	\$41,448,000
Total Combined		\$57,465,000

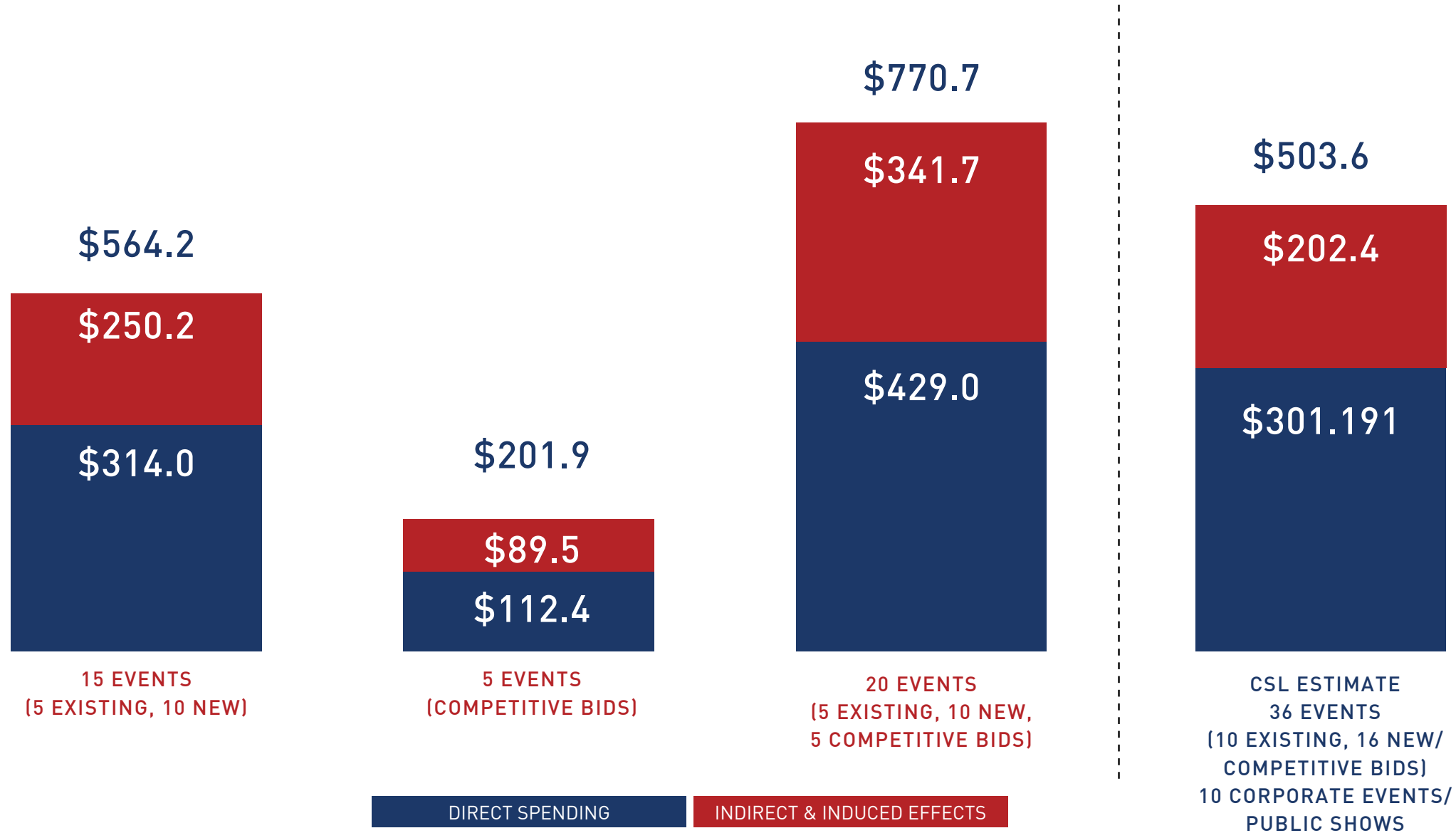
30-Year NPV
\$736M

30-Year NPV
\$1.1B

ECONOMIC IMPACT ESTIMATES

Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

TOTAL ECONOMIC OUTPUT



ROSENTRAU B 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	\$77,853,000	\$27,853,000	\$106,340,000
Retail Shopping	\$68,129,000	\$24,375,000	\$93,059,000
Entertainment (Shows)	\$21,910,000	\$7,839,000	\$29,928,000
Gaming	\$49,468,000	\$17,698,000	\$67,570,000
Local Transportation	\$31,709,000	\$11,345,000	\$43,312,000
Sightseeing	\$6,675,000	\$2,388,000	\$9,118,000
Total	\$314,072,000	\$112,366,000	\$428,998,000

ROSENTRAUB ECONOMIC IMPACT ESTIMATES

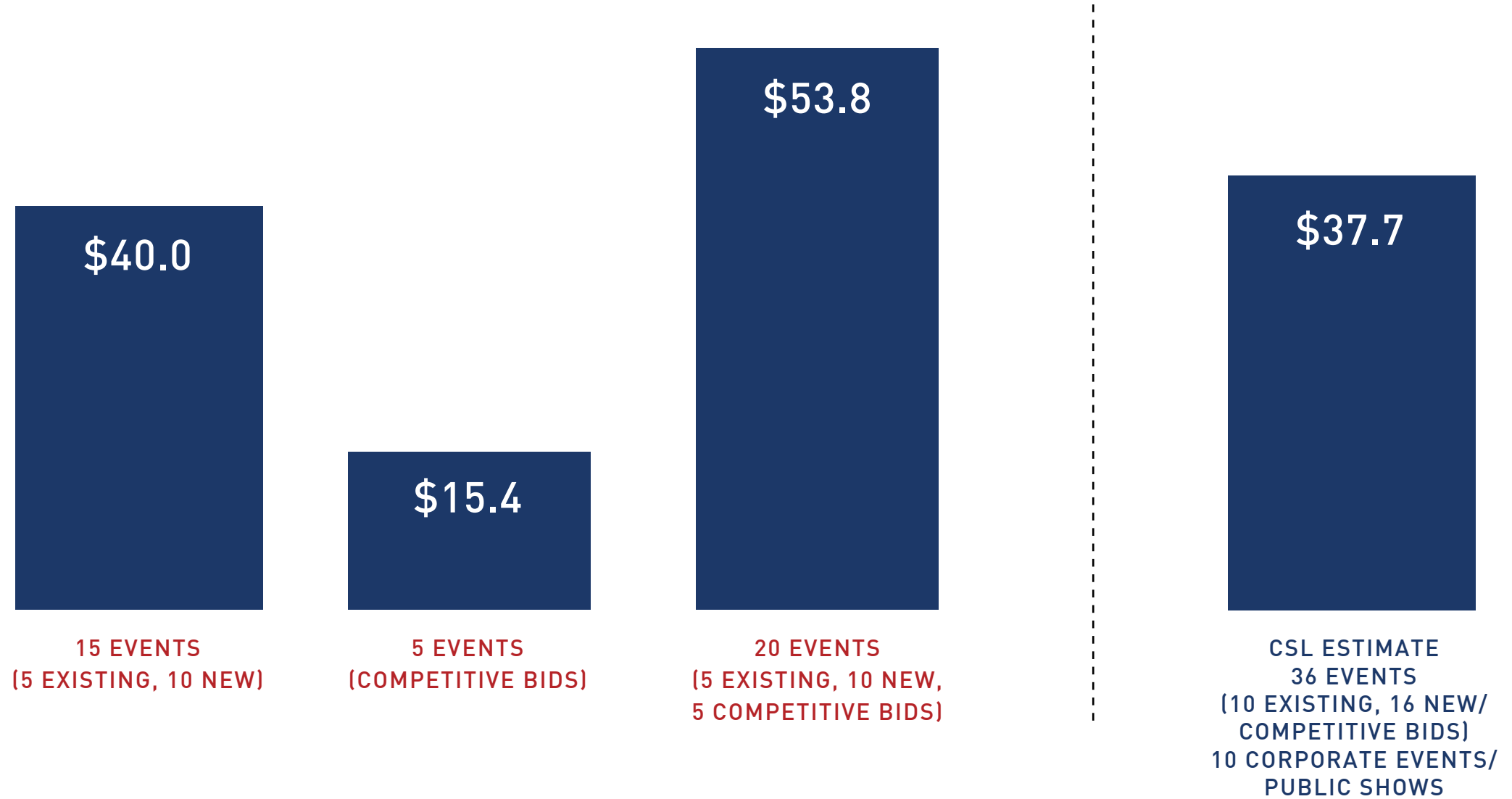
Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

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	106,340,000	75,970,000	182,310,000
Retail Shopping	93,059,000	65,411,000	158,470,000
Entertainment (Shows)	29,928,000	21,277,000	51,204,000
Gaming	67,570,000	83,097,000	150,667,000
Local Transportation	43,312,000	27,009,000	70,321,000
Sightseeing	9,118,000	8,123,000	17,241,000
Total	\$428,998,000	\$341,708,000	\$770,705,000
	Sales Taxable Transactions	\$69,029,000	
	Additional Sales Tax Revenue	\$5,626,000	

ROSENTRAU B ECONOMIC IMPACT ESTIMATES

Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

TOTAL INCREMENTAL TAX REVENUES



ROSENTRAU B 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	\$4,125,541	\$1,475,998	\$5,635,145
Local School Support Tax	\$5,363,204	\$1,918,797	\$7,325,689
Supplemental City/County Relief Tax	\$3,609,849	\$1,291,498	\$4,930,752
Basic City/Council Relief Tax	\$1,031,385	\$368,999	\$1,408,786
Public Mass Transportation Tax	\$515,693	\$184,500	\$704,393
Transportation/Air Quality Tax	\$515,693	\$184,500	\$704,393
Flood Control	\$515,693	\$184,500	\$704,393
Water and Wastewater Improvements	\$515,693	\$184,500	\$704,393
Public Safety Tax	\$618,831	\$221,400	\$845,272
Combined Sales Tax	16,811,581	6,014,692	22,963,217
Additional Sales Tax (Indirect & Induced)	\$4,118,730	\$1,473,561	\$5,625,841
Live Entertainment Tax	\$8,097,503	\$4,000,883	\$10,431,593
Hotel Taxes	\$6,999,333	\$2,504,156	\$9,560,505
State General Fund Gaming Tax	\$3,833,803	\$1,371,623	\$5,236,655
Total Tax Revenues Generated	\$39,860,950	\$15,364,914	\$53,817,811



WELCOME

SOUTHERN *Nevada*

TOURISM INFRASTRUCTURE

COMMITTEE



CLARK COUNTY STADIUM AUTHORITY

PURPOSE:

- A Clark County Stadium Authority (CCSA) is to be created and is to be responsible for the design, financing, construction and operation of the new domed stadium.

COMPOSITION:

- The CCSA shall be comprised of five members:
 - Two to be appointed by the Sands-Majestic equity partners, who will be the developers and operators of the stadium
 - Two to be appointed by the Governor
 - One to be appointed by the Clark County Commission
 - The members appointed by each appointing authority shall possess expertise in construction, finance, entertainment, venue administration, or other fields relating to the development and operation of stadiums

RESPONSIBILITIES:

- The CCSA will be created as a unit of government with appropriate powers, duties and authorities.
- The CCSA will be delegated the authorities and responsibilities that will allow for it to receive any private and public resources necessary to fund, finance and develop the project.
- The CCSA will be delegated with the authorities necessary to bond against the public revenues, similar to other agencies that receive public revenues.
- The CCSA will be empowered to solicit and receive bids, enter into contracts, hire necessary personnel, and other powers necessary to discharge its responsibilities.
- The CCSA will be the governing body for any tax increment district that is created to capture revenues associated with the construction and operation of the stadium.
- The governing body of the tax increment district will have powers and authorities that will allow it to enter into an exclusive agreement with Sands-Majestic (equity partners) as developers and operators of the facility.
- The operators, with concurrence of the CCSA, will have the authority to enter into leases with tenants and other parties.





PRELIMINARY STADIUM BUDGET

\$1.4B

PRIVATE FUNDING
\$650M

STADIUM TAX INCREMENT
DISTRICT
(SALES TAX, LET, MBT)

PUBLIC FUNDING
\$50M/YR
ASSUMES @1.1 DSCR

BONDABLE SOURCE OF
TAX REVENUE
ASSUMES @1.5 DSCR

STATE & LOCAL
PUBLIC BENEFIT

30-YEAR GROSS TAX REVENUE
\$2.7 BILLION

\$530M
net new direct
spending to
the county

\$335M
net new in
earnings to
the county

\$24.4M
county &
state sales
tax revenue
generated
(\$3.5 M In-Stadium /
\$20.9 M Out-of-Stadium)

\$15.6M
state live
entertainment
revenue
generated
(\$12.6 M In-
Stadium / \$3.0 M
Out-of-Stadium)

\$4.6M
state gaming
tax revenue
generated

\$870M
net new in
total output to
the county

7,987
net new in jobs
to the county

\$8.4M
county & state
hotel tax revenue
generated

\$1.5M
county & state car
rental tax revenue
generated

\$3.0M
state modified
business tax revenue
generated

THANK YOU



LVMC request of the Southern Nevada Tourism Infrastructure Committee

In September 2000 financing closed on \$650 million to acquire the original MGM-Bally's Monorail and construct three additional miles to form what is today The Las Vegas Monorail System. In July 2004 the Las Vegas Monorail opened for revenue service and, after a three month interruption in service, has consistently operated at above 99% availability (which is a calculation used to determine the quality of service). The company has endured many ups and downs in its brief existence: early mechanical interruptions, overly aggressive ridership projections and expectations, the Great Recession, and a Chapter 11 Reorganization. Yet through all of this it has endured to become a financially sound, significant and unique transportation infrastructure serving the resort corridor. It is unique in that it is the only transit grade rail or bus system in the United States to turn an annual operating profit from its fare revenue. Since inception, the system has carried 70 million passengers, improved local air quality by removing 405 tons of emissions, relieved congestion by removing 26.3 million vehicle miles that would have otherwise been added to resort corridor roadways, and provided mobility for millions of convention and leisure visitors. It has truly become an essential transportation mode for thousands of visitors and Strip area employees each day.

The Las Vegas Monorail Company (LVMC or Company) plans to build on this foundation by creating the next phase of the Las Vegas Monorail system: an expansion to Mandalay Bay and a potential station at or near the Sands Expo and Convention Center. Currently, the Company is in the process of developing an expansion of the Monorail from its southern terminus at MGM Grand Hotel to the Mandalay Bay Hotel, Luxor Hotel and Mandalay Bay Convention Center campus. Project engineers have performed preliminary route design and systems analyses for the expansion and estimate total design costs at approximately \$3.9 million (\$3.2m for civil; \$0.7m for systems). Working together with financial advisors, they have estimated construction, debt issuance and retirement, capitalized interest and reserve costs at approximately \$125 million. The LVMC, working closely with contractors and engineers, will establish a "guaranteed maximum price" (GMP) for constructing the project prior to expending the full design cost.

The LVMC has completed an extensive investment grade ridership analysis which bases its projections on the current system's operational results and known trip generating factors. That analysis demonstrates robust incremental ridership will be generated by connecting to Mandalay Bay and Luxor hotels, and the 2.0 million square feet of meeting space at Mandalay Bay Convention Center. After completion, the Las Vegas Monorail will physically connect over 6.5 million square feet of convention and exhibit space, 35,000 hotel rooms, two of the three Strip area arenas, 242 restaurant, casual dining, bar and nightlife locations, 223 retail locations, and 78 shows and other attractions. Physically connecting to this number of venues in the Strip area greatly enhances mobility for resort corridor visitors as well as employees of those establishments.

And though the ridership analysis projections show more than enough revenue to cover the projected operating and debt costs for the extension, the financing plan proposes to use the entire system revenues to pay back the new debt.

The Request of SNTIC

As a nonprofit company, the LVMC meets IRS requirements to issue tax exempt bonds, subject to certain tax rules. IRS Rev. Rul. 63-20, 1963-1 C.B. 24, permits the issuance of tax exempt debt by entities like the LVMC provided that it satisfies all legal requirements to do so. One of the requirements is that the Governor, as the Company sponsor under its Articles of Incorporation, makes certain findings and authorizes the Company to issue the debt. The LVMC is requesting the support and recommendation of the Southern Nevada Tourism Infrastructure Committee that the Governor, subject to making the findings, and if all other legal requirements are satisfied by the Company, approve and sign the attached certificate.

**OFFICE OF THE GOVERNOR
CERTIFICATE**

The Las Vegas Monorail Company, a Nevada non-profit corporation ("Company"), proposes to issue bonds the interest on which will be excluded from gross income for federal income tax purposes (the "Bonds") in order to finance the costs of (a) extending the Las Vegas Monorail approximately one (1) mile to the vicinity of the Mandalay Bay Resort (the "Financed Property"), in accordance with the Transportation Investment Business Plan prepared and adopted by the Regional Transportation Commission of Southern Nevada [and further recommended by the Southern Nevada Tourism Infrastructure Committee], (b) paying the costs of issuing the Bonds, (c) funding reserve and replacement funds for the Bonds and the Project, and (d) paying interest on the Bonds to the extent permitted under the Internal Revenue Code of 1986, as amended (collectively, the "Project").

Pursuant to Section 6.12 of the Company's Amended and Restated Bylaws ("Bylaws"), the Company must "notify the Governor of . . . any material alterations to either the annual budget or financial reports during the year, . . ." As a result of the issuance of the Bonds and the financing of the Project, the Company's financial reports are materially altered to reflect the increase in the Company's financial payment obligations as a result of the debt service to be paid on the Bonds, the acquisition of the Financed Property, the operation and maintenance of the Financed Property and other financial matters incident to the issuance of the Bonds, financing the Project, and the operation and ownership of the Financed Property.

The Company proposes that interest on the Bonds be excluded from gross income for federal income tax purposes, with the Company, and not the State of Nevada, as issuer, pursuant to Rev. Rul. 63-20, 1963-1 C.B. 24. In order for interest on the Bonds to be excluded from gross income for federal income tax purposes, the Company must satisfy certain legal requirements to act as the issuer of the Bonds, one requirement of which being satisfied with the approval of the issuance by the Governor of the State of Nevada.

Now, therefore, on this date, upon application by the Company, Governor Brian E. Sandoval hereby accepts and approves the following matters:

1. The modifications to the Company's annual budget and financial reports resulting from the issuance of the Bonds are accepted and approved.
2. The issuance of the Bonds in an amount not to exceed \$[AMOUNT] and the financing of the Project are hereby approved.
3. The purposes and activities of the Company, described in the Company's Articles of Incorporation and Amended and Restated Bylaws, are hereby reaffirmed.
4. As set forth in Article III of the Company's Articles of Incorporation, the Governor, on behalf of the State of Nevada, agrees to accept title to the Financed Property, including any additions to that property, when such obligations are discharged.

Done this ____ day of _____, 2016.

Brian E. Sandoval, Governor



The University of Michigan Center for Sport and Policy
1402 Washington Heights Ann Arbor, MI 48109
(734) 647 1309

Dr. Mark S. Rosentraub

Bruce and Joan Bickner Endowed Professor of Sport Management

Ms. Mackenzie Zondlak

Senior Research Assistant

March 26, 2016

MEMORANDUM

This note and the attached table is a supplement to the Rosentraub/Zondlak economic impact study of a domed stadium produced for the University of Nevada Las Vegas and submitted to Southern Nevada Tourist Infrastructure Committee. A copy of that report is also included in the transmission of this memorandum.

As described in Professor Rosentraub's testimony before the Committee (March 24, 2016), most of the data used in the model that estimate per diem expenses was drawn from the 2014 Las Vegas Visitor Profile Study, a survey of visitors conducted by the Las Vegas Convention and Visitors Authority (LVCVA).

One of the report's assumptions was a result of an estimation made by Professor Rosentraub to ensure that the impact assessment was appropriately conservative. The Rosentraub/Zondlak report and analysis assumed that 35 percent of tickets sold for special events at the stadium would be sold to Nevada residents or visitors whose visits would not constitute an additional trip to Las Vegas. It was assumed that tourists making new visits to Southern Nevada would have purchased 65 percent of all tickets sold.

Readers are reminded that five events held at Sam Boyd Stadium would take place at the new stadium, resulting in higher levels of attendance. The increment from the existing attendance levels was included in the economic impact analysis. The current attendance at Sam Boyd Stadium was not included in the Rosentraub/Zondlak economic impact assessment.

Of those visiting the region, LVCVA's surveys indicate 96 percent stay in hotels or motels. All of the estimates of average spending were from LVCVA's 2014 Las Vegas Visitor Profile Study (as noted in the table), as was the projection of those visitors who participate gaming activities when visiting Southern Nevada (71 percent). Readers are reminded that Rosentraub/Zondlak used 2014 data and it is likely that per diem spending would increase in 2019 (and in later years). As a result the nominal annual values related to spending levels could be higher than Rosentraub/Zondlak project.

Base Assumptions

Events	15 Existing + New	5 Competitive Bids	20 Combined	Assumption Source
Stadium Capacity	65,000	65,000	65,000	
Estimated Event Attendance	47,250	50,714	48,405	Las Vegas Entertainment Professionals, based on averages for the specific events that will be held
Tickets Purchased by Visitors (65%)	460,688	164,821	629,265	Our own assumption to exclude all Nevada residents and potential for some attendees substituting one trip for another

Incremental Room Nights Occupied Analysis

Events	15 Existing + New	5 Competitive Bids	20 Combined	Assumption Source
Number Lodged in Hotel/Motel (96%)	442,260	158,228	604,090	LVCVA 2014 Visitor Profile Study Page 4
Average Nights Spent	3.2	3.2	3.2	LVCVA 2014 Visitor Profile Study Page 4
Average Persons Per Room	2.1	2.1	2.1	LVCVA 2014 Visitor Profile Study Page 4
Total Number Room Nights Occupied	673,920	241,109	920,518	

Spending Profile (\$2014 Averages)

Events	15 Existing + New	5 Competitive Bids	20 Combined	Assumption Source
Lodging Per Night	86.55	86.55	86.55	LVCVA 2014 Visitor Profile Study Page 4
Food & Beverage Per Trip	281.88	281.88	281.88	LVCVA 2014 Visitor Profile Study Page 4
Local Transport Per Trip	68.83	68.83	68.83	LVCVA 2014 Visitor Profile Study Page 4
Shopping Per Trip	149.77	149.77	149.77	LVCVA 2014 Visitor Profile Study Page 4
Shows Per Trip	47.56	47.56	47.56	LVCVA 2014 Visitor Profile Study Page 4
Gaming Per Day	166	166	166	LVCVA 2014 Visitor Profile Study Page 5 (\$520.11 per trip, divided by average trip length for a more conservative estimate)
Number Gambled (71%)	54,185,214	19,385,883	74,012,989	LVCVA 2014 Visitor Profile Study Page 5
Sightseeing	14.49	14.49	14.49	LVCVA 2014 Visitor Profile Study Page 4



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A New Stadium for Southern Nevada:

An Economic Impact Assessment

March 2016

Mark S. Rosentraub, Ph. D.

The Bruce and Joan Bickner Endowed Professor of Sport Management

Mackenzie P. Zondlak

Research Assistant

Introduction

The Las Vegas metropolitan area is one of the only major urban centers and tourist destinations in the United States without a state-of-the-art stadium able to host events with seating for approximately 65,000 spectators. Since the Center's last report in 2013, when there were three major tourist destinations without a covered stadium, one – Los Angeles – has initiated plans to build such a venue, which will allow that region to compete even more vigorously for tourists with Las Vegas. Without a state-of-the-art venue with seating for approximately 65,000 spectators, Las Vegas, as one of the nation's top tourism destinations, will not have a valuable asset for the attraction of some events. A covered stadium near the region's resorts will attract events that cannot be accommodated by existing venues (including the T-Mobile Arena) and ensure that the extraordinary tourist location that defines Southern Nevada today will not forego important community and economic development opportunities.

Without a covered stadium, events that are interested in a venue with seating for as many as 65,000 people will bypass Las Vegas. Despite having the largest supply of world-class resorts and one of the country's best airports with non-stop connections to every major population center in North America and to urban centers in Europe, Asia, and Central America, Las Vegas cannot currently host these events.

Methodology

An industry comprised of consultants and academics has been created to explain to various audiences (elected officials, community leaders, business leaders, and residents of an area) the value of sport, entertainment, meeting, and cultural venues and other economic development assets. While the models used by those in this industry can produce the information required to inform decisions, there has also been a level of abuse with the description of economic effects. Economic impact statements are notorious for over-exaggerating the new spending that would actually occur as a result of the building of a new arena, ballpark, or stadium. Before turning attention to the models that were used it is important to underscore the methodology used to ensure that appropriately conservative estimates are presented. Some of the most common errors can be avoided through a careful understanding of the terms used to describe the results of different studies and a careful reading of the assumptions used to make projections.

Different terms are used to describe economic impact (also referred to as economic development or positive economic impact). An *economic impact* is created each time there is a change in spending patterns within a region. Those changes, however, might not create *positive* changes in a region's economy. Consider, for example, the building of a new stadium that either hosts a professional team or large-scale entertainment events. If the vast majority of people attending events lives in the region, or would have planned to visit without the existence of the stadium, then their spending does not create a

positive economic impact (Rosentraub, 1997; 2010; Winfree & Rosentraub, 2012). This is referred to as a “substitution effect” as their spending at the stadium is merely a substitution for consumption that would have taken place even if the new venue were not built. The issue of interest for an economic impact assessment is the incremental spending that occurs in the region as a result of the building of a new stadium with seating for approximately 65,000 fans. An economic impact assessment must adjust for existing consumption already present in the economy, or likely to be present even if the venue were not built.

This report eliminated substitution effects and provides an appropriately realistic assessment of likely economic impacts. The following precautions supported a conservative estimate of anticipated impacts:

1. The economic impacts projected in this report are based solely on events that (1) bring new visits to the Las Vegas metropolitan area, (2) can be held in a covered stadium, and (3) would attract more visits than would Sam Boyd Stadium.
2. A section of this report is dedicated to detailing new events and activities that would be attracted by a new stadium and that would enhance the region’s quality of life. However, these activities were not included in the measurement of the stadium’s economic impact, as they would likely attract spending by residents of the region. As noted, the spending by local residents is regarded as a substitution effect. In the absence of these events, residents’ dollars would likely still be spent in the region for other goods and services.
3. All substitution effects were eliminated in the enumeration of economic benefits; this means that spending by residents in the region was not included.
4. Adjustments were made to projected attendance levels at the new events to eliminate spending effects of residents. Of the estimated attendance of events at the stadium it was estimated that visitors would account for only 65 percent of all tickets sold.
5. The construction of the new stadium will generate economic benefits for residents of the region and for several businesses in the area. Again, we emphasize the conservative level of the model used for this report, as these benefits were excluded from the economic impacts reported.
6. Estimates on visitor spending were based directly on information produced by LVCVA through its repeated surveys of visitors to Las Vegas.
7. The number of projected events was vetted with Las Vegas hospitality experts.

The Center’s 2012 and 2013 projections of the economic impact of a covered stadium anticipated that several music festivals would be hosted at the new venue. The regional market has changed across the past few years and other venues have been specifically built to host those activities. Given the new infrastructure that now exists, it is necessary to remove those large-scale events from any estimation of

the *new* economic development that would be generated by covered stadium, as the economic contributions of such music festivals to Southern Nevada is already present.

These calculations also did not include the economic value and associated contributions to the economy from the presence of a National Football League (NFL) franchise. The presence of an NFL team in Southern Nevada would likely lead to a valuable increase in visits to the region from the fans of visiting teams. Similarly, the relocation of an existing NFL team to the Las Vegas region would generate a small increment in spending by the team's existing fans (in its current location) that choose to continue to support the team after relocation. Spending by the region's residents for tickets or other memorabilia would be a substitution for other forms of consumption already taking place in the region.

Projected Events for The New Stadium

If a new stadium hosts only events that are currently part of the entertainment options available to visitors and residents, no significant new economic benefit would be created, unless it was clear some of these events could be expanded and attract additional tourists. There are five events currently held at Sam Boyd Stadium that industry professionals believe would attract more visitors if they were held in a new, state-of-the-art stadium. The economic impact for these events includes only the anticipated *incremental* attendance and, conservatively, does not include (or "double count") any existing attendance figures.

The economic impacts reported are a function of the elevated attendance levels associated with the movement of 5 events from Sam Boyd Stadium to a state-of-the-art stadium and 10 new events that are likely to become part of Southern Nevada's entertainment calendar. In addition to the 5 existing events and 10 new events, we have also included the possibility of hosting up to 5 additional "competitive bid" events in the new stadium; this report provides possible tax, economic impact, and quality of life outcomes for a range between 15 and 20 events.

The five events relocated from San Boyd Stadium and then enhanced attendance levels were: USA Sevens Rugby (75,000), Monster Jam World Finals (62,000), Monster Energy Supercross Finals (24,000), Monster Energy Cup (24,000), and the Las Vegas Bowl (21,000). Many of these are multi-day events.

The 10 new events include 2 concerts, 2 neutral site college football games, the Mountain West Football Championship game, the PAC 12 Football Championship game, an NFL exhibition game, an international rugby game, and one "friendly" soccer match involving teams from the English Premier League and/or other high profile teams.

The other events that hospitality experts believe would be targets of opportunity (or “competitive bid” events) include UFC International Fight Week, a boxing program, Wrestlemania, CONCACAF Gold Cup, NCAA college football playoff game, an additional iconic concert, and the NCAA Men’s Basketball Final Four.

More aggressive projections of the number of large-scale events that the stadium could host would result in a more robust estimate of impacts. While that possibility is explored, the more conservative estimates used in this report illustrate more realistic valuations of the impact of a new covered stadium to the Las Vegas economy.

Projected Economic Impact

A covered stadium hosting just 15 events would generate \$371.7 million in direct incremental visitor spending at the region’s resorts (Figure 1). The total annual economic impact of 15 events (including direct, indirect, and induced spending) would be \$665.4 million. If as many as 20 events were held at the new stadium direct spending rises to \$507.6 million and total economic impact to nearly \$908.8 million. Table 1 provides a detailed breakdown of incremental direct visitor expenditures.

Figure 1. Projected Total Economic Impact (Millions)

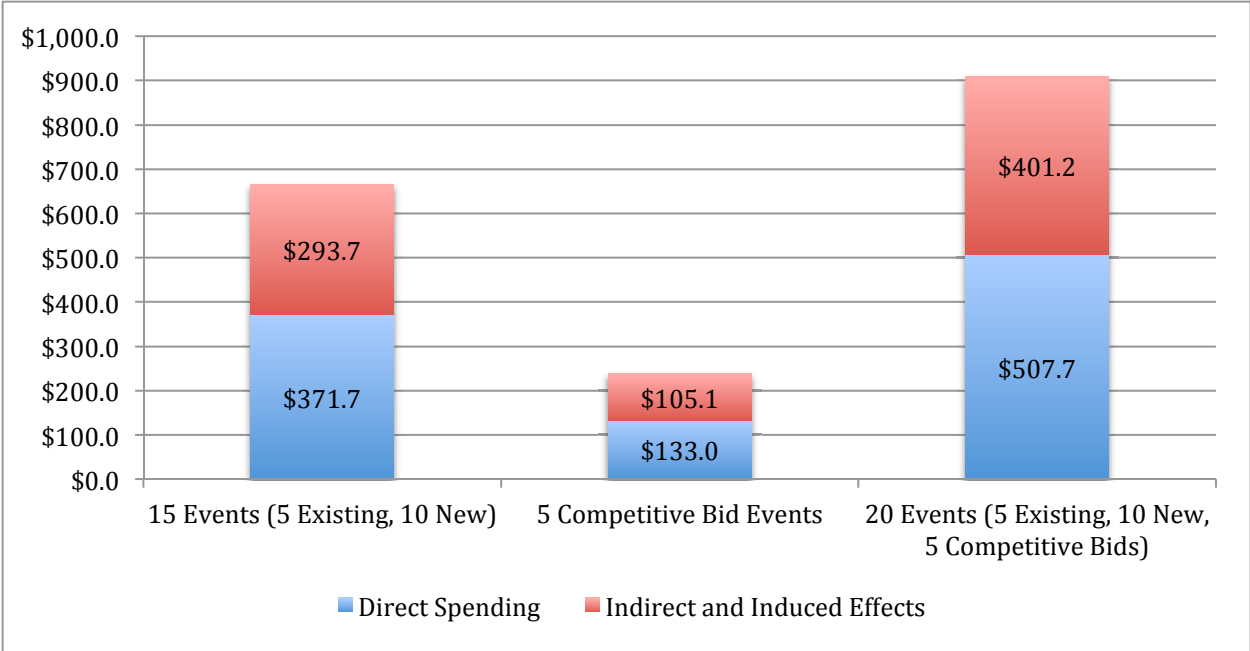


Table 1. Projected Annual Incremental Direct Visitor Expenditures

	15 Events (5 Existing, 10 New)	5 Events (Competitive Bids)	20 Events (5 Existing, 10 New, 5 Competitive Bids)
Lodging	\$58,327,776	\$20,867,971	\$79,670,873
Food and Beverage	\$129,858,593	\$46,459,603	\$177,375,997
Retail Shopping	\$68,997,167	\$24,685,166	\$94,244,370
Entertainment (Shows)	\$21,910,298	\$7,838,863	\$29,927,637
Gaming	\$54,185,214	\$19,385,883	\$74,012,479
Local Transportation	\$31,709,121	\$11,344,595	\$43,312,012
Sightseeing	\$6,675,362	\$2,388,249	\$9,117,987
Total	\$371,663,530	\$132,970,330	\$507,661,355

Tables 2 through 4 include calculations for total economic impact assuming different numbers of events will be held at the stadium. The tables also include an estimate of the additional sales taxes collected from the likely local spending resulting from the income generated by the indirect and induced effects caused by direct spending in the regional economy. The sales tax increment was estimated using national data for the likely consumption of taxable items (U.S. Bureau of Labor Statistics).

The calculation of the induced and indirect effects was made using multipliers that were produced by the Bureau of Economic Analysis, U. S. Department of Commerce for the Las Vegas metropolitan area. There are separate multipliers for expenditures related to lodging, food and beverage expenditures, retail spending, entertainment, gaming, local transportation, and sightseeing excursions. Each of these separate multipliers was used for each spending category.

Table 2. Economic Impact of Hosting 15 Events (Sam Boyd's 5 Existing and 10 New) at a New Stadium; Additional Sales Tax Revenue from Indirect & Induced Effects

	Incremental Visitor Expenditures (Direct)	Indirect & Induced	Total Economic Impact
Lodging	\$58,327,776	\$44,527,424	\$102,855,200
Food and Beverage	\$129,858,593	\$92,770,978	\$222,629,571
Retail Shopping	\$68,997,167	\$48,498,109	\$117,495,275
Entertainment (Shows)	\$21,910,298	\$15,576,761	\$37,487,058
Gaming	\$54,185,214	\$66,636,977	\$120,822,191
Local Transport	\$31,709,121	\$19,773,808	\$51,482,928
Sightseeing	\$6,675,362	\$5,947,080	\$12,622,442
Total	\$371,663,530	\$293,731,136	\$665,394,666
	Sales Taxable Transactions	\$63,715,791	
	Additional Sales Tax Revenue	\$5,192,837	

Table 3. Economic Impact Hosting 5 New Competitive Bid Events at a New Stadium; Additional Sales Tax Revenue from Indirect & Induced Effects

	Incremental Visitor Expenditures (Direct)	Indirect & Induced	Total Economic Impact
Lodging	\$20,867,971	\$15,930,609	\$36,798,579
Food and Beverage	\$46,459,603	\$33,190,740	\$79,650,343
Retail Shopping	\$24,685,166	\$17,351,203	\$42,036,370
Entertainment (Shows)	\$7,838,863	\$5,572,909	\$13,411,772
Gaming	\$19,385,883	\$23,840,759	\$43,226,643
Local Transport	\$11,344,595	\$7,074,489	\$18,419,084
Sightseeing	\$2,388,249	\$2,127,691	\$4,515,940
Total	\$132,970,330	\$105,088,401	\$238,058,731
	Sales Taxable Transactions	\$22,795,644	
	Additional Sales Tax Revenue	\$1,857,845	

Table 4. Economic Impact of Hosting 20 Events (Sam Boyd's 5 Existing, 10 New, and 5 Competitive Bids) at a New Stadium; Additional Sales Tax Revenue from Indirect & Induced Effects

	Incremental Visitor Expenditures (Direct)	Indirect & Induced	Total Economic Impact
Lodging	\$79,670,873	\$60,820,744	\$140,491,617
Food and Beverage	\$177,375,997	\$126,717,412	\$304,093,409
Retail Shopping	\$94,244,370	\$66,244,368	\$160,488,738
Entertainment (Shows)	\$29,927,637	\$21,276,555	\$51,204,192
Gaming	\$74,012,479	\$91,020,547	\$165,033,027
Local Transport	\$43,312,012	\$27,009,370	\$70,321,382
Sightseeing	\$9,117,987	\$8,123,215	\$17,241,202
Total	\$507,661,355	\$401,212,211	\$908,873,566
	Sales Taxable Transactions	\$87,030,451	
	Additional Sales Tax Revenue	\$7,092,982	

Projected Incremental Tax Revenues

Using the 15-event baseline model (Sam Boyd Stadium's 5 existing + 10 new), the total amount of new tax dollars generated would be \$45.6 (see Figure 2). This figure does include the additional sales tax revenues generated by indirect and induced spending effect displayed in Table 6. A complete breakdown of incremental tax revenue is available in Table 5. This figure does not, however, include any new tax revenue on the short-term rental of cars. There was no prudent way to make a valid estimate of that revenue.

Figure 2. Projected Annual Incremental Tax Revenue (Millions)

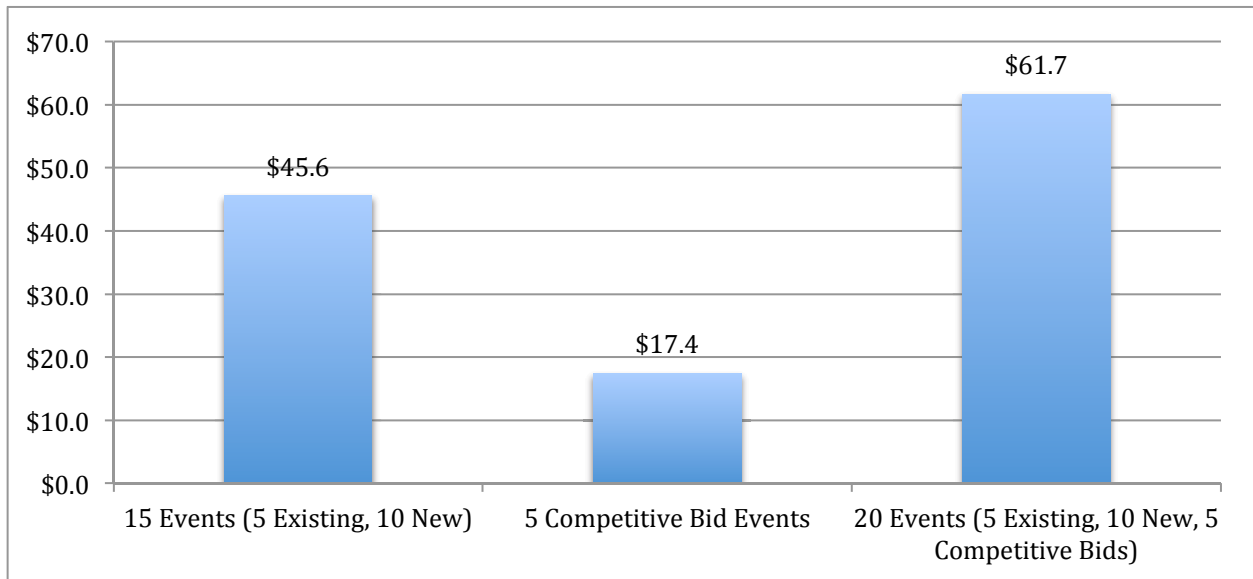


Table 5. Breakdown of Projected Annual Incremental Tax Revenue

	15 Events (5 Existing, 10 New)	5 Events (Competitive Bids)	20 Events (5 Existing, 10 New, 5 Competitive Bids)
State Sales and Use Tax	\$5,183,011	\$1,854,330	\$7,079,560
Local School Support Tax	\$6,737,914	\$2,410,628	\$9,203,428
Supplemental City/County Relief Tax	\$4,535,134	\$1,622,538	\$6,194,615
Basic City/Council Relief Tax	\$1,295,753	\$463,582	\$1,769,890
Public Mass Transportation Tax	\$647,876	\$231,791	\$884,945
Transportation/Air Quality Tax	\$647,876	\$231,791	\$884,945
Flood Control	\$647,876	\$231,791	\$884,945
Water and Wastewater Improvements	\$647,876	\$231,791	\$884,945
Public Safety Tax	\$777,452	\$278,149	\$1,061,934
Combined Sales Tax	\$21,120,769	\$7,556,393	\$28,849,207
Additional Sales Tax (Indirect & Induced)	\$5,192,837	\$1,857,845	\$7,092,982
Live Entertainment Tax	\$8,097,503	\$4,000,883	\$10,431,593
Hotel Taxes	\$6,999,333	\$2,504,156	\$9,560,505
State General Fund Gaming Tax	\$4,199,354	\$1,502,406	\$5,735,967
Total Tax Revenues Generated	\$45,609,796	\$17,421,683	\$61,670,253

Table 6 includes an estimate of the sales taxes collected from the likely local spending from the income generated by the indirect and induced effects caused by the incremental direct spending in the regional economy. That sales tax increment was estimated by using national data for the likely consumption of taxable items (marginal propensity to consume). Those data are available from surveys of consumer spending performed for the United States Department of Labor’s Bureau of Labor Statistics.

Table 6. Sales Tax Generated on Direct Spending and Indirect and Induced Effects Resulting from New Spending Associated with Hosting Events in a New Stadium in the Las Vegas Metropolitan Region

Source of Sales Tax Revenue	5 Events (Existing)	10 Events (New)	15 Events (5 Existing, 10 New)	5 Events (Competitive Bids)	20 Events (5 Existing, 10 New, 5 Competitive Bids)
Direct Spending	\$6,109,005	\$15,943,014	\$21,120,769	\$7,556,393	\$28,849,207
Indirect & Induced Effects	\$1,501,985	\$3,919,813	\$5,192,837	\$1,857,845	\$7,092,982
Total	\$7,610,990	\$19,862,828	\$26,313,606	\$9,414,238	\$35,942,189

Consideration of Other Impacts: Regional Job Growth and Quality of Live

There will be a construction impact from the building of a new stadium. That projection can (and will) be made as soon as the design of the new stadium is approved.

Major League Soccer may approve a new franchise if the team could be housed in the new stadium (17 home games). The stadium might also encourage more fans to attend UNLV’s football games (6 home games). In addition, the United Football League (UFL) could play as many as 4 games in the new stadium. Those enhancements to the quality of life in the region are valuable. Since MLS, UNLV, and UFL games are likely to attract spending by residents of the region, however, there would be little if any new positive economic impact as a result. The economic contributions of these activities have not been included in calculations for the new stadium’s economic impact.

References

- Rosentraub, M. S. (1997). *Major league losers: The real cost of sports and who's paying for it*. New York, NY: BasicBooks.
- Rosentraub, M. S. (2010). *Major league winners: Using sports and cultural centers as tools for economic development*. Boca Raton, FL: CRC Press.
- Winfrey, J., & Rosentraub, M. S. (2012). *Sports finance and management: Real estate, entertainment, and the remaking of the business*. Boca Raton, Fla: CRC Press.



MEETING AGENDA

**May 26, 2016
8:00 a.m.**

**Main Location:
University of Nevada, Las Vegas
Stan Fulton Building
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 April 28, 2016**
4. **Chairman/Committee Comments**
5. **Research Staff Report**
- For Possible Action** 6. **Committee Workshop**
 - a. Convention Center Legislature Recommendation
 - b. Stadium Proposal
 - c. Monorail Request
7. **June 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
April 28, 2016**

The meeting of the Southern Nevada Tourism Infrastructure Committee was called to order by Chairman Hill at 8:05 a.m. in the Stan Fulton Building located at the University of Nevada, Las Vegas.

1. ROLL CALL/CALL TO ORDER/ESTABLISH QUOROM

BOARD MEMBERS PRESENT

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

ADVISORY COMMITTEE MEMBERS PRESENT

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

ADVISORY COMMITTEE MEMBERS ABSENT

Ms. Elizabeth Fretwell, City Manager of the City of Las Vegas

2. PUBLIC COMMENT: 8:06 A.M.

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

3. ACCEPTANCE OF MINUTES FROM MARCH 24, 2016: 8:07 A.M.

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

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 8:06 A.M.

Chairman Hill states the May meeting will include the Las Vegas Convention Center, the stadium proposal and the Regional Transportation Commission of Southern Nevada. Chairman Hill encourages the committee to raise any issues they feel should be addressed in May. He would also like the committee to reserve June 24th as a potential extension of the June 23rd meeting in case additional time is needed to resolve pending committee issues.

Chairman Hill then notes that he has asked Mr. Jeremy Aguero, Principal of Applied Analysis, to take a closer look at the potential recommendation for the Las Vegas Convention and Visitors Authority (LVCVA) convention center expansion and renovation project. From that, Chairman Hill has put together policy recommendations that will provide some alternative ways to fund the convention center project. Originally, it was stated that the project needed \$1.2 billion through 2030 in order to build the 1.4 million square foot project as well as renovate the current 3.2 million square feet. The funding for this through a room tax increment would be between 1.25 to 1.50 percent of room revenue. Chairman Hill and Mr. Aguero have made numerous adjustments to the financing model to lower this room tax percentage. Chairman Hill states there was an original projection of between 2 to 3 percent of growth from fiscal year 2015 to 2016. The room tax has performed substantially better than that through the first several months of the year, growing by approximately 10.5 to 14.0 percent. Chairman Hill notes that he has used the lower of those rates (10.5 percent) as the starting point in the model. Projecting outward, growth decreases until it settles at 2.5 percent. The anticipated bond interest rate has also been adjusted to more accurately reflect the bond market as it currently exists. Chairman Hill also states that in the model he has asked for a 4 percent reduction in the LVCVA's operating expense, which makes an annual \$12.5 million contribution to the project. Chairman Hill has also proposed a cap of the collection allowance at roughly what the allowance currently is, \$25 million per year. Any additional growth in the room tax collection allowance would go toward funding the convention center project. With these adjustments, Chairman Hill and Mr. Aguero have calculated that the project can be built with between 0.5 to 0.6 percent in additional room tax. The LVCVA will have the opportunity to evaluate the model and provide feedback.

a. Program Alternatives Analysis: 8:17 A.M.

Chairman Hill welcomes Mr. Jeremy Aguero to walk through the funding proposal. Mr. Aguero directs the committee members to the Alternatives Analysis that was done on the Las Vegas Convention Center expansion and renovation proposal. Mr. Aguero states the model that was created is dynamic, so it can easily be adjusted. Mr. Aguero notes that the original model required approximately \$1.2 billion in supplemental funding between 2018 and 2030, which is the starting point for modeling purposes.

The first modification involves the room tax growth projections. The assumptions are that the room tax will grow at 10.5 percent for fiscal year 2016, 3.5 percent for fiscal year 2017 through fiscal year 2020, 3.0 percent for fiscal year 2021 through fiscal year 2025, and 2.5 percent for fiscal year 2026 through 2030. The growth rate of 10.5 percent on a base in excess of \$200 million in year one adds about \$20 million in revenue for the project. Mr. Aguero stresses that if that initial growth rate changes, it should be revisited because it is a critical piece to the model due to the compounding effect of interest rates.

The second modification increases the LVCVA's contribution to the project. The assumptions would shift \$12 million in operating revenues to capital programs beginning in fiscal year 2017. This amount equates to roughly 4 percent of total operating expenses for the LVCVA.

The third modification adjusts the interest rate assumptions. These rates are not very aggressive, but they are more aggressive than those presented in the original model. This frees up additional capital, particularly in the out years.

Mr. Aguero then notes that there were various other minor adjustments to revenues, expenditures and ending fund balances. As a result of making all of the adjustments, the funding shortfall for the Las Vegas Convention Center expansion and renovation project is reduced to \$543 million.

Mr. Aguero then discusses the two funding alternatives for the project. The first is a cap of the local government room tax collection allowance at \$25 million annually. From fiscal year 2017 through fiscal year 2030, the projected collection allowance will offset the project's funding shortfall by an additional \$123.1 million, bringing the funding gap to \$420 million. Then, when comparing the remaining funding shortfall against the projected taxable room revenue of \$91 billion, it results in a required room tax increment of 0.462 percent. Mr. Aguero notes this is a preliminary figure that could be altered by further refinements.

Mr. Hornbuckle asks Mr. Aguero what the historical room tax growth has been. Mr. Aguero notes the 10-year historical growth in room tax has been about 3 percent, which included the Great Recession.

Commissioner Sisolak asks how much the 4 percent reduction equates to from the LVCVA's budget and how much an additional percent would add to the project. Mr. Aguero states an additional percent could add about \$3 million to the total and would service around \$20 million in bonds.

Commission Sisolak asks if the capital necessary to maintain Cashman Center is addressed in the model. Mr. Aguero states the existing debt for the LVCVA is all modeled and included in the document. The incremental piece in terms of Cashman Center would have to come out of the normal capital that is included. There are specific ongoing capital requirements that are for recurring capital-related activities.

Commissioner Sisolak points out that if the assumptions are too conservative, it will provide additional cash flow, and he would like to know what would happen to that money. Mr. Aguero states if the room tax projections were to increase, it would flow through to the bottom line and be reflected as increased cash flow.

Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 9:42 A.M.

Mr. Aguero states Applied Analysis has submitted about 50 documents to the committee during the past 30 days.

Chairman Hill closes Agenda Item 5.

6. COMMITTEE WORKSHOP

a. Convention Center Workshop: 8:34 A.M.

Chairman Hill opens Agenda Item 6a and asks Mr. Rossi Ralenkotter, President and CEO of the Las Vegas Convention and Visitors Authority, and his team to join Mr. Aguero in the discussion of the Las Vegas Convention Center.

Mr. Rossi Ralenkotter states the process to expand the convention center started in 2012 at the end of the Great Recession when the Las Vegas Valley had six consecutive months of increased room tax revenue. Since then, the direction for the project has been narrowed to be what the convention hosts need. Mr. Ralenkotter then states the LVCVA has been in dialog with the City of Las Vegas regarding Cashman Center. The ultimate goal is that the transfer of that facility will happen in or before 2020.

Ms. Rana Lacer, Chief Financial Officer for the LVCVA, states the LVCVA is reviewing Mr. Aguero's model. She states the new model has additional data on room tax that will create differences with the LVCVA's previous model. Ms. Lacer offers that the LVCVA has come to an agreement on a substantial portion of the changes that Mr. Aguero has built into the model, but they would like to look deeper at a few items, such as the operations costs for the expanded convention center.

Mr. Terry Miller, Principal and Owner of Cordell Corporation, states there were two strategies to this project. The first included responding to the tradeshow customers' need for additional exhibit hall space. The second strategy focused on making sure the LVCVA would not lose any current business during renovation.

Commissioner Sisolak asks what the impacts would be if rental rates for the Las Vegas Convention Center were increased. Mr. Ralenkotter notes the LVCVA's board approved two rate increases in the last three years. Ms. Lacer states there will be two successive rate increases in the next few years that will increase the rate to \$0.35 per net square foot in fiscal year 2018. The rate increases are built into the pro forma analysis. Mr. Kevin Bagger,

Executive Director of the LVCVA Research Center, states the challenge of comparing private- and public-sector models is that the private sector can negotiate a variety of terms, such as catering, that are not built into the convention center model. Ms. Lacer notes that the LVCVA does not do analysis on a penny per square foot basis; however, they did an analysis on the incremental rate increase of up to five cents and projected how much additional revenue that would generate. Depending on which year and which tradeshow are there, it is about \$3 to \$5 million for that five cent incremental increase.

Commissioner Sisolak asks if future bond refunding has been calculated into the analysis. Mr. Aguero states that these had not been calculated into the analysis. Ms. Lacer states the LVCVA is in the preliminary planning for refunding a couple of their bonds, but most of their current bonds already have low interest rates.

Commissioner Sisolak highlights a similar project with the water authority where there was a rate stabilization fund created when the rates increased. All the connection charges that exceeded the assumptions went into this fund and did not turn into cash flow for the agency's general fund. Commissioner Sisolak asks if this type of fund is something that the LVCVA would be interested in creating. Ms. Lacer notes the discussion for that would need to be at a higher level. Mr. Ralenkotter notes that when there have been built-up reserves, there have been projects that those reserves are dedicated for, such as the high-speed lanes on Interstate 15. Mr. Ralenkotter then notes the LVCVA is formulating an oversight committee comprised of representatives from the private sector that will be part of analyzing the project and providing recommendations.

Ms. McMillan asks what accounted for the growth in room tax over what was originally projected for the current fiscal year. Mr. Aguero states this growth could be sourced to total visitor volume and convention-related travel outpacing projections. Those convention-related and special events travelers have a tendency to spend more than their leisure counterparts. Mr. Aguero also notes that additional resort fees, which are subject to room taxes, came online during this fiscal year. Ms. Lacer stresses the room tax revenue is based on the number of rooms in the destination, the occupancy percent in those rooms and the average daily room rate. The LVCVA tries to influence the number of visitors to the destination, but it does not control room rates. Ms. Lacer notes that these high growth rates are actually recovery growth rates from lost visitation during the recession.

Commissioner Sisolak asks if there is any revenue stream that the room tax is not capturing, including short-term rentals. Ms. Lacer states each individual collecting jurisdiction has its own ordinance and audits the properties that should be subject to the lodging tax. Mr. Markantonis states he has some city-by-city research on Airbnb, and what the impact is in Las Vegas. It is less of a problem in Las Vegas than in some of the major jurisdictions such as New York City, where companies buy entire apartment complexes and put them into the Airbnb program to avoid paying taxes.

Chairman Hill closes Agenda Item 6a.

b. Stadium Proposal: 9:44 A.M.

Mr. Mark Davis, Owner of the Oakland Raiders, states there is a misconception that all National Football League (NFL) teams are owned by billionaires looking for free stadiums. Mr. Davis states the Raiders are looking to be partners with Las Vegas. Therefore, if the panel recommends the requested funding, the legislature passes it and the NFL approves the relocation, the Raiders will contribute \$500 million to the project.

Mr. Marc Badain, President of the Oakland Raiders, states the Raiders community efforts are one of the most important initiatives, and they invest in them heavily. Currently, the Raiders host over 300 events in their market annually and impact over 2 million individuals. Studies have shown that the media exposure from having an NFL team is worth over \$100 million to the home city.

Mr. David Beckham, Owner of the future Major League Soccer franchise in Miami, states the community that forms around a major sports team is invaluable to a city. Having a team will create an experience that will bring numerous of individuals to Las Vegas. Mr. Beckham states that building a stadium will not just attract the NFL team, but it will attract teams from all over the world, potentially including Manchester United.

Mr. Tim Leiweke, former President and CEO of Anschutz Entertainment Group, states that in Los Angeles Mr. Leiweke and his firm spent 20 years attempting to recruit an NFL team. Mr. Leiweke highlights that Las Vegas has the most difficult piece of that transaction, the NFL team itself, committing to come to Las Vegas. He then states that bringing an NFL team is the largest economic impact the committee will have. With a stadium, the city will have the opportunity to not only compete for an MLS team, but could bring weeklong soccer conventions to Las Vegas. Mr. Leiweke states mega-events, such as Super Bowl and FIFA soccer, would be interested in coming to Las Vegas due to its branding opportunities and trademark as a top world destination.

Mr. Bill Rhoda, President of CSL, discusses the Clark County Stadium Authority proposal and what it would entail. Mr. Guy Hobbs stresses that in the stadium proposal, there is both private and public money involved. Consequently, this would require some type of body that would enable both types of money to be received and administered as well as make all decisions relative to financing and operating the facility. Stadium authorities are common in other locations with this same type of circumstance. Mr. Hobbs states that the need for such a board is undeniable.

Mr. Craig Cavileer, Executive Vice President of Majestic Realty, states any project that is funded through a public-private partnership will need some form of authority to facilitate it, and the Sands-Majestic Group is prepared to invest over \$650 million into the project. Mr. Cavileer states that the stadium will create \$2.7 billion of tax revenue for the region, along with \$40 to \$50 billion of economic impact. The public funding mechanism would assume the remaining \$50 million per year over the term of the 30-year bond with a 1.1 debt service coverage ratio. The group seeks to finalize the specifics of the project in a special session in August, and Mr. Davis is prepared to go to the NFL at the end of this year to request a transfer.

Chairman Hill notes that the committee would like to be able to present its viewpoint of the stadium model independent of the work that Sands-Majestic has done. Chairman Hill would like to bring this back in May to present to the committee.

Commissioner Sisolak asks if the Raiders are locked in on the Trop 42 site. Mr. Davis states they are not tied to a single site at this time. He believes Las Vegas offers a unique game day experience that could be catered to whichever site the stadium is built on.

Commissioner Sisolak asks what the Raiders' plan would be during the 36-month interim if the project were approved. Mr. Davis states the Raiders would continue to work in their practice facility in Oakland. Currently, the Raiders have two-year options for the Oakland Coliseum, which would take the team through three seasons. The team would also try to play at least one preseason game at Boyd stadium.

Commissioner Sisolak asks Mr. Davis to explain the procedure of moving an NFL team to a new city. Mr. Davis states the NFL likes to see opportunities that are actionable, financeable and viable before approving the relocation. He believes that this type of project meets all of those requests and doesn't see it posing an issue.

Mr. Sloan asks if there is a contractual commitment the Raiders will be willing to make to remain in Las Vegas. Mr. Davis states there will be a contractual commitment in which Mr. Davis would commit to Las Vegas for the entirety of his lifetime.

Chairman Hill asks how the NFL may help fund a new stadium. Mr. Davis states that funding will be part of the \$500 million investment the Raiders will be making, with about \$200 million coming from the NFL G-4 loan. Commissioner Sisolak asks if the Sands-Majestic Group will be providing the additional \$150 million of private funding. Mr. Davis states that is to be determined, but the Raiders are committing to \$500 million.

Commissioner Sisolak asks if there are ongoing operating costs in addition to the \$50 million per year for the public sector. Mr. Cavileer states the \$650 million private investment also takes on operating risks, including stadium construction cost risks. The group is not asking for any additional capital.

Chairman Hill asks the group to explain the timeframe for the stadium proposal. Mr. Cavileer states they are considering a one-year timeframe to bring the proposal to the legislature with the right to extend another year in the event that Mr. Davis needs additional time, but they would like to have it done by January.

Chairman Hill closes Agenda Item 6b.

c. Transportation Requests
- Las Vegas Monorail: 11:12 A.M.

Mr. Curtis Myles, President and CEO of the Las Vegas Monorail, provides an overview of the Las Vegas Monorail and why it needs to go through this request process in order to extend monorail service to the Mandalay Bay. The Las Vegas Monorail is a 501(c)4 not-for-profit company and is organized under IRS code Section 115. This essentially means it is an instrumentality of the state. If the Las Vegas Monorail wants to issue debt and have that debt be tax-exempt, it requires the company to have a certificate from the governor saying that it is that specific type of company. Mr. Myles states the request from the Las Vegas Monorail is a certificate that the committee will submit to the governor later this year for the Mandalay Bay extension. The Las Vegas Monorail will be going before Clark County next week to secure the final design funding, which would enable it to complete the design process over the course of the next three to four months and go to the bond market for project funding in early fall. Mr. Myles notes in this request there is no potential liability for any local government or the state.

Chairman Hill closes Agenda Item 6c.

7. MAY MEETING PREVIEW: 11:18 A.M.

Mr. Aguero notes that the expectation for the May meeting is that the committee will continue the discussion on the Las Vegas Convention and Visitors Authority model and underlying assumptions. Mr. Aguero hopes he will be able to present a similar model for the stadium proposal. He notes he is transitioning from the phase of broad-based research to narrowing down to specific recommendations.

Chairman Hill closes Agenda Item 7.

8. COMMITTEE MEMBER COMMENTS: 11:20 A.M.

Commissioner Sisolak asks when the committee should start determining which recommendations will go through to the governor. Chairman Hill states that should start this process for the stadium in May.

Chairman Hill closes Agenda item 8.

9. PUBLIC COMMENT: 11:26 A.M.

Mr. Uehling has several suggestions regarding the financing, such as selling the Las Vegas Convention Center to a private entity and using those proceeds to build the stadium and medical school. Mr. Uehling also believes the committee should look into public-private partnerships.

Ms. Amy Leong with the Culinary Workers Union states convention business is critical to Las Vegas's economy. On behalf of the Culinary Workers Union, Ms. Leong urges the committee to make the expansion and renovation of the Las Vegas Convention Center the top priority. Ms. Leong does not believe the committee should approve public funding for any ventures, such as an NFL stadium, that can be funded privately.

Ms. Shawna Tello states she is pleased that the committee has taken such care to make sure a limited amount of taxes are being used for these projects. Ms. Tello points out that the fan base for the Raiders is significant in Las Vegas and those fans will fill a stadium.

Mr. Cesar Maciaz expresses his excitement for a stadium in Las Vegas that could bring an NFL team.

There are no more public comments. Chairman Hill closes Agenda Item 9.

10.ADJOURNMENT: 11:36 A.M.

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



BILL HORNBUCKLE
PRESIDENT

May 25, 2016

Steve Hill, Chairman
Southern Nevada Tourism Infrastructure Committee
Governor's Office of Economic Development
555 E. Washington Ave, Suite 5400
Las Vegas, Nevada 89101

Dear Chairman Hill:

I regret that I am unable to attend this week's meeting of the Southern Nevada Tourism Infrastructure Committee (SNTIC). I do not need to tell you, or the other members of the committee, how critical SNTIC's work is to the future of Southern Nevada; each one of you represents an important interest or entity in that discussion. Unfortunately, however, I must be out of the country with a commitment that cannot be rescheduled.

I am sorry to miss this week's meeting, in particular, because the committee will take up its recommendation to the legislature for the expansion of the Las Vegas Convention Center (LVCC). As committee members discussed at the last meeting, we must lose no time in ensuring that Las Vegas retains its position as the nation's top convention destination.

This project has been extensively studied by the LVCVA for many years, but there is no question that SNTIC's rigorous examination of the need for the expansion has improved the project's scope, clarified the appropriate funding mechanisms, and ensured that the public's dollars are well spent on this critical piece of community infrastructure. We must ensure that oversight of the project continues with the same rigor. As you know, in addition to having more convention space than any other company in this city, MGM also has the largest number of hotel rooms; accordingly, our investment in this city enables us to remit the largest amount of live entertainment and room tax dollars in this state. Like any taxpayer, we want to be certain those dollars are not wasted. Expanding and upgrading the LVCC effectively and efficiently must be our top priority.

Similarly, I regret missing the beginning of our serious study of an NFL stadium. I applaud our colleagues at the Las Vegas Sands for bringing this current proposal to the committee's, and the community's, attention. MGM has long supported a new stadium for UNLV football. If a stadium can house an NFL team as well as provide a venue for UNLV, MGM will be enthusiastically supportive. We believe that key considerations include a proper balance of public and private funding; appropriate guarantees that taxpayers are not left burdened should an NFL team not relocate to Las Vegas or subsequently depart; and meticulous management and oversight of the public's investment by community stakeholders.

I look forward to participating in this exciting discussion regarding a new stadium. We are encouraged that many NFL leaders have concluded that it is time for the league to leave Las Vegas clichés in the past.

Steve Hill, Chairman
May 25, 2016
Page Two

Because, as this committee and this community knows, Las Vegas thrives by not only anticipating – but creating – the future.

With best wishes for a successful meeting,

A handwritten signature in black ink, appearing to read "John McManus". The signature is fluid and cursive, with a large loop at the end.

c: John McManus
Executive Vice President/General Counsel/Secretary
MGM Resorts International

Governor's Office of Economic Development

Southern Nevada Tourism Infrastructure Committee

Dear Committee Members,

It is with a united voice that we express our strong concerns regarding the NFL stadium build for the following reasons:

The \$1.4 billion dollar stadium proposal as presented is broken down into several financial contributors:

1. \$200 million in NFL G-4 money.
2. \$300 million from Oakland Raiders owner Mark Davis.
3. \$750 million from hotel and rental car taxes.
4. \$150 million from private donors.

This proposal comes with a tax increment district or tax increment financing (TIF) with which we see the following issues:

1. The TIF district lines have not been drawn, which could include significant parts of the strip and developing neighborhoods. Any TIF must include a line item percentage that will be dedicated to fund the increase in expected essential services required from the impact of the stadium.
2. The TIF is being drawn to "help" the stadium's private backers to get their return on investment, which means it will be going to reimburse the \$650 million in private costs, not the \$750 million the tax payers pay.
3. If in fact this TIF is agreed to, the entire stadium will be built with tax payers' money.
4. If a TIF is agreed to, it needs to be minimal, not to exceed 5 years.

This proposal includes a Clark County Stadium Authority with which we see the following issues:

1. This authority is absent from the public representation that is necessary for the amount of public monetary commitment and continuing infrastructural needs.
2. This authority should be an elected board, not appointed, responsible to the citizens of Las Vegas.

This proposal is absent from the community protections necessary to sustain good jobs and infrastructure, including the following:

1. The citizens are being asked to provide significant support to this project. If tax dollars are used building the stadium, consider making the stadium publicly owned.
2. The agreement needs to include protections for good jobs that include project labor agreements for construction, infrastructure (public works), public safety, grounds and concessions.
3. The final agreement must include the costs for increasing law enforcement, fire and EMS resources for public protection and traffic control, including a recommendation of a law enforcement sub-station, fire station, medical facility all located within the stadium to address the increased public safety needs.
4. We can no longer continue to provide valuable economic development dollars and tax payer dollars (TIF) to private investors who are not committed to providing public services, wages and

- worker protections. Corporate interests must be good corporate citizens. No contracts should be allowed without collective bargaining agreements that include wage and benefit provisions.
5. The agreement needs to include community rehabilitation dollars for displaced residents.
 6. Performance clauses and benchmarks must be included in any agreement to appropriately fund and measure return on investment for the community.

As a community built upon the tourism industry we should not abandon our need for an expanded convention center.

The following unions are united in our opposition of the current proposal as it stands, we are also united in our desire to work with this committee and all the stakeholders to insure that the citizens of Clark County, and the State of Nevada are represented properly in this process.

Culinary Union Local 226

Southern Nevada Building and Construction Trades

Service Employees International Union (SEIU) Local 1107

American Federation of State, County, Municipal Employees (AFSCME) Local 4041

Professional Firefighters of Nevada, AO27

Nevada Association of Public Safety Officers, CWA Local 9110

International Alliance of Theatrical Stage Employees (IATSE) Local 720



Stadium Impacts on Aviation Evaluation Process

Any proposed new or altered structures within the United States that would extend 200 or more feet above ground level, or be placed within certain vertical slopes in relation to nearby airport runways, must first undergo a comprehensive federal review process to assess potential effects on local air traffic operations and safety. The following summarizes that process and other layers of review that a proposed domed stadium would be subjected to should plans to develop a stadium near McCarran International Airport move forward.

1. Obstruction Evaluation / Airport Airspace Analysis. Known as the “7460” process after the form used to start a review, this analysis by the Federal Aviation Administration (FAA) focuses on potential hazards a new or altered structure could pose to area air traffic. The FAA performs an aeronautical study that considers the structure’s height, location and other factors. Based on its review, the FAA could issue a Notice of Presumed Hazard if a project potentially interferes with air safety and/or the efficient use of navigable airspace.

2. Clearance of Runway Protection Zone (RPZ). Runway Protection Zones are trapezoidal areas established at the ends of each runway that serve to “enhance the protection of people and property on the ground” in the event an aircraft lands or crashes beyond a runway. The RPZ near the proposed stadium site extends across Tropicana Avenue onto land between the University of Nevada, Las Vegas campus, and the potential stadium site. Some RPZ land that has been considered for potential use associated with a stadium project is owned by McCarran International Airport and is subject to FAA regulations that prohibit most types of development, including residences, shopping centers, office buildings, parking lots or other places of public assembly.

3. Noise Contours. The proposed stadium site lies within existing noise contours surrounding McCarran International Airport. Noise contours are established by the FAA based on the average decibel levels generated by area air traffic. These contours are taken into consideration by local jurisdictions when determining the compatibility of a proposed development and land use with potential noise exposure.

4. Arrival and Departure Procedures Impact. McCarran International Airport has four runways and no room to add additional runways. As stated in McCarran’s SNTIC presentation in August 2015, airspace is the airport’s primary constraining factor for the continued growth in air passenger traffic into and out of Southern Nevada. Any developments or actions that would constrain the airport’s ability to use its four runways to peak efficiency would detract from McCarran’s core purpose. Requests to allow for ceremonial flyovers, aerial cameras (via drone or blimp), fireworks, temporary flight restrictions (TFRs) or other special circumstances common to NFL stadiums would negatively affect air traffic at McCarran and likely would be denied by the FAA.

5. Pilot Discretion. Pilots have ultimate responsibility for the safety of their aircraft. Even if a flight path has no FAA-imposed restrictions, pilots can choose not to use a takeoff or landing configuration if they feel it poses a potential risk to the safety of their aircraft or passengers. McCarran’s Chief Pilots Consortium would review the potential impacts a proposed stadium could have on current flight paths and decide whether to use those flight paths going forward. This concern is of particular importance for wide-bodied aircraft that have less margin for error during emergency flight conditions, and McCarran today sees more wide-body traffic than at any point in its history. Any pilot objections that would result in the loss of any takeoff or landing patterns would constrain capacity at McCarran and limit the airport’s ability to operate at full efficiency.

6. Future Instrument Flight Rules (IFR) Procedures. Southwest Airlines is developing a Performance-Based Navigation instrument flight rules approach for arrivals on Runway 19R, the closest runway to the proposed stadium site. It remains unclear how a Tropicana Avenue stadium might affect this procedure, which will be assessed by the FAA’s Obstacle Evaluation Branch throughout the 7460-1 process.



7. Traffic Study. The proposed stadium site is located in an area of significant traffic congestion, particularly at the primary intersections that accommodate inbound and outbound airport traffic. A stadium project would be subject to a traffic study that examines the potential impact it would have on traffic patterns and existing transportation infrastructure.



Comparative Stadium Costs and Public Contribution Shares

Domed Stadiums				
Stadium	Opened	Capacity	Total Cost	Public Cost (Share)
Proposed Stadium, Las Vegas, NV ¹ <i>Primary Tenants: Raiders, UNLV</i>	TBD	65,000	\$1.4 billion	\$750 million (54%)
City of Champions Stadium, Inglewood, CA ² <i>Primary Tenant: Los Angeles Rams</i>	TBD	80,000	\$2.6 billion	\$0 (0%)
Mercedes-Benz Stadium, Atlanta, GA ³ <i>Primary Tenant: Atlanta Falcons</i>	2017	71,000	\$1.5 billion	\$240 million (16%)*
U.S. Bank Stadium, Minneapolis, MN ⁴ <i>Primary Tenant: Minnesota Vikings</i>	2016	65,000	\$1.1 billion	\$498 million (45%)
AT&T Stadium, Arlington, TX ⁵ <i>Primary Tenant: Dallas Cowboys</i>	2009	80,000	\$1.27 billion	\$465 million (36%)
Lucas Oil Stadium, Indianapolis, IN ⁵ <i>Primary Tenant: Indianapolis Colts</i>	2008	62,421	\$812 billion	\$712 million (88%)
University of Phoenix Stadium, Glendale, AZ ⁵ <i>Primary Tenant: Arizona Cardinals</i>	2006	62,400	\$440 million	\$276 million (63%)
Ford Field, Detroit, MI ⁵ <i>Primary Tenant: Detroit Lions</i>	2002	65,000	\$440 million	\$105 million (24%)
NRG Stadium, Houston, TX ⁵ <i>Primary Tenant: Houston Texans</i>	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 <i>Primary Tenant: San Diego Chargers</i>	TBD	67,500	\$1.1 billion	\$350 million (32%)
Levi's Stadium, Santa Clara, CA ³ <i>Primary Tenant: San Francisco 49ers</i>	2014	68,500	\$1.27 billion	\$11 million (1%)
McLane Stadium, Waco, TX ⁵ <i>Primary Tenant: Baylor University</i>	2014	45,000	\$260 million	\$35 million (13%)
MetLife Stadium, East Rutherford, NJ ⁵ <i>Primary Tenant: NY Giants/NY Jets</i>	2010	82,566	\$1.6 billion	\$0 (0%)
Apogee Stadium, Denton, TX ⁵ <i>Primary Tenant: University of North Texas</i>	2011	30,850	\$80 million	\$0 (0%)
FAU Stadium, Boca Raton, FL ⁵ <i>Primary Tenant: Florida Atlantic University</i>	2011	30,000	\$70 million	\$0 (0%)
TCF Bank Stadium, Minneapolis, MN ⁵ <i>Primary Tenant: University of Minnesota</i>	2009	50,805	\$303 million	\$137 million (45%)
Bright House Networks Stadium, Orlando, FL ⁵ <i>Primary Tenant: University of Central Florida</i>	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



Short-Term Rentals Inventory and Revenue

Airbnb and other online short-term rental platforms have grown in popularity in recent years. These services act as middlemen between customers searching for short-term rentals and property owners listing their homes, apartments and rooms for rent. In 2015, Airbnb, the world’s largest short-term rental platform, posted 550,000 listings in cities across the United States, according to Airbnb data analysis company Airdna.

Airbnb is marketed as a way for homeowners and renters to generate extra income by renting out a house while away on vacation or a spare bedroom. However, hosts who rent multiple properties or list properties for large portions of the year constitute a growing segment of Airbnb operators. In a recent study, Pennsylvania State University researchers found that full-time hosts who rent out units at least 360 days a year were responsible for nearly 29 percent of Airbnb revenue across 12 major U.S. cities.¹ In addition, they reported that 39 percent of all revenue was attributed to hosts with two or more units.

Airbnb in Las Vegas

Las Vegas does not place among the top 20 metropolitan areas for most Airbnb metrics, including listings, bookings and hosts. However, it does rank No. 20 with an annual average booked revenue per listing of \$9,283, according to LearnAirbnb.com data.² Honolulu ranks No. 1 on that list with \$16,928 in average revenue per listing.

Currently, the Las Vegas area has about 2,100 active listings on Airbnb, according to Airdna.

Airbnb - Top 10 Metropolitan Areas (2015)*			
	Listings	Bookings	Hosts
New York	86,624	997,208	53,861
Los Angeles	44,484	570,506	25,468
San Francisco	27,644	426,711	16,399
Miami	22,669	276,720	10,194
Philadelphia	13,033	103,052	10,452
Washington, D.C.	13,014	182,678	8,357
Chicago	12,750	194,322	7,991
Boston	12,240	205,269	7,402
Austin	12,114	121,634	7,791
San Diego	11,042	135,932	7,037

* Data collected between October 2014 and October 2015

Source: LearnAirbnb.com²

Hotel Occupancy Tax Collection

In 2015 Airbnb announced its “Community Compact,” which includes a pledge to partner with cities to collect hotel occupancy and other applicable tourist taxes on Airbnb rentals. Airbnb has reached agreements with at least a dozen U.S. cities and six states to collect and remit room taxes to the appropriate jurisdictions. That list does not include any jurisdictions in Nevada.

San Francisco, which in 2014 became one of the first cities to reach an agreement with Airbnb, estimated it would collect about \$11 million in additional annual occupancy tax revenue under the arrangement. Airbnb estimated how much other U.S. cities would have collected in additional tax revenue in 2015 if they had had such agreements.³ Those cities were: Los Angeles (\$23 million), Austin (\$7 million), Boston (\$3 million), Nashville (\$3 million) and Denver (\$2 million). Although an estimate for Las Vegas was not provided, a preliminary estimate can be made using available data.

Preliminary Estimate of Annual Room Tax Revenue on Airbnb Rentals in Las Vegas

Active		Revenue		Total Room		Room		Add'l Room
<u>Listings</u>		<u>Per Listing</u>	=	<u>Revenue</u>		<u>Tax Rate</u>		<u>Tax Revenue</u>
2,100	X	\$9,283	=	\$19.5 million	X	12%	=	\$2.3 million

¹ From Air Mattresses to Unregulated Business: An Analysis of the Other Side of Airbnb, Pennsylvania State University, January 2016.

² The State of Airbnb Hosting (2016 Q1), LearnAirbnb.com, 2016.

³ Airbnb: Generating \$2 Billion in Potential Tax Revenue for America’s Cities, Airbnb.



Clark County Department of Aviation Recommendation Action Item

Southern Nevada currently relies on the 550-mile CALNEV pipeline, which originates in Colton, Calif., as its sole source of aviation fuel. While additional onsite fuel storage capacity has been developed at McCarran International Airport in recent years, even a short-term disruption to the CALNEV system or its feeder refineries could quickly result in a critical shortage of jet fuel that would limit air travel in and out of the Las Vegas area.

The Clark County Department of Aviation requests a recommendation that the Nevada Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and State Legislature in advance of the 2019 session.



Stadium Topics for Discussion

Preliminary Draft

- 1. Would Southern Nevada benefit from the presence of a modern stadium (irrespective of specific configuration)?**
 - a. Benefit to UNLV
 - b. Benefit to the community at large (public amenity)
 - c. Benefit to the tourism sector directly (incremental visitation)
 - i. What would be the source(s) of incremental visitation?
 1. What are the assumptions driving the visitation projections?
 - d. Are there other jurisdictions (projects) that have experienced similar incremental benefits or failed to do so as anticipated?
 - i. Case studies, with NFL team
 - ii. Case studies, without NFL team
 - iii. To what degree have comparable stadium facilities (e.g. Dallas) scheduled non-football events to increase net stadium revenues?
 - iv. What were the outcomes for other jurisdictions that built NFL-ready stadiums without an NFL team as a guaranteed tenant?
 - e. Given the complicated process of NFL team relocation, should the committee evaluate stadium proposals assuming Las Vegas will not get an NFL team? Is there concern that speculation that an NFL team might relocate to Las Vegas could lead to some degree of project selection bias?
- 2. What stadium size and configuration is appropriate for the current and future needs of the community?**
 - a. Option #1 | Sands/Majestic 65,000 seat, domed, NFL-ready stadium
 - i. With an NFL team
 - ii. Without an NFL team
 - iii. Event schedule (potential)
 - b. Option #2 | UNLV 50,000 seat, open-air, Baylor-model stadium
 - i. Event schedule (potential)
- 3. What is the proposed general operating and financing plan for each stadium option?**
 - a. Funding/Financing
 - i. Option #1 | Sands/Majestic 65,000 seat, domed, NFL-ready stadium
 - ii. Option #2 | UNLV 50,000 seat, open-air, Baylor-model stadium
 - b. Ownership
 - i. Option #1 | Sands/Majestic 65,000 seat, domed, NFL-ready stadium
 - ii. Option #2 | UNLV 50,000 seat, open-air, Baylor-model stadium
 - c. Operations/Maintenance
 - i. Option #1 | Sands/Majestic 65,000 seat, domed, NFL-ready stadium
 - ii. Option #2 | UNLV 50,000 seat, open-air, Baylor-model stadium



Stadium Topics for Discussion

Preliminary Draft

- iii. Are costs included for repair, maintenance and upgrades to ensure that the stadium is kept “state-of-the-art” or “top tier”?
- d. Recourse (debt and cost overruns)
 - i. Option #1 | Sands/Majestic 65,000 seat, domed, NFL-ready stadium
 - ii. Option #2 | UNLV 50,000 seat, open-air, Baylor-model stadium
 - iii. What happens if there are cost overruns:
 - 1. During construction
 - 2. After the stadium is operating
- e. In the event that an NFL team is part of the operations:
 - i. Who/what entity would negotiate lease terms with the NFL team?
 - ii. Who would keep parking revenues on non-NFL game days?
 - iii. Who would pay for security costs?
 - iv. Would the NFL team participate in revenues from other events held in the stadium (e.g., Paul Brown Stadium)?
 - v. What would happen in the event an NFL team asks for improvements after a short period of time and/or considers relocation?
- f. Pro forma models need to be submitted to the committee for review

4. Is the UNLV site an appropriate location for a stadium as proposed?

- a. What are the site/location options for a stadium?
 - i. Option #1 | Sands/Majestic 65,000 seat, domed, NFL-ready stadium
 - ii. Option #2 | UNLV 50,000 seat, open-air, Baylor-model stadium
- b. Is the UNLV site large enough to support the project?
 - i. Option #1 | Sands/Majestic 65,000 seat, domed, NFL-ready stadium
 - ii. Option #2 | UNLV 50,000 seat, open-air, Baylor-model stadium
- c. What are the constraints created by the McCarran International Airport/FAA limitations on use in and around the runway protection zone (RPZ)?
- d. Are there any public infrastructure limitations (e.g., traffic) affecting what can be built or what should be built on the site?
 - i. What is the potential impact of Sunday NFL games on visitors heading to the airport for a Sunday return flight?

5. What portion, if any, of the stadium cost should be supported with public funds?

- a. Is public funding appropriate to support the development of a stadium?
- b. Option #1 | Sands/Majestic 65,000 seat, domed, NFL-ready stadium
 - i. How much in public funding is being requested by Sands/Majestic?
 - ii. What credit enhancements, if any, are being requested by Sands/Majestic?
 - iii. How public/private funding mix compare/contrast with recently constructed NFL stadiums (e.g., Levi’s and MetLife)?



Stadium Topics for Discussion

Preliminary Draft

- iv. Is additional public infrastructure necessary in the area of a new stadium (roads, utilities, etc.)?
 - v. Should a percentage cap or dollar cap be placed on the public funding share?
 - vi. If additional public infrastructure is necessary, is this accounted for as part of the public funding share?
 - c. Option #2 | UNLV 50,000 seat, open-air, Baylor-model stadium
 - i. How much in public funding is being requested by UNLV?
 - ii. What credit enhancements, if any, are being requested by UNLV?
 - iii. How public/private funding mix compare/contrast with recently constructed collegiate stadiums?
 - iv. Is additional public infrastructure necessary in the area of a new stadium (roads, utilities, etc.)?
 - v. Should a percentage cap or dollar cap be placed on the public funding share?
 - vi. If additional public infrastructure is necessary, is this accounted for as part of the public funding share?
 - d. What happens in the event stadium revenues fail to meet expectations?
 - i. Would taxpayers be required to provide a backstop for any operating or debt service shortfalls?
 - 1. If so:
 - a. Would this backstop take the form of a general obligation or specific revenue triggers?
 - i. What revenue sources could be used as a back-up to service the debt or fund operational shortfalls?
 - ii. Would the state of Nevada be expected to contribute general fund dollars?
 - iii. Would Clark County be expected to contribute local property or sales tax revenue?
 - b. At what point, if any, would the public guarantee be required (e.g., missed payments, times, amount of shortfall)?
- 6. What public revenue sources, if any, would be appropriate to consider to support a stadium project?**
 - a. What is the annual revenue target necessary to support projected construction, operations and maintenance costs?
 - b. In other cities, what revenue sources have been used to support stadium construction and operations?



Stadium Topics for Discussion

Preliminary Draft

- c. How are different revenue sources viewed by the capital markets in terms of risk and stability?
- d. UNLV currently relies on event revenue generated from Sam Boyd Stadium and the Thomas and Mack Center. What would be the budgetary impact of losing that revenue for UNLV, and how will this impact be mitigated?

7. What is the potential Stadium Authority Board makeup and structure?

- a. What authorities and powers would the Stadium Authority Board have?
 - i. Would the Stadium Authority Board have bonding powers?
 - ii. What financial oversight controls could be put in place over project managers and contractors?
- b. What would the governance structure look like?
 - i. Which entities would be included on the board?
 - ii. How would potential conflicts of interest be addressed?
 - iii. What legislative action is necessary to establish the board?
- c. Is there a model elsewhere than can be translated to Las Vegas?
 - i. How are comparable stadium authorities constituted and empowered in other parts of the country?
- d. Would the Stadium Authority Board be subject to third-party audits?

8. Other areas for potential discussion.

- a. What is needed by the SNTIC to move a project forward
 - i. Establishment of stadium development criteria
 - ii. Creation of a Stadium Authority Board
 - iii. Land donation from UNLV to Board
 - iv. Identification of funding amount, funding source and qualifications
 - v. Legislative authority
 - vi. Financial commitments for infrastructure development
 - vii. FAA ruling on the RPZ and airspace obstruction evaluation
- b. [PENDING]





SOUTHERN NEVADA _____
Tourism Infrastructure Committee

Alternatives Analysis

Las Vegas Convention Center Expansion & Renovation Proposal

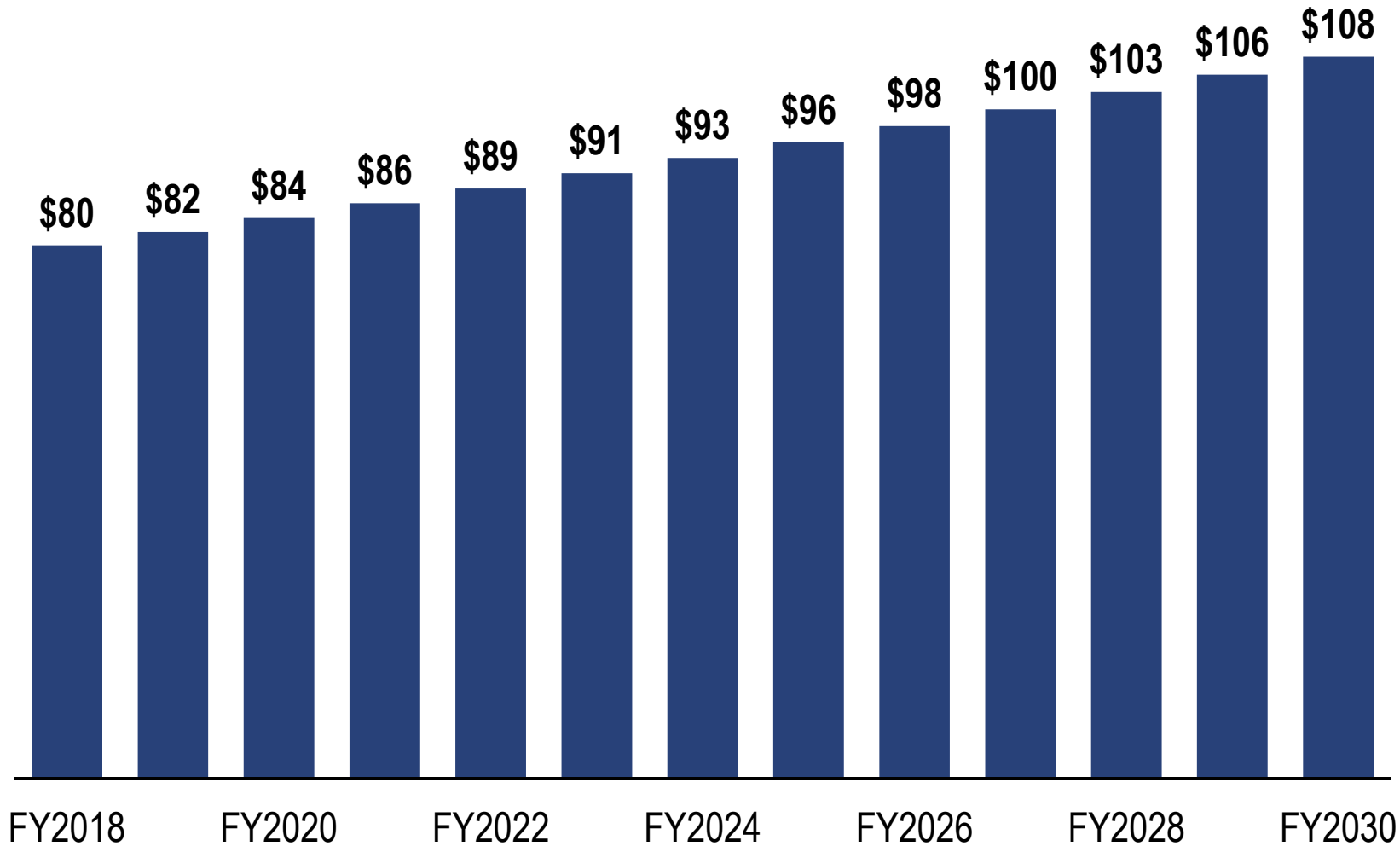
- The Las Vegas Convention and Visitors Authority (LVCVA) has proposed a \$1.4 billion expansion and renovation program for the Las Vegas Convention Center.
- As requested, the LVCVA provided a financial model that detailed its current operations and its plans for the expansion and renovation of the Las Vegas Convention Center through 2030.
- SNTIC staff was asked to review the model and was then provided with a set of alternative assumptions to determine their potential impact on available revenues and expected capital outlays and operating expenditures.
- Public agencies, such as the LVCVA, are rightly conservative in their budgeting and forecasting process. The objective of this exercise was to make reasonable modifications to key assumptions to determine the extent to which they affected the identified funding shortfall.



Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Baseline Program Funding Shortfall

(\$ in millions)



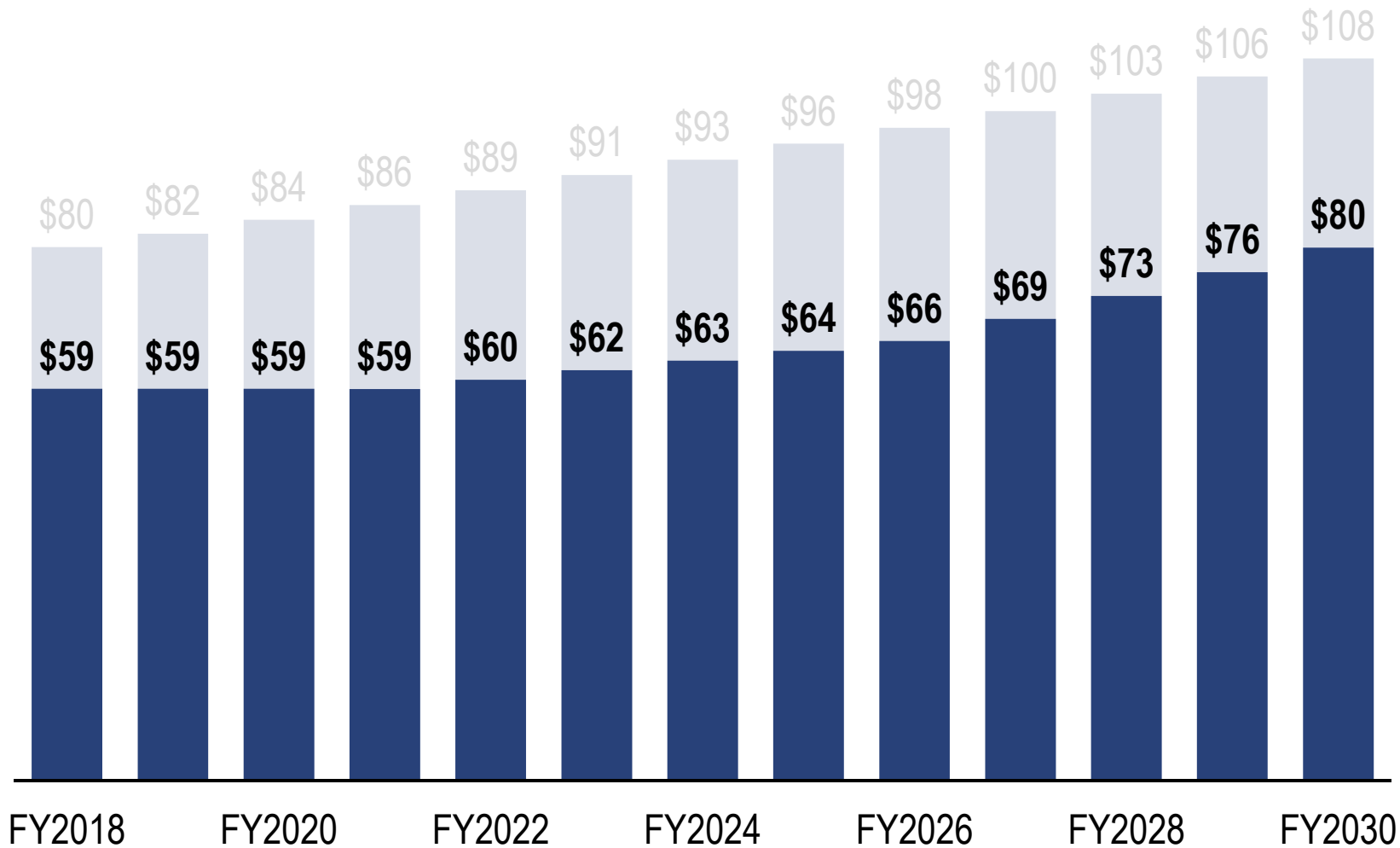
The Original Model Required Approximately \$1.22B in supplemental funding between 2018 and 2030.

Source: LVCVA Funding Model, Condensed B

Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Modeled Program Funding Shortfall

(\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Modification #1 Modifying Room Tax Revenue Projections

Assumptions:

FY16: 10.5%

FY17-FY20: 3.0% to 3.5%

FY21-FY25: stays at 3.0%

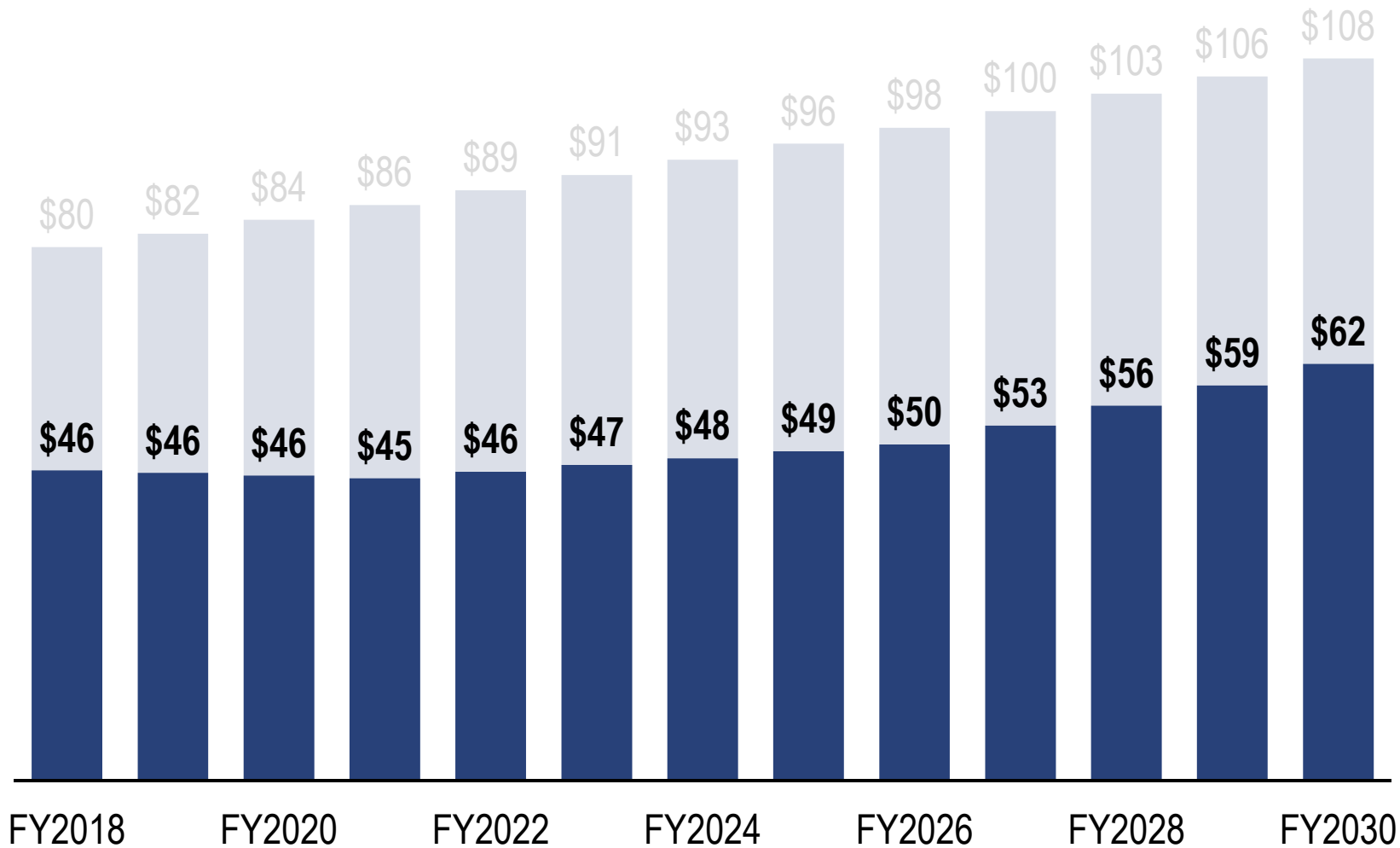
FY26-FY30: 3.0% to 2.5%



Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Modeled Program Funding Shortfall

(\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Modification #2

LVCVA Contribution to the Project

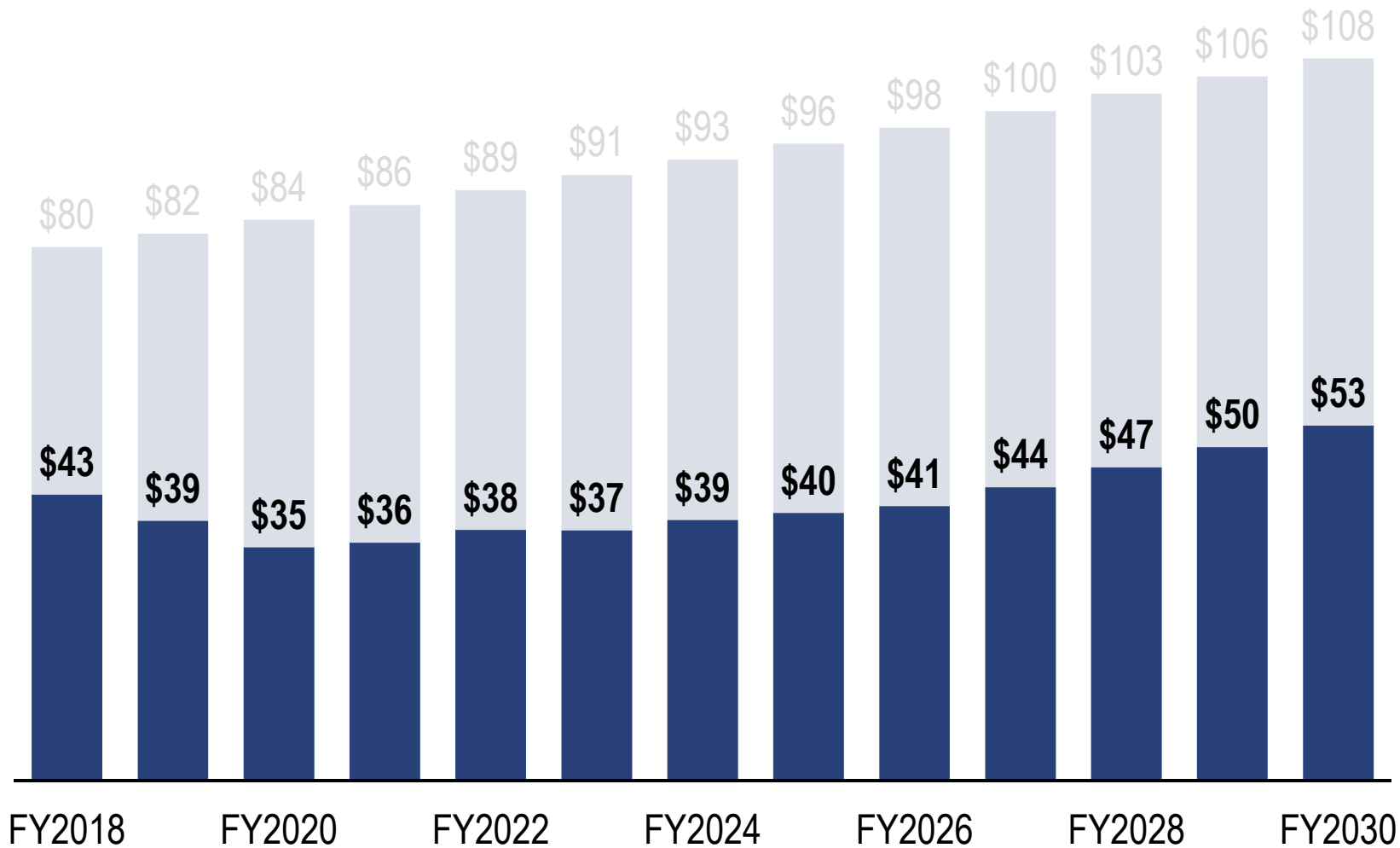
Assumptions:

\$12M in LVCVA operating revenues shifted to capital programs in FY2017

Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Modeled Program Funding Shortfall

(\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Modification #3

Adjustments to Interest Rate Assumptions

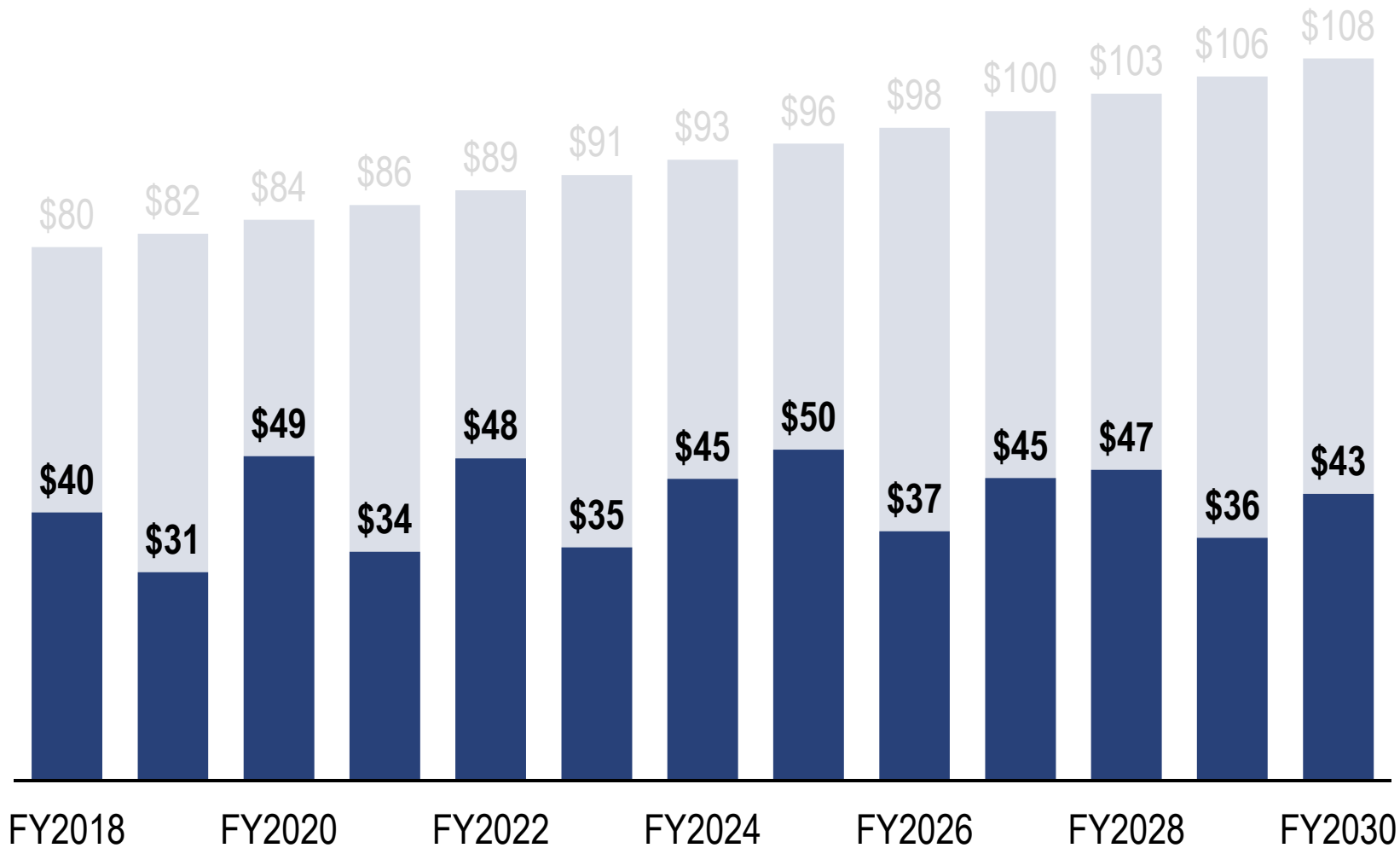
Assumptions:

- Series 2017: 5.00% to 3.75%
- Series 2019: 5.25% to 4.75%
- Series 2021: 5.50% to 5.00%

Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Modeled Program Funding Shortfall

(\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Modification #4

Various Minor Adjustments

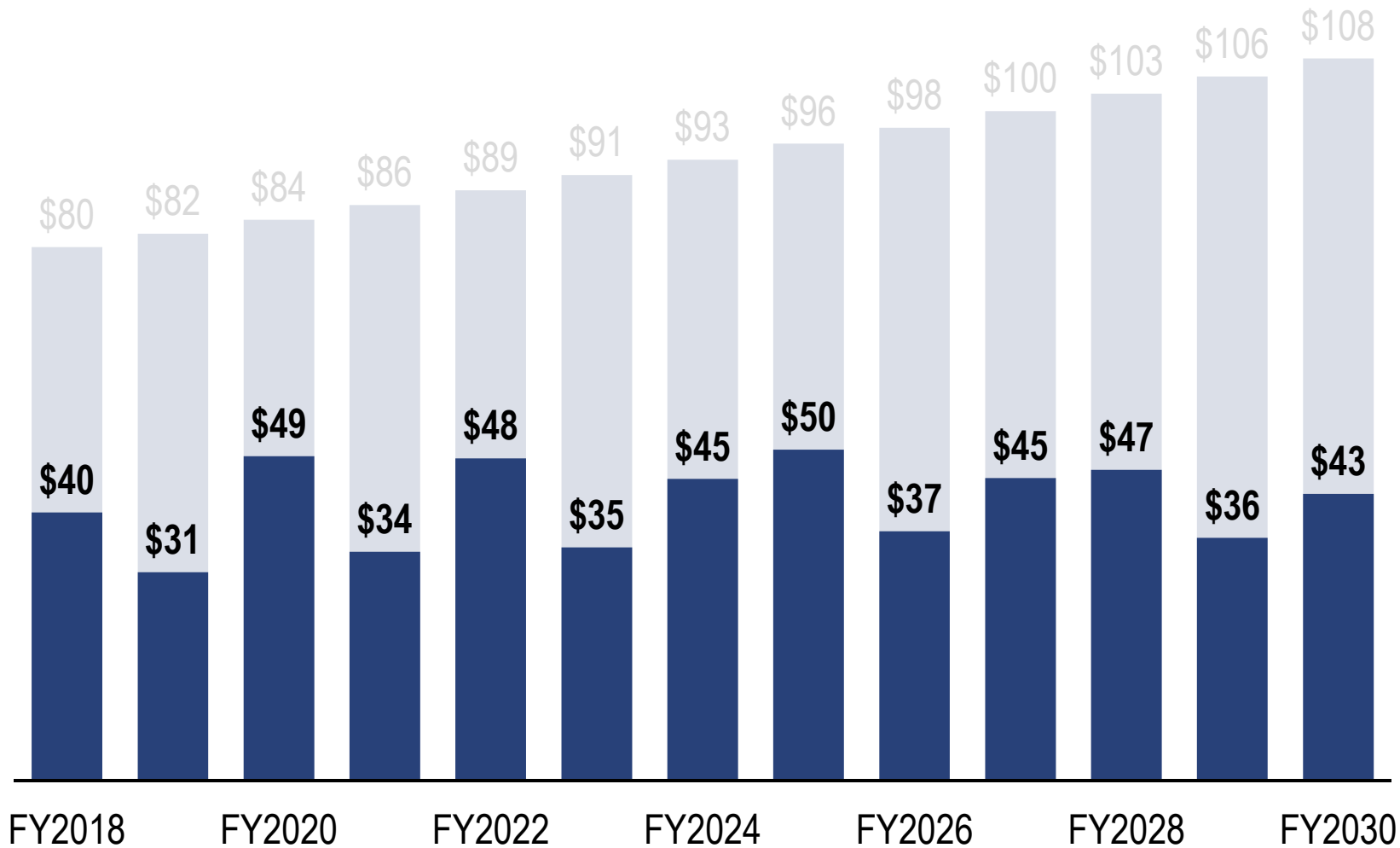
Assumptions:

Various adjustments to revenues, expenditures and ending fund balances

Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Modeled Program Funding Shortfall

(\$ in millions)

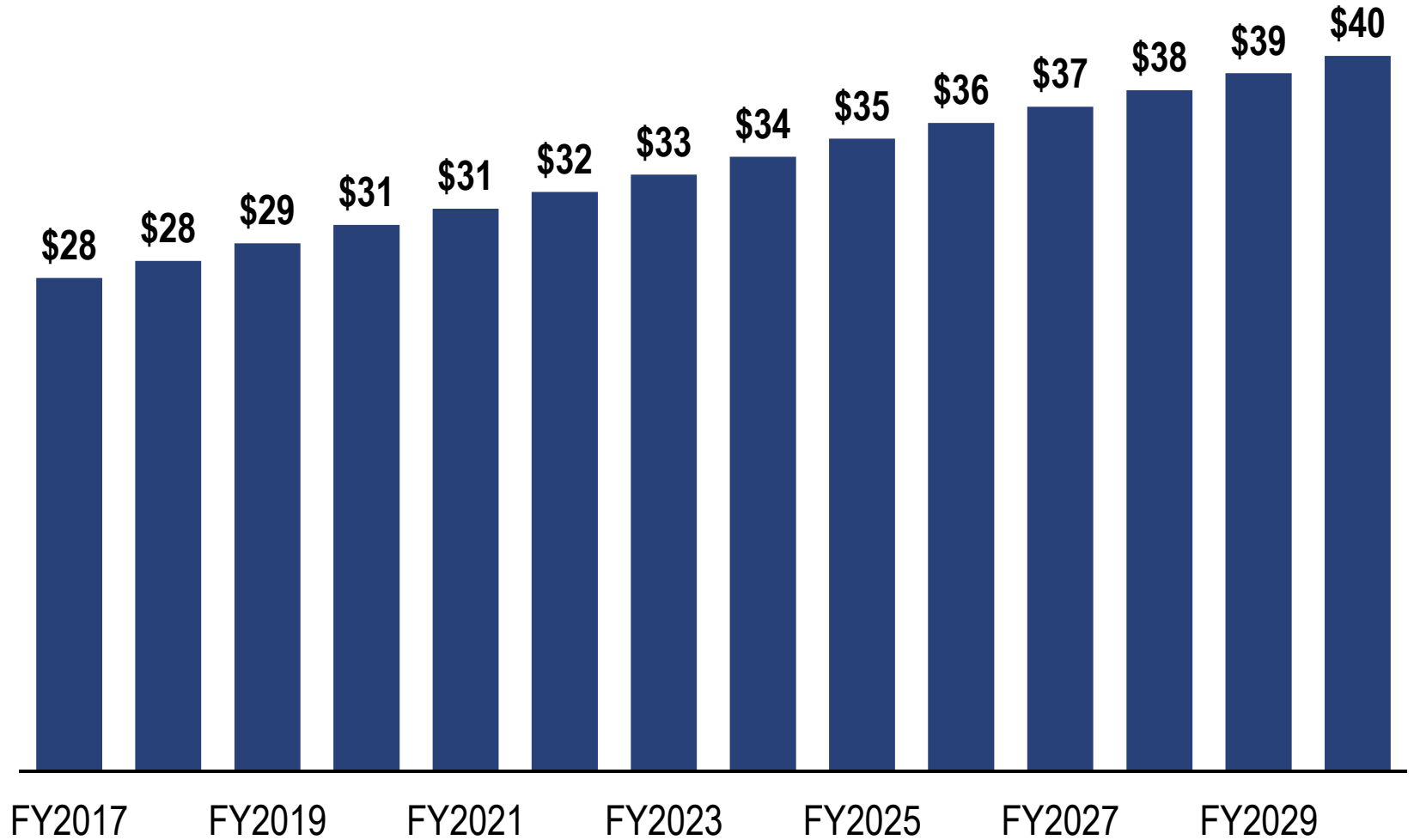


Result
**Funding Shortfall
Reduced from
\$1.2B to \$543M**

Source: SNTIC Convention Center Model, Version 21

Funding #1
**Cap the Local
Government Room
Tax Collection
Allowance at \$25M
Annually**

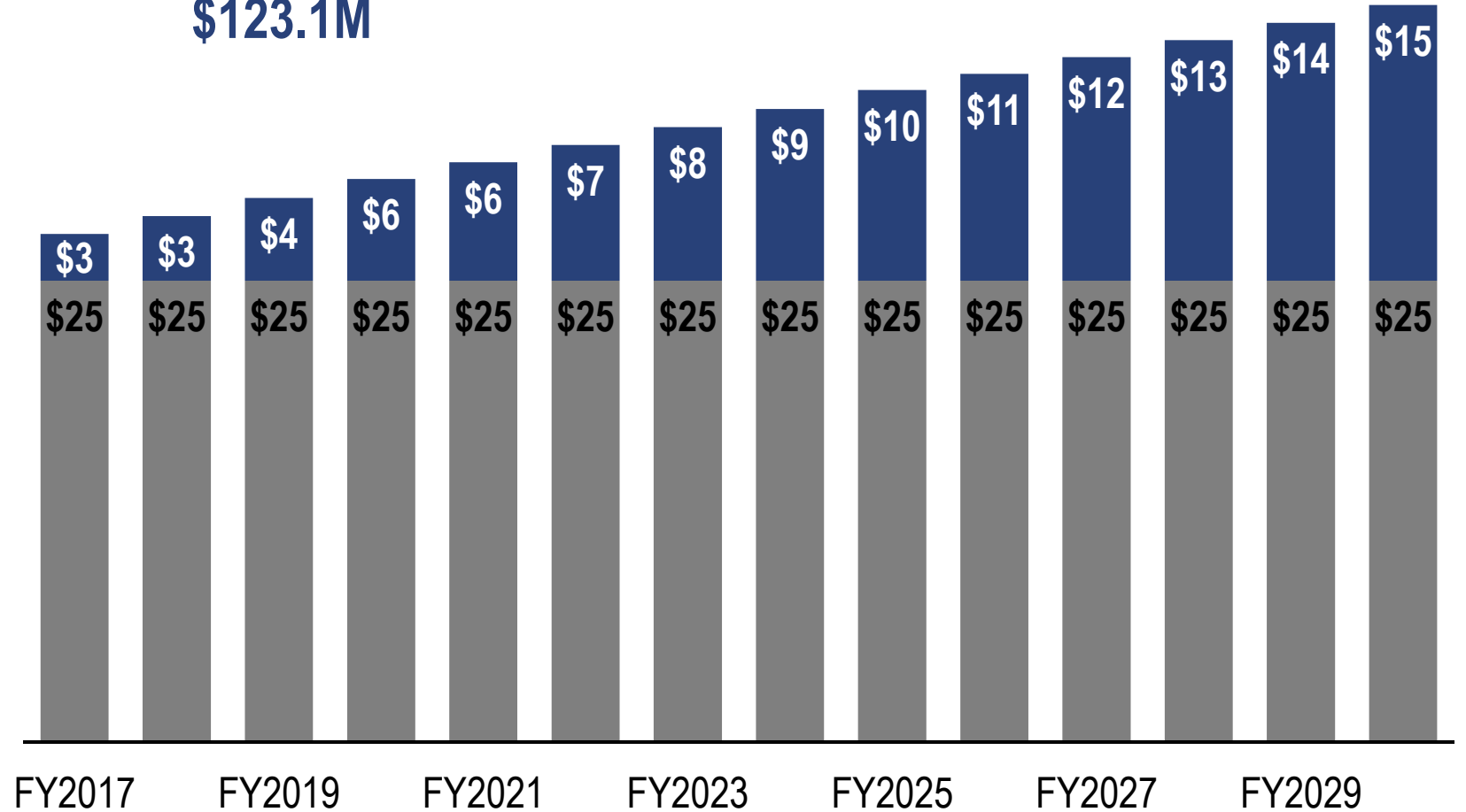
Las Vegas Convention Center Expansion & Renovation Proposal
Room Tax Collection Allowance Projection
(\$ in millions)



Funding #1
**Cap the Local
 Government Room
 Tax Collection
 Allowance at \$25M
 Annually**

Las Vegas Convention Center Expansion & Renovation Proposal
 Room Tax Collection Allowance Projection
 (\$ in millions)

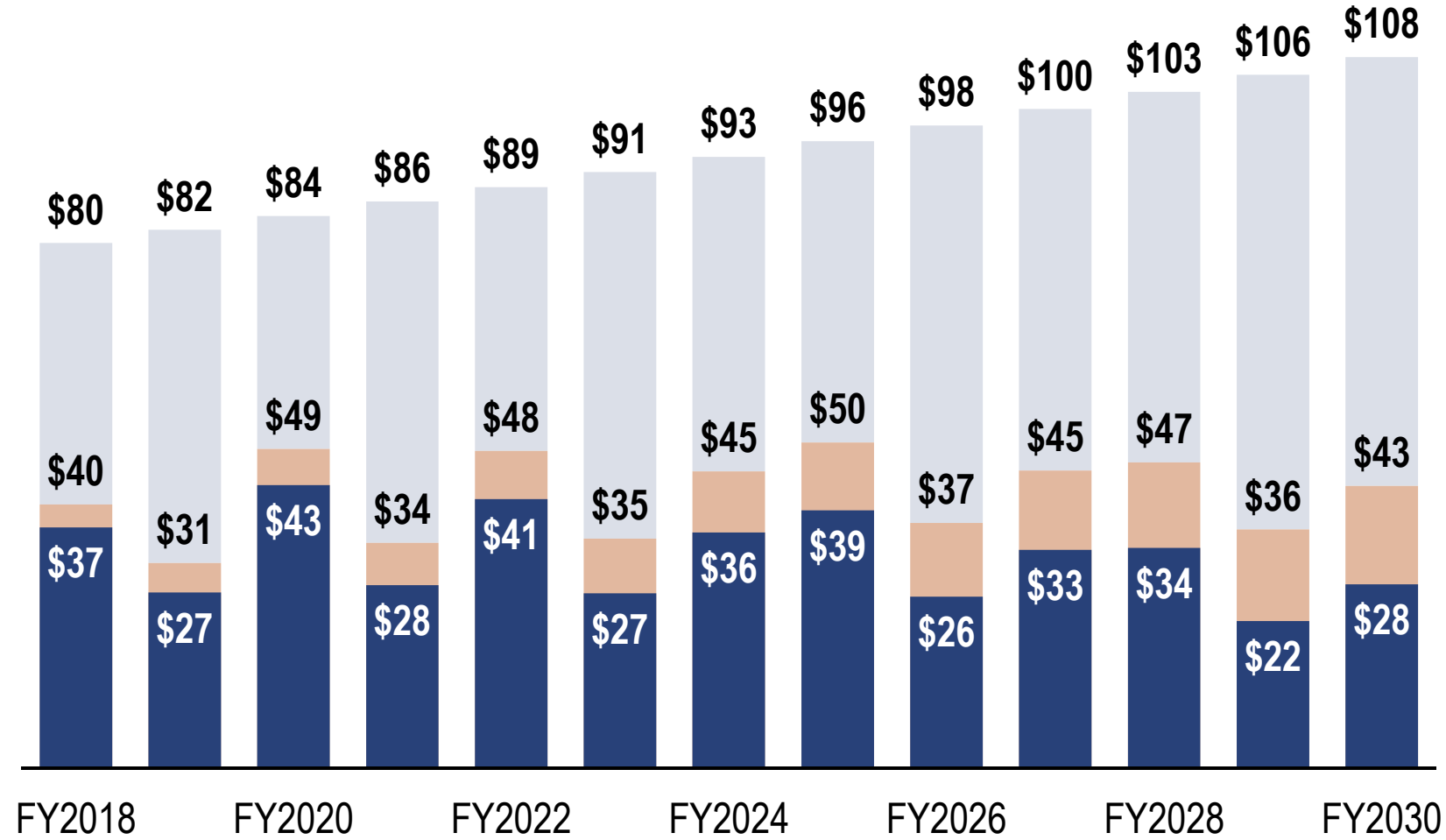
**Total Increment:
 \$123.1M**



Collection Allowance Cap Reduces Funding Gap from \$543M to \$420M

Las Vegas Convention Center Expansion & Renovation Proposal

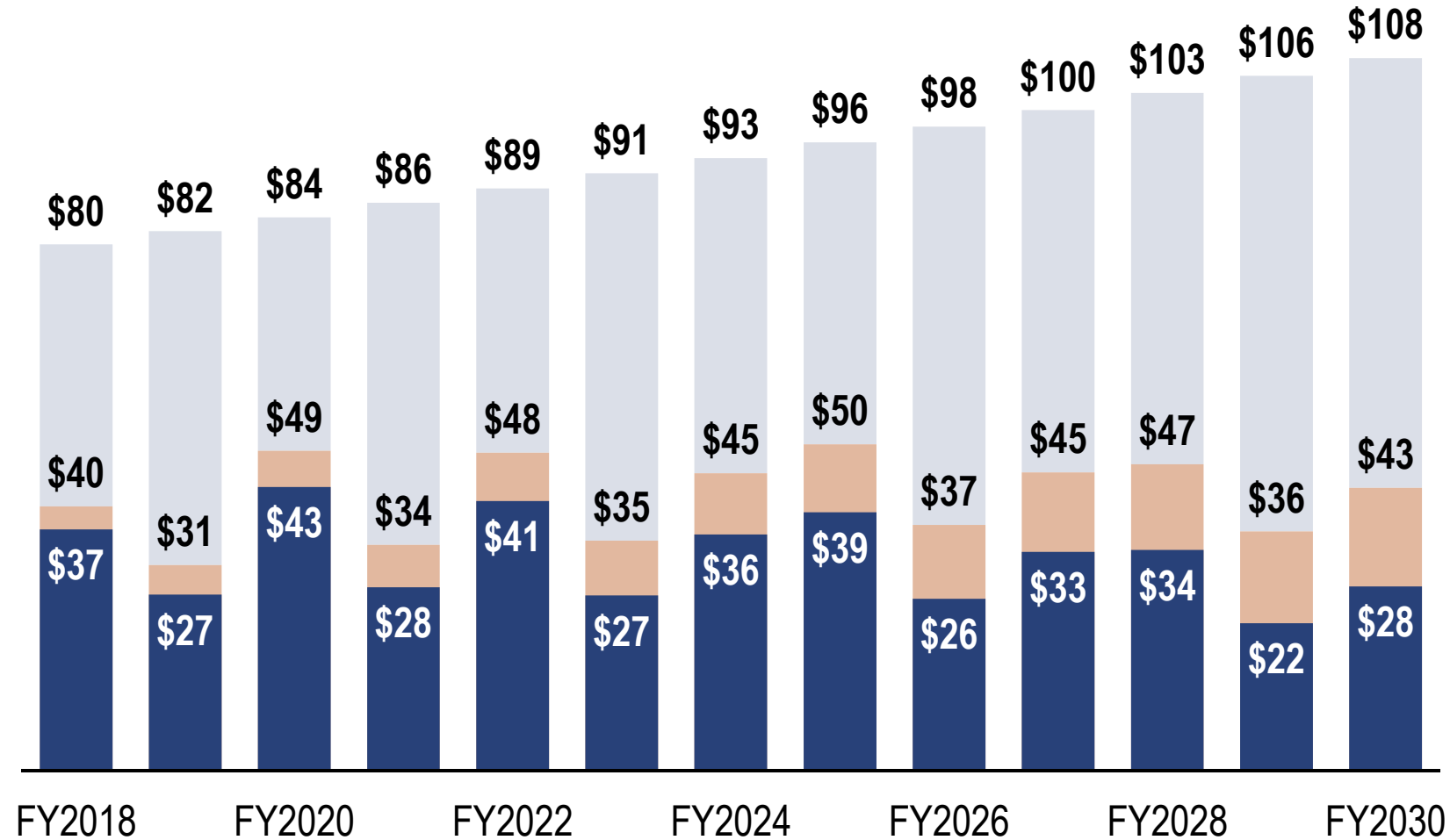
Phase II and III | Funding Shortfall After Collection Allowance Cap
(\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Remaining Funding Shortfall: \$420M

Las Vegas Convention Center Expansion & Renovation Proposal Phase II and III | Funding Shortfall After Collection Allowance Cap (\$ in millions)



Source: SNTIC Convention Center Model, Version 21

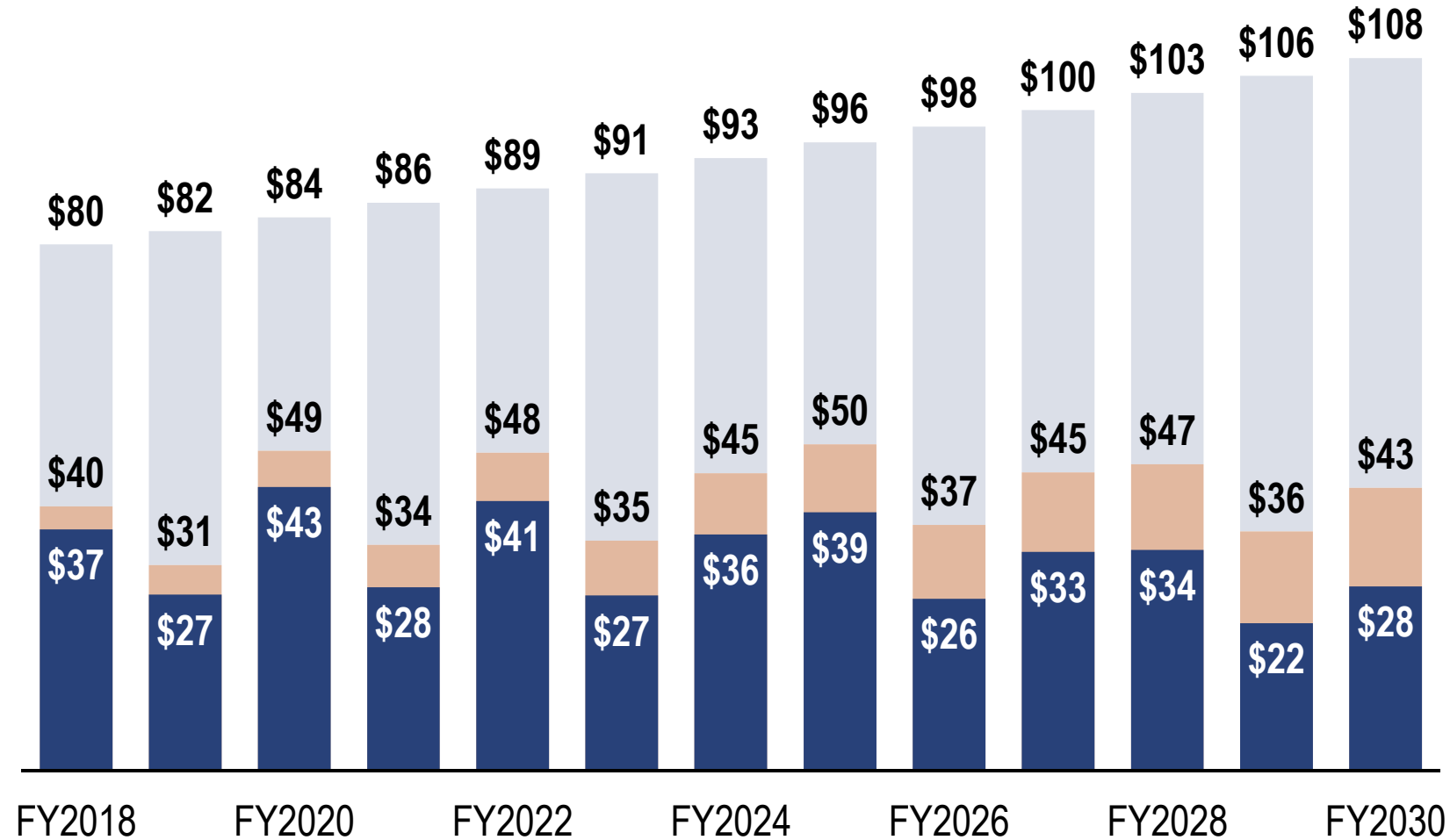


Remaining Funding Shortfall: \$420M

Projected Taxable Room Revenue: \$90.9B

Las Vegas Convention Center Expansion & Renovation Proposal

Phase II and III | Funding Shortfall After Collection Allowance Cap
(\$ in millions)



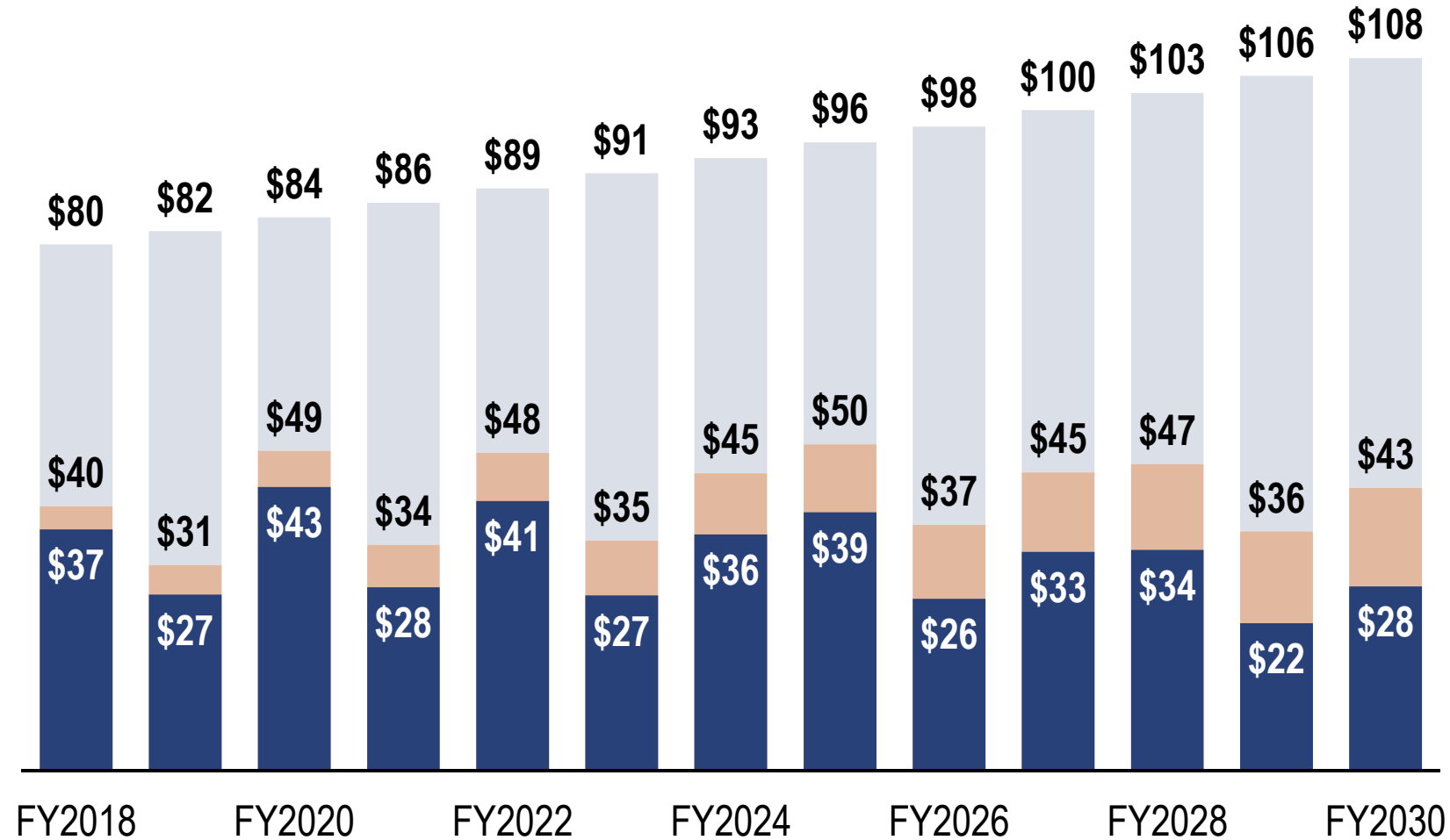
Source: SNTIC Convention Center Model, Version 21

**Remaining
Funding Shortfall:
\$420M**

**Projected Taxable
Room Revenue:
\$90.9B**

**Required Room
Tax Increment:
0.462%**

Las Vegas Convention Center Expansion & Renovation Proposal
Phase II and III | Funding Shortfall After Collection Allowance Cap
(\$ in millions)



Source: SNTIC Convention Center Model, Version 21

Conclusions

- Adjustments/refinements may be required to fine tune the model; however, it would appear that a 0.5% to 0.6% increase in the room tax rate and a collection allowance cap of \$25 million would fund the Phase II expansion and the Phase III renovations as proposed by the LVCVA
- Direction is requested from the Committee relative to further refinements, alternative strategies and/or to take the next steps to develop this strategy into a formal recommendation





SOUTHERN NEVADA _____
Tourism Infrastructure Committee

Alternatives Analysis

Las Vegas Convention Center Expansion & Renovation Proposal

Convention Center Expansion and Renovation
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTION 1 amends NRS 244 to increase the room tax by one-half of one percentage point (0.5 percent) in counties with 700,000 people or more. **SECTION 2** specifies allowable uses of the additional room tax revenue created in **SECTION 1**. **SECTION 3** enumerates prohibited uses of the additional room tax revenue created in **SECTION 1**. **SECTION 4** amends NRS 244A to cap the local government collection allowance for the transient lodging tax to an amount not greater than \$25 million per year in counties with a population of 700,000 or more. **SECTION 5** specifies allowable uses of the additional room tax revenue created in **SECTION 4**. **SECTION 6** enumerates prohibited uses of the additional room tax revenue created in **SECTION 4**. **SECTION 7** creates a committee for convention facilities in counties with a population of 700,000 or more. **SECTION 8** establishes the duty of the county fair and recreation board to provide support and information to an oversight committee for convention facilities. **SECTION 9** establishes certain bond request reporting and approval duties of an oversight committee for convention facilities.

LANGUAGE FOR CONSIDERATION

SECTION 1. *NRS 244.335X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.*

1. The board of county commissioners:

(a) In a county whose population is 700,000 or more, shall impose a tax in addition to any tax imposed in this section or any other of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that county upon all persons in the business of providing lodging. This tax must be imposed by the board of county commissioners in each county, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 244.335.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section or NRS 268.096.

SECTION 2. *NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.*

1. The proceeds of the tax received by the county fair and recreation board under Section 1 must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition and meeting space, and to further expand, construct, purchase, acquire, improve and maintain the facilities of the county fair and recreation board; and

**This is a preliminary draft document.
It is intended for discussion purposes only.**

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 3. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 1 may not be used:

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To operate and maintain recreational facilities under the jurisdiction of the county fair and recreation board;

4. To improve and expand recreational facilities other than those authorized in Section 2;

5. To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or

6. For any other purpose inconsistent with Section 2.

SECTION 4. NRS 244A.645 Powers of board concerning license taxes assigned or appropriated by cities, towns and counties. In connection with any license taxes assigned or appropriated by any city, town or county, or any combination thereof, for use in connection with NRS 244A.597 to 244A.655, inclusive, the county fair and recreation board of any county, upon behalf of the county, in addition to powers elsewhere conferred, may:

1. Collect the proceeds of such taxes from time to time, receive, control, invest and order the expenditure of all money pertaining thereto, prescribe a procedure therefor, including, but not limited to:

(a) Enforcing the collection of any delinquent taxes and providing penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a transient lodging facility and the closure of a transient lodging facility for failure to pay the tax on transient lodging; and

(b) Creating an office and hiring personnel therefor.

2. Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected, excluding from this limitation and from those gross revenues any costs of collecting any delinquent taxes borne by any delinquent taxpayer.

(a) In a county whose population is 700,000 or more:

(1) The incorporated cities collectively and any county may enter into an agreement with the board for the payment of collection fees which may be more or less than 10 percent of the gross revenues collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed the lesser of:

(I) 10 percent of the combined gross revenues so collected;

(II) The total payment of collection fees to all the cities and the county in any single fiscal year, the total amount of fees collected by all the cities and the county shall not exceed \$25 million annually.

(b) In a county whose population is less than 700,000:

(1) The incorporated cities collectively and any county may enter into an agreement with the board for the payment of collection fees which may be more or less than 10 percent of the gross revenues collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed 10 percent of the combined gross revenues so collected.

SECTION 5. NRS244.650X Revenues in excess of maximum collection allowance from taxes imposed on the rental of transient lodging: Distribution of proceeds; Use of funds.

1. The proceeds of the tax received by the county fair and recreation board under Section 4 must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the county fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition and meeting space, and to further expand, construct, purchase, acquire, improve and maintain the facilities of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in Subsection 1.

**This is a preliminary draft document.
It is intended for discussion purposes only.**

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 6. *NRS244.650X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 4 may not be used:*

- 1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;*
- 2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;*
- 3. To operate and maintain recreational facilities under the jurisdiction of the county fair and recreation board;*
- 4. To improve and expand recreational facilities other than those authorized in Section 5;*
- 5. To construct, purchase or acquire recreational facilities other than those authorized in Section 5; or*
- 6. For any other purpose inconsistent with Section 5.*

SECTION 7. *NRS 244A.XXX Oversight panel for convention facilities: Establishment in counties whose population is 700,000 or more; membership; terms of members; meetings.*

- 1. The oversight committee shall be comprised of five (5) members;*
- 2. Oversight committee members shall be nominated by the board of county commissioners, city councils of any incorporated city in the county with a population of 500,000 or more, the Majority Leader of the Nevada State Senate, and the Speaker of the Nevada State Senate and shall be appointed by the Governor.*
- 3. The five members appointed by the Governor shall include:*
 - (a) One member who has experience in structural or civil engineering;*
 - (b) One member who has experience in matters relating to the construction of convention facilities;*
 - (c) One member who has experience in the financing or estimation of the cost of construction projects; and*
 - (d) Two members who are representative of the gaming industry.*
- 4. After the initial terms, the term of each member of the oversight panel is two (2) years. Members of the oversight panel are eligible for reappointment.*
- 5. The oversight panel for convention facilities may meet at the call of the chair of the oversight panel, but is not required to hold meetings except for the purposes of carrying out its duties pursuant to this Act, or at the request of the Legislature, the Governor or county fair and recreation board.*

SECTION 8. *NRS 244A.XXX Oversight panel for convention facilities: Duty of county fair and recreation board to provide support and information. The county fair and recreation board in a county whose population is 700,000 or more shall:*

- 1. Provide administrative support to the oversight panel for convention facilities to ensure its ability to fulfill the duties and responsibilities pursuant to this Act;*
- 2. Comply with all requests by the oversight panel for information;*
- 3. Prepare a 3-year plan for the renovation of convention facilities and a 5-year plan for the construction of convention facilities for submission to the oversight panel for its review and recommendations on or before June 30 of each even-numbered fiscal year;*
- 4. Consider each recommendation made by the oversight panel and, if the county fair and recreation board does not adopt a recommendation, state in writing the reason for its action and include the statement in the minutes of the board of trustees, if applicable;*
- 5. On or before July 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all construction payment; and*
- 6. On or before July 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all bond activity and uses.*

SECTION 9. *NRS 244A.XXX Duty to submit recommendations for financing costs for construction to Legislature; oversight panel required to approve or deny request for issuance of certain bonds.*

- 1. If an oversight panel for convention facilities established pursuant to this Act approves a request by the fair and recreation board for the issuance of general obligation bonds, the oversight panel shall, on or before July 1*

**This is a preliminary draft document.
It is intended for discussion purposes only.**

of each even-numbered year during the period in which those bonds are outstanding, submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature written recommendations for financing the costs of new construction, design, maintenance and repair of convention facilities.

2. In a county whose population is 700,000 or more, the oversight panel for convention facilities shall review and approve or disapprove a request of the county fair and recreation board for the issuance of bonds or any other form of indebtedness pursuant to the Act.

WELCOME

SOUTHERN *Nevada*

TOURISM INFRASTRUCTURE

COMMITTEE



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LAS VEGAS STADIUM

Tax Revenue Projections & Assumptions



EVENTS & ATTENDANCE

OVERVIEW:

It is estimated that a new stadium in Las Vegas could host 10 regular season NFL games and 36 other events

Of the 36 other events, 10 are existing events, 16 are new ticketed/competitive bid events and 10 are new corporate events/public shows

Existing events and the associated spending are not considered net new to the region

Annual turnstile attendance is estimated to total approximately 1.8 million

Net new annual overnight attendance is estimated to total approximately 845,000

Event	Annual Events	Average Paid Attendance	Average Turnstile Attendance	Annual Turnstile Attendance	Annual Overnight Attendance
NFL	10	65,000	63,296	632,960	221,536
UNLV	6	30,000	27,113	162,677	0
Soccer	2	40,000	36,000	72,000	40,000
Concerts	2	45,000	42,713	85,425	29,700
Rugby	4	22,500	21,375	85,500	67,500
Bowl Games	2	45,000	40,530	81,060	33,750
Corporate/Public Shows	10	30,000	28,500	285,000	150,000
Neutral Site CFB Game	2	55,000	49,500	99,000	82,500
Signature Events	2	40,000	36,000	72,000	72,000
Motorsports	3	45,000	40,500	121,500	0
Combative Events	1	55,000	49,500	49,500	49,500
Major Non-Recurring	2	55,000	49,500	99,000	99,000
Total	46	43,000	40,000	1,846,000	845,000

OUT-OF-STADIUM VISITOR SPENDING

COMMENTARY

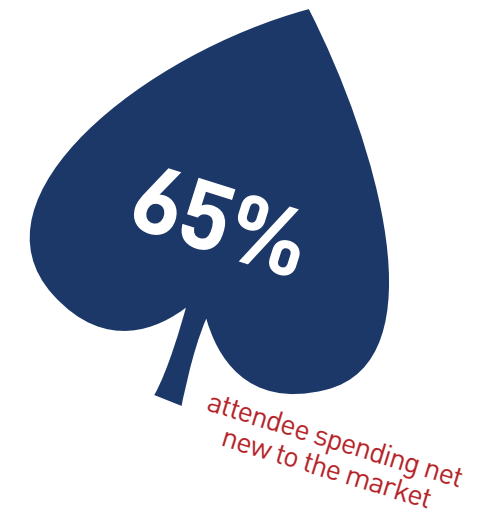
Spending by visitors for events consists of in-stadium spending on tickets, concessions, merchandise and parking, as well as out-of-stadium spending on lodging, food and beverage, shopping, entertainment, transportation, gaming and other services

Per capita out-of-stadium spending by overnight visitors is estimated to total \$1,236

65 percent of out-of-stadium visitor spending is considered net new and would not be spent without the presence of the stadium

INDUSTRY	SPENDING PER CAPITA
Lodging	\$86.55
Food and Beverage	\$168.99
Retail	\$147.89
Entertainment	\$62.05
Transportation	\$68.83
Gaming	\$107.38 ⁽¹⁾
Total	\$642
INDUSTRY	NET NEW SPENDING
Lodging	\$69,581,000
Food and Beverage	\$92,873,000
Retail	\$81,273,000
Entertainment	\$34,101,000
Transportation	\$37,827,000
Gaming	\$59,012,000
Total	\$374,667,000

(1) Assumes that 71% of overnight visitors gamble.



COUNTY SALES TAX

applied sales tax rate
3.55%

\$10.9M
 county sales tax
 revenue generated

Projected Sales Tax Base	
In-Stadium Spending	\$26,751,000
Out-Of-Stadium Attendee Spending	\$229,023,000
Out-Of-Stadium Visiting Team/ Event Personnel Spending	\$481,000
Indirect & Induced Spending	\$49,898,000

COUNTY HOTEL TAX

7.0%
applied hotel tax rate

\$4.9M
county hotel tax revenue generated

LODGING SPENDING	
NFL	
Annual Overnight Attendance	221,536
OTHER EVENTS	
Annual Overnight Attendance	623,950
LODGING SPENDING	
Number Lodged in Hotel/Motel	96%
Average Nights Per Stay	3.2
Average People Per Room	2.1
Total Number of Room Nights Occupied	1,236,825
Gross Attendee Lodging Spending	\$107,047,000
% of Attendee Spending Not Otherwise Spent	65%
Net New Attendee Lodging Spending	\$69,581,000
NUMBER OF VISITING TEAM/EVENT PERSONNEL	
NFL	1,500
UNLV	600
Concerts	120
Annual Overnight Visitors	2,220
LODGING SPENDING	
Average Hotel Cost Per Room	\$225
Average Nights Per Stay	1.5
Average People Per Room	1.5
Net New Visiting Team / Event Personnel Lodging Spending	\$500,000

HOTEL ROOM NIGHTS

INCREMENTAL ROOM NIGHTS	
NFL	
Number Lodged in Hotel/Motel	221,536
Number Lodged in Hotel/Motel	96%
Average Nights Per Stay	3.2
Average People Per Room	2.1
Total Number of Room Nights Occupied	324,076
Room Nights Occupied Per Game	32,408
OTHER EVENTS	
Number Lodged in Hotel/Motel	623,950
Number Lodged in Hotel/Motel	96%
Average Nights Per Stay	3.2
Average People Per Room	2.1
Total Number of Room Nights Occupied	912,750
Room Nights Occupied Per Event	25,354
VISITING TEAM/EVENT PERSONNEL	
Number Lodged in Hotel/Motel	2,220
Average Nights Per Stay	1.5
Average People Per Room	1.5
Total Number of Room Nights Occupied	2,220
Room Nights Occupied Per Event	123

(1) LVCVA 2014 Visitor Profile Study

COUNTY CAR RENTAL TAX

2.0%
applied car rental tax rate

\$243K
county car rental tax revenue generated

CAR RENTAL SPENDING	
NFL	
Annual Overnight Attendance	221,536
OTHER EVENTS	
Annual Overnight Attendance	623,950
CAR RENTAL SPENDING	
Transportation Spending Per Capital	\$69
Gross Attendee Transportation Spending	\$58,195,000
% of Attendee Spending Not Otherwise Spent	65%
Net New Attendee Transportation Spending	\$37,827,000
% Spent on Car Rental	10%
Average Length of Rental	2.0
Net New Attendee Car Rental Spending	\$12,105,000
VISITING TEAM/EVENT PERSONNEL	
NFL Bus Spending Per Day	\$1,200
UNLV Bus Spending Per Day	600
Concerts Van Spending Per Day	600
CAR RENTAL SPENDING	
Average Length of Stay	2.0
Net New Visiting Team / Event Personnel Car Rental Spending	\$33,600

STATE SALES TAX

applied sales tax rate
4.6%

\$13.5M
 state sales tax
 revenue generated

Projected Sales Tax Base	
In-Stadium Spending	\$42,509,000
Out-of-Stadium Attendee Spending	\$211,973,000
Out-of-Stadium Visiting Team/ Event Personnel Spending	\$481,000
Indirect & Induced Spending	\$39,418,000

STATE HOTEL TAX



LODGING SPENDING	
Net New Attendee Lodging Spending	\$69,581,000
Net New Visiting Team / Event Personnel Lodging Spending	\$500,000

STATE CAR RENTAL TAX

10.0%
 applied car rental tax rate

revenue generated
 state car rental tax
\$1.2M

CAR RENTAL SPENDING	
Net New Attendee Car Rental Spending	\$12,105,000
Net New Visiting Team / Event Personnel Car Rental Spending	\$33,600

STATE LIVE ENTERTAINMENT TAX

9.0%
applied live entertainment tax rate

\$15.6M
state live entertainment revenue generated

In-Stadium Spending				
Event	Paid Attendance	Average Per Event Ticket Price	Annual Events	Total Revenue
NFL	65,000	\$95.30	10	61,945,000
Soccer	40,000	\$40.14	2	3,211,000
Concerts	45,000	\$89.58	2	8,063,000
Rugby	22,500	\$30.00	4	2,700,000
Bowl Games	45,000	\$75.67	2	6,810,000
Corporate/Public Shows ⁽¹⁾	30,000	\$17.50	10	5,250,000 ⁽¹⁾
Neutral Site CFB Game	55,000	\$124.51	2	13,696,000
Signature Events	40,000	\$148.50	2	11,880,000
Motorsports	45,000	\$30.27	3	4,086,000
Combative Events	55,000	\$200.00	1	11,000,000
Major Non-Recurring	55,000	\$99.45	2	10,940,000
Total In-Stadium Ticket Spending			40	139,581,000

Out-of-Stadium Spending	
NFL	
Net New Annual Overnight Attendance	221,536
OTHER EVENTS	
Net New Annual Overnight Attendance	623,950
ENTERTAINMENT SPENDING	
Entertainment Spending Per Capita	\$62.05
Gross Attendee Entertainment Spending	\$52,462,000
% of Attendee Spending Not Otherwise Spent	65%
Net New Attendee Entertainment Spending	\$34,101,000

*(1) Includes revenue from ticketed public events only.
Note: UNLV is exempt from the live entertainment tax*

STATE GENERAL FUND GAMING TAX

7.75%
applied gaming tax rate

state gaming tax
revenue generated
\$4.6M

GAMING SPENDING	
NFL	
Annual Overnight Attendance	221,536
OTHER EVENTS	
Annual Overnight Attendance	623,950
GAMING SPENDING	
Gaming Spending Per Visit	\$107.38
Gross Attendee Gaming Spending	\$90,788,000
% of Attendee Spending Not Otherwise Spent	65%
Net New Attendee Gaming Spending	\$59,012,000

STATE MODIFIED BUSINESS TAX

1.475%
applied tax rate

\$3.0M
state modified
business tax revenue
generated

WAGES	
Stadium Operations Full & Part Time Labor	\$3,000,000
NFL Event Labor	12,738,000
Player Costs	165,000,000
NFL Sales & Marketing	21,700,000
Total Wages Paid Over \$50,000	\$202,388,000



LAS VEGAS STADIUM

Event Projections &
Seasonalities

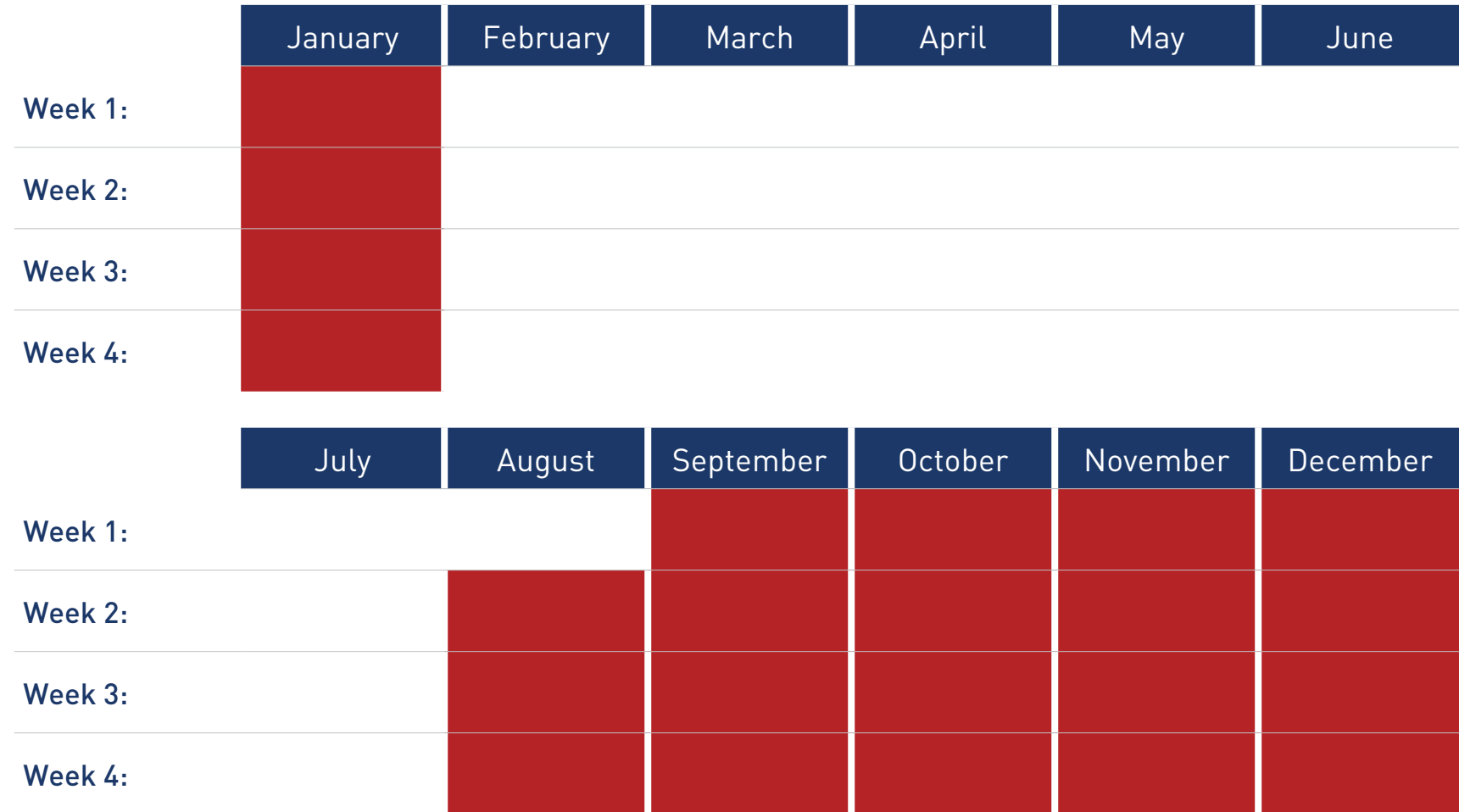


NFL GAMES

Base	Upside	ADR	Occupancy
10	10	\$121.96	91.9%

NFL AVERAGE ATTENDANCE

- 2015 – 68,274
- 2014 – 66,386
- 2013 – 65,772
- 2012 – 65,074
- 2011 – 64,698

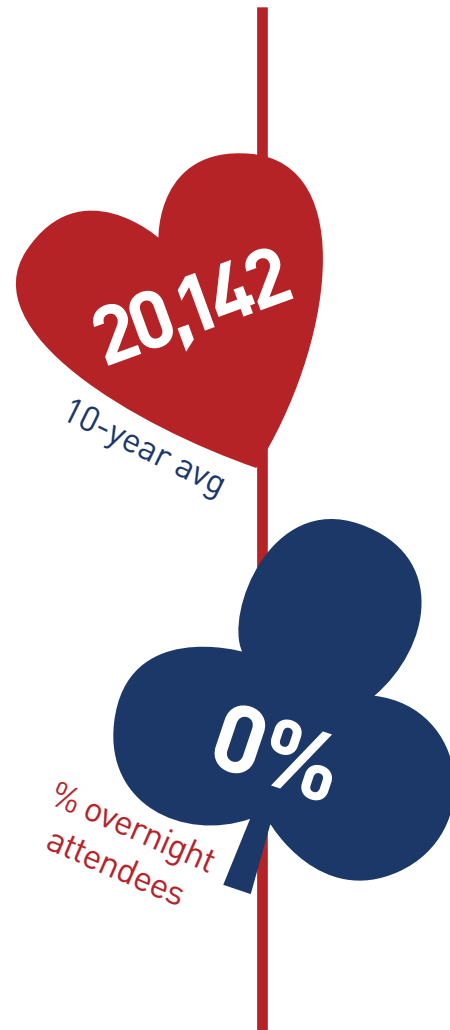


As shown, the NFL season commences the second week of August with four preseason games, followed by 16 regular season games played over 17 weeks between September and the end of December. NFL playoff games are hosted throughout the month of January, with the Super Bowl played the first week of February.

*Includes international games

10-YEAR UNLV AVERAGE ATTENDANCE:

UNLV FOOTBALL



Base	Upside	ADR	Occupancy
6	6	\$127.75	95%

January	February	March	April	May	June
---------	----------	-------	-------	-----	------

Week 1:

Week 2:

Week 3:

Week 4:

July	August	September	October	November	December
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Week 1:

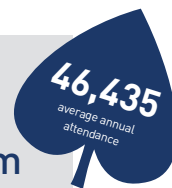
Week 2:

Week 3:

Week 4:

The UNLV football season spans from the beginning of September to the end of November. Average attendance at UNLV home football games over the past 10 years is approximately 20,000, ranging from a low of 15,674 in 2014 to a high of 29,281 in 2007.

20% increase in attendance for Baylor in a new on-campus stadium



CONCERTS

RECENT STADIUM CONCERT ACTS:

2014:

Beyoncé
George Strait
One Direction

2015:

AC/DC
Kenny Chesney / Jason Aldean
Taylor Swift
The Rolling Stones

2016:

Beyoncé
Coldplay
Guns N' Roses
Kenny Chesney
Luke Bryan

33%
% overnight attendees

Base	Upside	ADR	Occupancy
2	3	\$119.53	96%

	January	February	March	April	May	June
Week 1:						
Week 2:						
Week 3:						
Week 4:						

	July	August	September	October	November	December
Week 1:						
Week 2:						
Week 3:						
Week 4:						

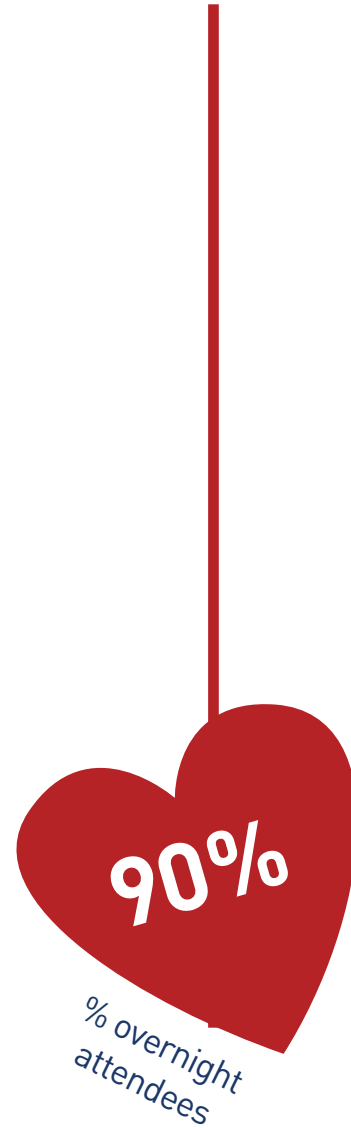
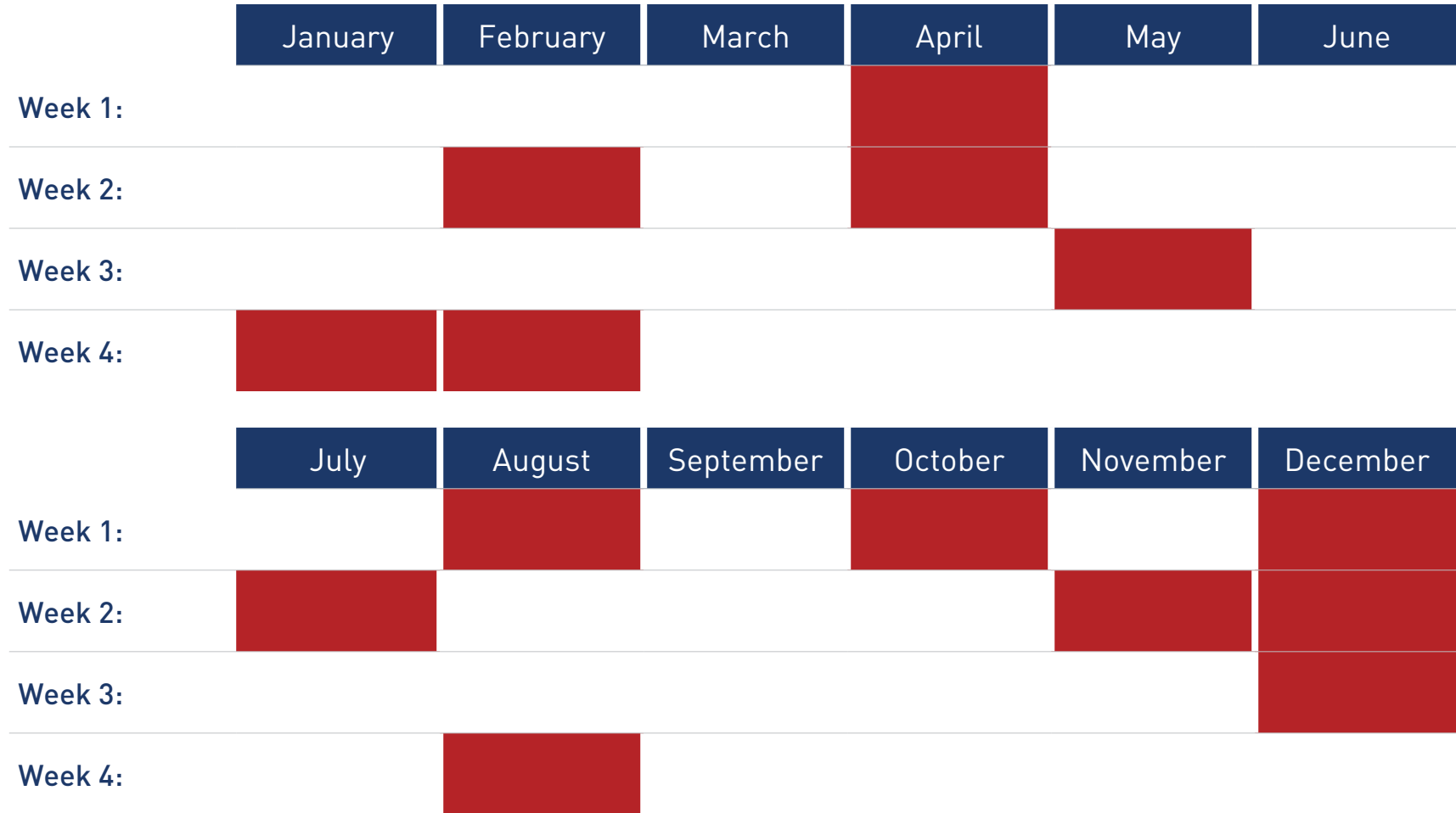
Based on a review of Pollstar data from 2014 to 2016, the vast majority of stadium concerts occur between May and October.

POTENTIAL SIGNATURE EVENTS:

- Academy Awards
(4th week of February)
- Academy of Country Music Awards
(1st week of April)
- Barrett-Jackson Auto Auction
(1st week of October)
- Billboard Awards
(3rd week of May)
- eSports Championships
The International
(1st week of August)
Evolution Championship Series
(2nd week of July)
- Grammy's
(2nd week of February)
- Miss Universe Pageant
(3rd week of December)
- Mountain West Conference
Football Championship
(2nd week of December)
- MTV Movie Awards
(2nd week of April)
- MTV Video Music Awards
(4th week of August)
- NASCAR Champions Week
(1st week of April)
- NFL Pro Bowl
(4th week of January)
- NFL Scouting Combine
(4th week of February)
- Pac-12 Football Championship Game
(2nd week of December)
- Rock N' Roll Las Vegas Marathon
(2nd week of November)
- Screen Actors Guild
(2nd week of November)

SIGNATURE EVENTS

Base	Upside	ADR	Occupancy
2	4	\$119.66	93%



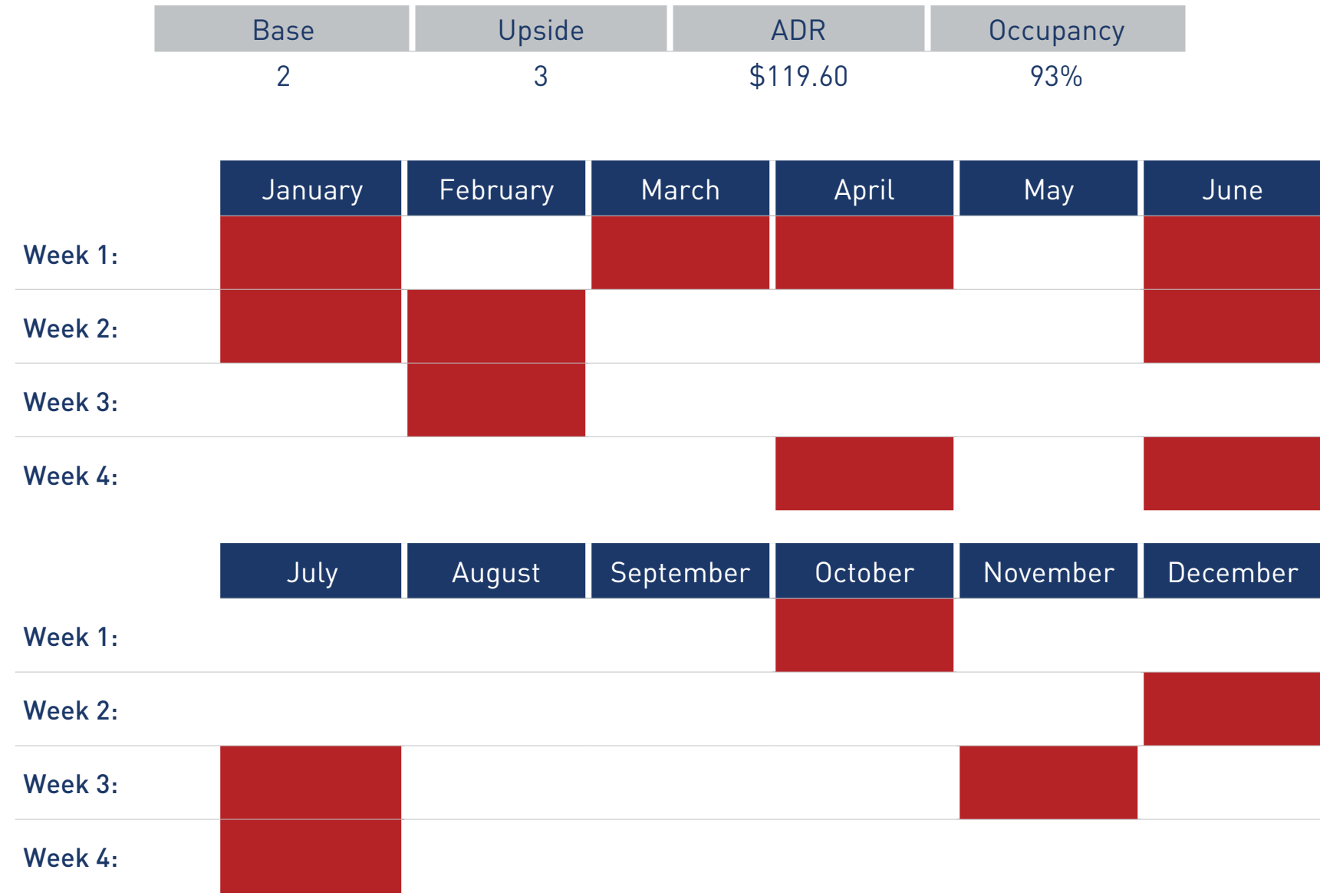
As shown above, the majority of Signature Events identified as part of this analysis are held October to February each year. Signature Events are generally not hosted during the summer and fall.

POTENTIAL SIGNATURE EVENTS:

- Champions Classic
(3rd week of November)
- College Football Playoff
(1st and 2nd week of January)
- CrossFit Games
(3rd week of July)
- Democratic National Convention
(4th week of July)
- eSports Championships
League of Legends World Championship (1st week of October)
Intel Extreme Masters (1st week of March)
- MLS Cup
(2nd week of December)
- NCAA Final Four
(1st week of April)
- NBA Draft
(4th week of June)
- NFL Draft
(4th week of April)
- NHL Draft
(4th week of June)
- NHL Stadium Series
(3rd week of February)
- Republican National Convention
(3rd week of July)
- Super Bowl
(2nd week of February)
- WrestleMania
(1st week of April)
- X Games
(1st or 2nd week of June)

90%
% overnight attendees

MAJOR NON-RECURRING EVENTS



As shown above, Signature Events are hosted throughout the year with a slight drop-off in the late summer and early fall.

INTERNATIONAL SOCCER

INTERNATIONAL SOCCER COMPETITIONS & SEASONALITY:

Club Team Friendlies

(June through August)

International Team Friendlies

(1st week of June, 1st week of September, 1st week of October, 2nd week of November)

World Cup Qualifiers

(2nd & 3rd weeks of March, 2nd & 3rd weeks of June, 1st & 2nd weeks of September, 2nd week of November, 4th week of March, 2nd & 3rd weeks of October)

CONCACAF Champions League

(1st, 3rd, & 4th weeks of August, 2nd & 3rd week of September, 3rd week of October, 3rd week of February, 3rd week of April, 3rd week of March)

CONCACAF Gold Cup

(month of July)

CONCACAF Gold Cup Final

(2nd week of October)

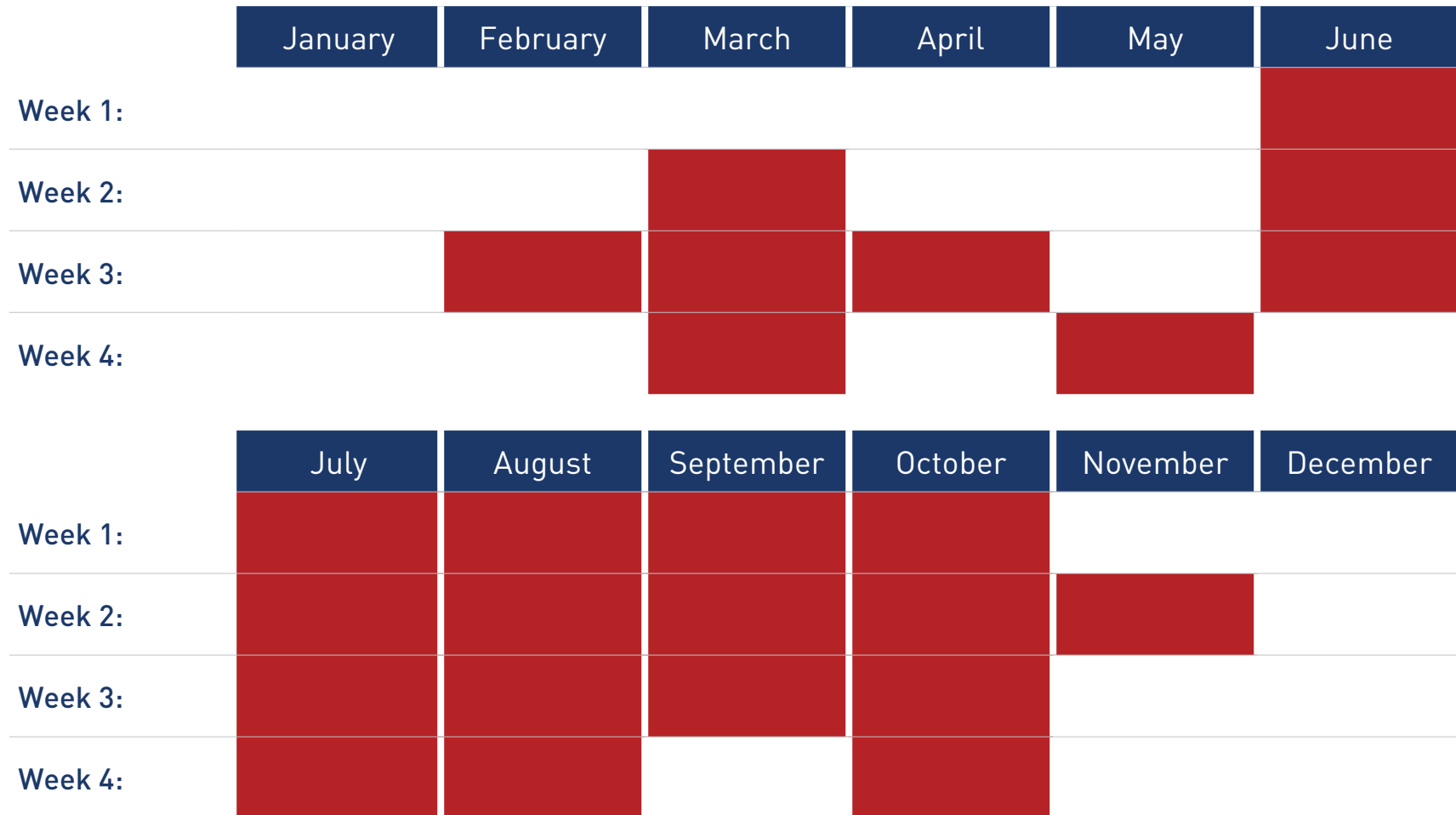
International Champions Cup

(month of July to mid-August)

50%

% overnight attendees

Base	Upside	ADR	Occupancy
2	3	\$119.48	95%



Depending on competition and event, international soccer matches are hosted throughout the year, with the exception of the months of December and January. The number and type of competitions increases when international teams begin qualifying for the FIFA Men's and Women's World Cup.

RECENT NEUTRAL SITE COLLEGIATE FOOTBALL GAME SITES:

AT&T Stadium *Arlington, TX*

- 2015** Alabama vs. Wisconsin (64,279)
A&M vs. Arkansas (67,339)
Baylor vs. Texas Tech (56,179)

- 2014** Florida State vs. Oklahoma State (61,521)
A&M vs. Arkansas (68,113)
Baylor vs. Texas Tech (54,179)

Bank of American Stadium *Charlotte, NC*

- 2015** North Carolina vs. South Carolina (51,664)

MetLife Stadium *East Rutherford, NJ*

- 2014** Syracuse vs. Notre Dame (76,802)
Syracuse vs. Penn State (61,202)
Syracuse vs. USC (39,507)

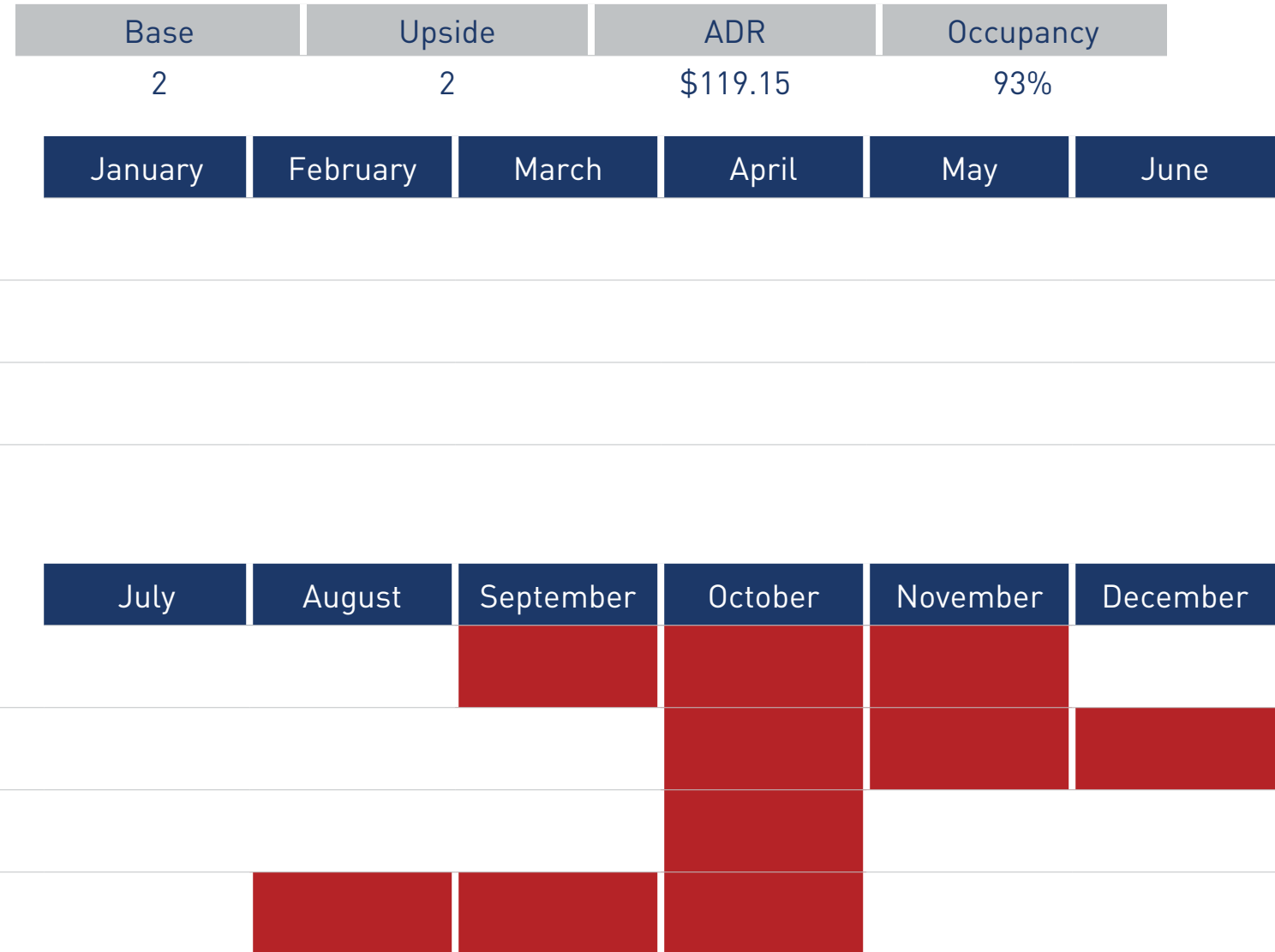
NRG Stadium *Houston, TX*

- 2015** A&M vs. Arizona State (66,308)
- 2014** LSU vs. Wisconsin (71,599)
- 2013** Oklahoma State vs. Mississippi State (35,874)

Other stadiums that have hosted Neutral Site Collegiate Football Games include: Alamodome (San Antonio, TX); Arrowhead Stadium (Kansas City, MO); Citrus Bowl (Orlando, FL); EverBank Field (Jacksonville, FL); FedEx Field (Landover, MD); Ford Field (Detroit, MI); Georgia Dome (Atlanta, GA); Lambeau Field (Green Bay, WI); Lincoln Financial Field (Philadelphia, PA); Lucas Oil Stadium (Indianapolis, IN); Soldier Field (Chicago, IL); Sports Authority Field at Mile High (Denver, CO).

75%
% overnight attendees

NEUTRAL SITE COLLEGIATE FOOTBALL GAMES

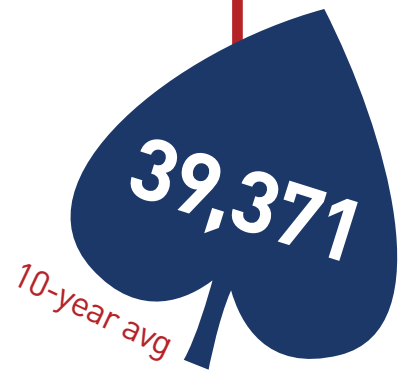


Although the vast majority of Neutral Site Collegiate Football Games are hosted during the first two weeks of the college football season (last week of August and first week of September), a number of other games are hosted throughout the college football regular season which runs until early December.

10-YEAR LAS VEGAS BOWL ATTENDANCE:

LAS VEGAS BOWL

- 2015** ▶ BYU vs. Utah
(42,213)
- 2014** ▶ Utah vs. Colorado State
(33,067)
- 2013** ▶ Fresno State vs. USC
(42,178)
- 2012** ▶ Washington vs. Boise State
(33,217)
- 2011** ▶ Arizona State vs. Boise State
(35,720)
- 2010** ▶ Utah vs. Boise State
(41,923)
- 2009** ▶ Oregon State vs. BYU
(40,018)
- 2008** ▶ BYU vs. Arizona
(40,047)
- 2007** ▶ BYU vs. UCLA
(40,712)
- 2006** ▶ BYU vs. Oregon
(44,615)



Base	Upside	ADR	Occupancy
1	1	\$107.13	86%

January	February	March	April	May	June
---------	----------	-------	-------	-----	------

Week 1:

Week 2:

Week 3:

Week 4:

July	August	September	October	November	December
------	--------	-----------	---------	----------	----------

Week 1:

Week 2:

Week 3:

Week 4:

The Las Vegas Bowl is hosted each year during the third week of December. Average attendance at the Las Vegas Bowl over the past 10 years is approximately 39,000, ranging from a low of 33,067 in 2014 to a high of 44,615 in 2006. In 2015, approximately 42,000 people attended the Las Vegas Bowl between BYU and Utah, second-highest in the last 10 years.

NEW COLLEGIATE BOWL GAME

MARKETS HOSTING MULTIPLE BOWL GAMES:

- Atlanta
- Dallas / Ft. Worth
- Miami
- New Orleans
- Orlando
- Phoenix
- San Diego

75%
% overnight attendees

Base	Upside	ADR	Occupancy
1	1	\$107.13	86%

January	February	March	April	May	June
---------	----------	-------	-------	-----	------

Week 1:

Week 2:

Week 3:

Week 4:

July	August	September	October	November	December
------	--------	-----------	---------	----------	----------

Week 1:

Week 2:

Week 3:

Week 4:



Given that the Las Vegas Bowl is hosted during the third week of December (the first week of bowl season), a new collegiate bowl game would be hosted during the last week of December, prior to the College Football Playoff, which begins on New Years Eve or New Years Day.

RUGBY

POTENTIAL RUGBY EVENTS:

- America's Rugby Championship
(month of February)
- Autumn Internationals
(month of November)
- Mid-Year Rugby Internationals
(mid-May through end of June)
- Pacific Nations Cup
(2nd and 3rd weeks of June & July)
- Pre-Rugby World Cup matches
(4th week of August & 1st week of September)
- Rugby neutral site matches
(1st week of April & 4th week of June)
- Rugby World Cup
(mid-September through the end of October)
- Rugby World Cup Sevens
(4th week of June)
- USA Sevens
(1st week of March)
- Women's Rugby World Cup
(first 3 weeks of August)

75%
% overnight attendees



As shown, rugby competitions are generally hosted throughout the year from February through November. World Cup events are hosted every four years during the summer and fall, depending on competition.

COMBATIVES

RECENT COMBATIVE EVENTS HOSTED IN NORTH AMERICAN STADIUMS:

BOXING:

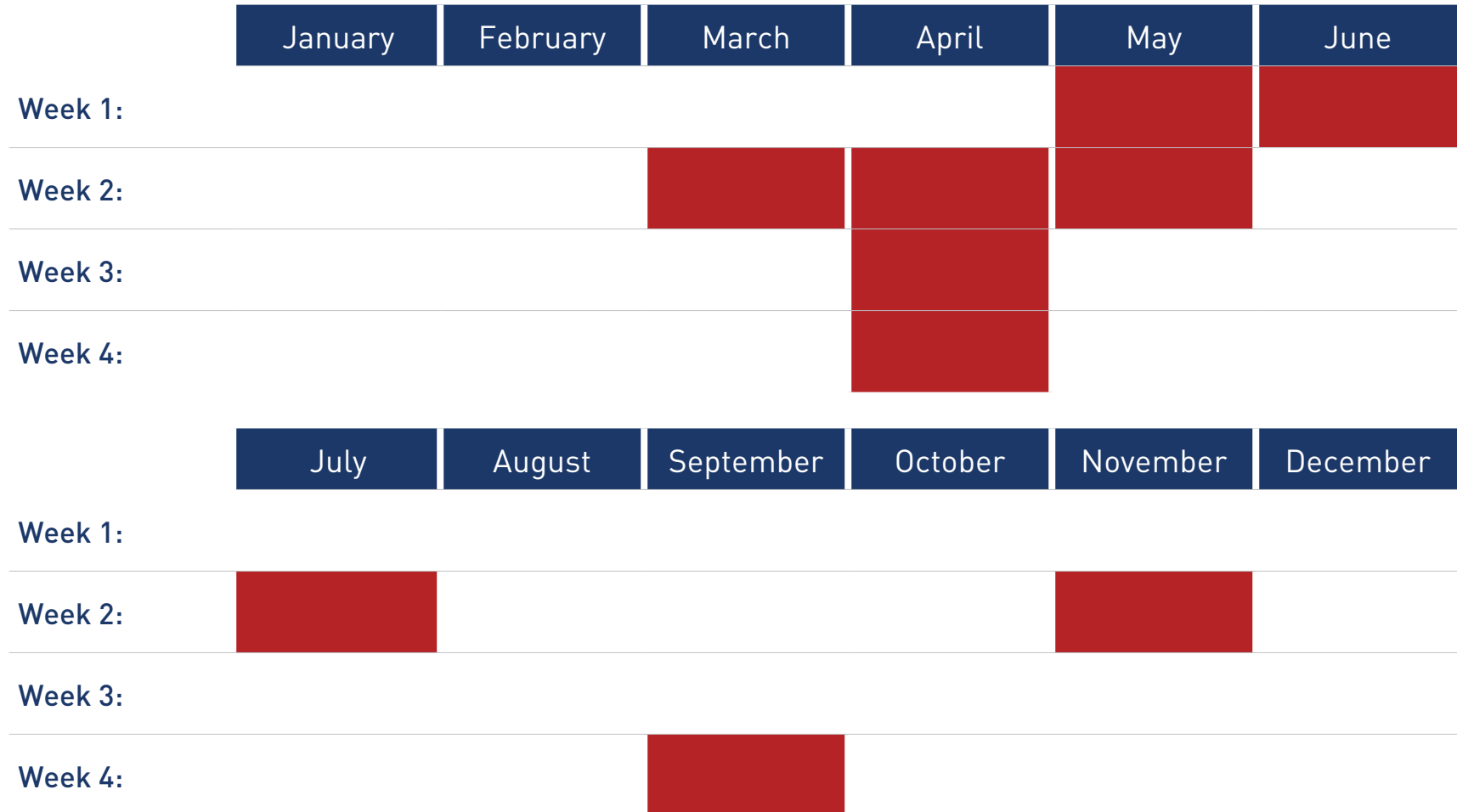
- Manny Pacquiao vs. Jorge Solis
(Alamodome- 2008)
- Oscar De La Hoya vs. Steve Forbes
(StubHub Center - 2008)
- Shane Mosley vs. Ricardo Mayorga
(StubHub Center - 2008)
- Manny Pacquiao vs. Joshua Clottey
(AT&T Stadium - 2010)
- Manny Pacquiao vs. Antonio Margarito
(AT&T Stadium - 2010)
- Miguel Cotto vs. Yuri Foreman
(Yankee Stadium - 2010)
- Canelo Alvarez vs. Austin Trout
(Alamodome - 2013)
- Canelo Alvarez vs. James Kirkland
(Minute Maid Park - 2015)

MMA:

- UFC 129
(Rogers Centre - 2011)

90%
% overnight attendees

Base	Upside	ADR	Occupancy
1	2	\$119.62	96%



The table above depicts the times during which major boxing and Mixed Martial Arts events have been hosted at North American stadiums since 2008. In addition to the events listed, UFC International Fight Week is hosted in Las Vegas during the second week in July. Combative events can be hosted throughout the year, and are based on the availability and schedule of fighters.

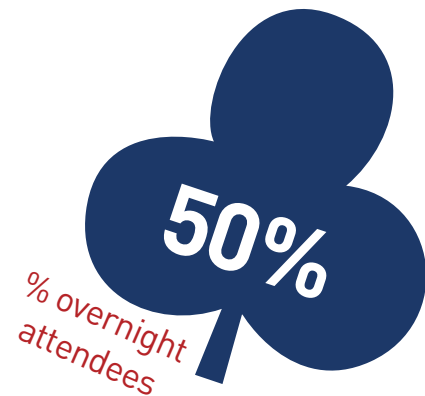
MOTORSPORTS

EXISTING MOTORSPORTS EVENTS:

Monster Jam World Finals
(3rd week of March)

Monster Energy AMA Supercross
Finals
(1st week of May)

Monster Energy Cup
(2nd week of October)



Base	Upside	ADR	Occupancy
3	4	\$128.94	96%



As shown, Sam Boyd Stadium currently hosts three motorsports events throughout the year. It is anticipated that these existing motorsports events would be hosted at a new enclosed stadium in Las Vegas.



LAS VEGAS STADIUM

Unique Funding Sources



BRIMER BILL (TEXAS)

CSHB 92 allows cities and counties to build sports and community venue projects and related infrastructure

Two cities, two counties, or a city and a county can form a venue district to build a sports or community venue project

Entities can issue bonds to finance projects once they gain voter approval

Projects can tap a variety of funding mechanisms, including:

- Half-cent sales tax;
- \$2 admissions tax;
- \$1 parking tax;
- 10 percent hotel occupancy tax;
- 5 percent car rental tax; and,
- \$5,000 facility use tax

The bill only applies if the two jurisdictions jointly create a venue district



THE EVENTS TRUST FUND (TEXAS)

- ▶ The Events Trust Fund helps offset the cost of attracting and staging major events events
- ▶ The Events Trust Fund applies local and state gains from taxes generated over a 30-day period from an event or series of events conducted no more than once annually, including:
 - Sales and use taxes;
 - Auto rental taxes;
 - Hotel taxes; and,
 - Alcoholic beverage taxes
- ▶ Eligible events are not restricted to sports, but the venue must have been selected over others as a sole event site or the sole site in Texas and adjoining states.
- ▶ The Events Trust Fund can be used to help pay costs related to preparing for or conducting the event, including equipment, or to pay principal and interest on notes used to build or improve facilities to host the event
- ▶ One hundred percent of allowable expenses can be funded provided sufficient tax receipts are deposited in the trust fund



FLORIDA SPORTS DEVELOPMENT INCENTIVE

- ▶ The Florida Sports Development Incentive allows applicants to build or renovate sports projects and related infrastructure.
- ▶ A project may receive funding based on 75% of the average annual new incremental state sales taxes generated by sales at the facility due to development or improvements.
- ▶ Annual distributions will be limited to the following funding categories:
 - Total project cost is \$200 million or greater, the annual distribution may be up to \$3 million.
 - Total project cost is at least \$100 million but less than \$200 million, the annual distribution amount may be up to \$2 million.
 - Total project cost is less than \$100 million and more than \$30 million, the annual distribution amount may be up to \$1 million.
 - Total project cost is at least \$100 million, and the applicant is certified under s. 288.1162, F.S., and currently receiving state distributions under s. 212.20, F.S. The annual distribution amount may be up to \$1 million if the applicant meets the requirements of s. 288.11625(6)(a)4, F.S.



NEIGHBORHOOD IMPROVEMENT ZONE (ALLENTOWN, PA)

- Created by a state law in 2011, the Neighborhood Improvement Zone (NIZ) is a special taxing district that encourages development and revitalization in Allentown
- The NIZ was created as an economic development tool to spur the transformation of downtown Allentown, beginning with the construction of PPL Center
- The NIZ consists of approximately 128 acres in center city Allentown and along the western side of the Lehigh River
- All taxes generated within the NIZ, excluding school district and city taxes, can be used to pay debt on bonds and loans that are issued for qualifying capital improvements in the zone
- The NIZ is overseen and managed by the Allentown Neighborhood Improvement Zone Development Authority (ANIZDA)





LAS VEGAS STADIUM

U.S. Markets Hotel Tax SOURCES AND USES



INTRODUCTION

CSL conducted a review of lodging tax rates, revenues and uses across the United States. This research identified 10 of the largest cities in the U.S. that are also major tourist destinations, including:

Houston

Chicago

San Francisco

Los Angeles

Dallas

New York City

Boston

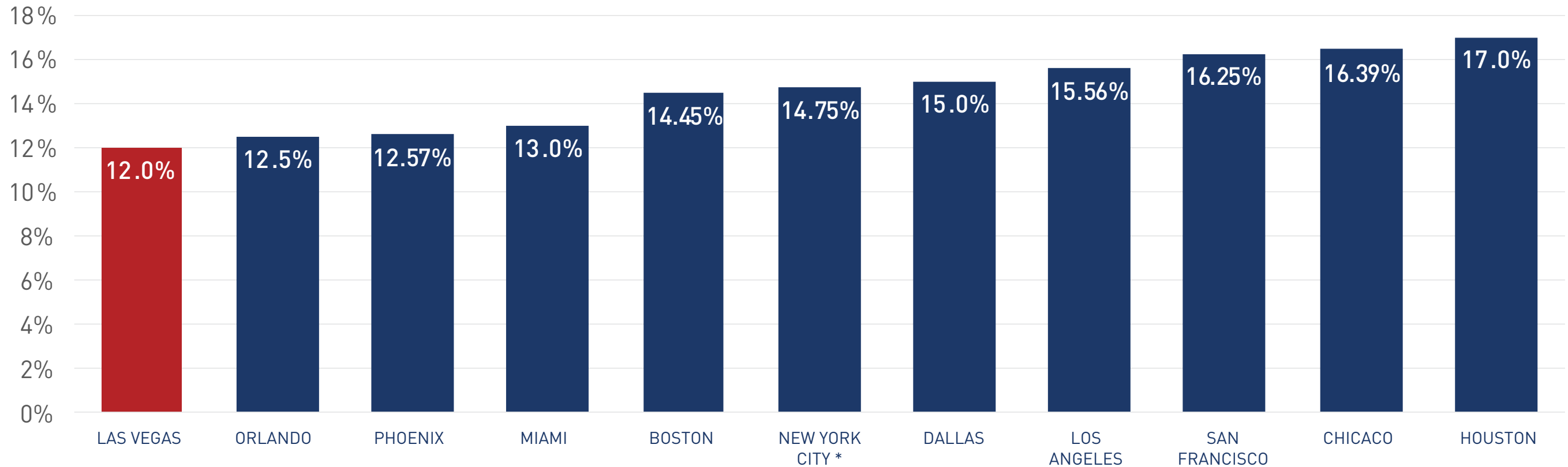
Miami

Phoenix

Orlando

The following slides provide a summary of the lodging tax rates levied at the state, county and city levels and any special taxes imposed in each destination, as well as the distribution of revenue from taxes levied.

LODGING TAX RATE COMPARISON



* In addition to a rate of 14.75% the City of New York imposes a \$1.50 state fee per room and a \$0.50 - \$2.00 city fee per room based on room price.

LAS VEGAS

Total Hotel Tax Rate: 12%

5% State Transient Lodging Tax

7% County Transient Lodging Tax

Tax Uses

State and County Transient Lodging Tax:

0.5% goes to tourism with the balance remitted to the general fund.



HOUSTON

Total Hotel Tax Rate: 17%

- 6% State Hotel Tax
- 2% Harris County Hotel Tax
- 7% City of Houston Hotel Tax *(collected by Houston First Corporation)*
- 2% Harris County Houston Sports Authority *(collected by Harris County)*

Tax Uses

State Hotel Tax:

0.5% goes to tourism with the balance remitted to the general fund.

Harris County Hotel Tax:

Funds are used for the promotion of tourism. These funds are used to fund the cost of utilities and NRG insurance expenditures for NRG Park; the County's annual agreement with the Greater Houston Convention and Visitors Bureau; debt service payments for bonds secured by the Hotel Occupancy Tax; and a portion of the operations of the Harris County Sports and Convention Corporation.

City of Houston Hotel Tax:

These funds go toward projects that benefit the business of conventions and tourism. In the last few years, this has ranged from the expansion of the George R. Brown Convention Center to funding 90 percent of the operations of the Greater Houston Convention & Visitors Bureau.

Harris County Houston Sports Authority:

The Harris County - Houston Sports Authority is a government agency that maintains and oversees the bond debt service on the professional sports stadiums, as well as assists with the sports marketing for the destination.



CHICAGO

Total Hotel Tax Rate: 16.39%

6.17%	State Hotel Tax ⁽¹⁾
1.08%	Chicago Municipal Hotel Tax ⁽²⁾
4.5%	City of Chicago Hotel Accommodations Tax
2.14%	Illinois Sports Facilities Authority (ISFA) Hotel Operator's Tax ⁽³⁾
2.5%	Metropolitan Pier and Exposition Authority (MPEA) Hotel Tax

Tax Uses

State Hotel Tax:

Build Illinois Fund (50%), General Revenue Fund (44%), Local Tourism Fund (3%), Chicago Travel Industry Promotion Fund (2%), International Tourism Fund (1%)

Chicago Municipal Hotel Tax:

Funds support the promotion of tourism and cultural and recreational activities in Chicago

City of Chicago Hotel Accommodations Tax:

Funds go toward the City services such as public safety, infrastructure, City development, community services, regulation, facility management and general expenses

Illinois Sports Facilities Authority (ISFA) Hotel Operator's Tax:

Proceeds are used for the corporate purposes of the authority, including construction costs for the Comisky Baseball Park

Metropolitan Pier and Exposition Authority (MPEA) Hotel Tax:

MPEA owns and manages McCormick Place and the Navy Pier

(1) State effective tax rate calculation: (6% of 94%) x (1% Municipal +2% ISFA) + 6%

(2) Chicago Municipal effective tax rate calculation: (1% of 99%) x (6% State +2% ISFA) + 1%

(3) ISFA effective tax rate calculation: (2% of 98%) x (6% State +1% Municipal) + 2%



SAN FRANCISCO

Total Hotel Tax Rate: 16.25%

14% City of San Francisco Hotel Tax

2.25% Tourism and Moscone District Assessment Fee

Tax Uses

City of San Francisco Hotel Tax & Tourism and Moscone District Assessment Fee:

Revenues are allocated as follows: Moscone Convention Center (50%), administration (up to 0.6%), refunds of overpayment (as required), publicity and advertising (as appropriated) and general fund (remainder)



LOS ANGELES

Total Hotel Tax Rate: 15.56%

1.56% County Transient Occupancy Tax

14% City Hotel Tax

Tax Uses

County Hotel Tax:

Supports countywide general fund services, such as parks, libraries, senior services, and law enforcement, but is not limited to any specific use

City Hotel Tax:

13% is remitted to the General Fund and the other 1% is remitted to the Greater Los Angeles Visitors and Convention Bureau Trust Fund

(1) County effective tax rate calculation: (12% rate x 13% adjustment for unincorporated areas)



DALLAS

Total Hotel Tax Rate: 15%

6% State Hotel Tax

7% City Hotel Tax

2% Dallas Tourism Public Improvement District
(covers hotels in the city with 100 or more rooms)

Tax Uses

State Hotel Tax:

0.5% goes to tourism with the balance remitted to the general fund.

City Hotel Tax:

30% goes to the Dallas Convention & Visitors Bureau to market the convention center through 2020 and the remainder pays for Convention Center debt

Dallas Tourism Public Improvement District Tax:

Funds support Dallas' effort to be a top 5 destination for conventions and tourism



NEW YORK CITY

Total Hotel Tax Rate: 14.75%

Plus:

\$1.50 Unit Fee

\$0.50 to \$2.00 Fee

4% State Sales Tax

4.5% City Sales Tax

0.375% Transportation District Tax

5.875% Hotel Room Occupancy Tax

\$1.50 New York City Hotel Unit Fee *(per unit per day)*

\$0.50 to \$2.00 Hotel Room Occupancy Fee *(based on room rate)*

Tax Uses

State Sales Tax:

Funds go to the general fund

City Sales Tax:

Funds go toward City general fund

Transportation District Tax:

Funds go to the Metropolitan Transportation Authority

Hotel Room Occupancy Tax:

Funds the City's budget but is not limited to any specific use

\$1.50 New York City Hotel Unit Fee:

Funds capital projects at the Javits Convention Center

\$0.50 to \$2.00 Hotel Room Occupancy Fee:

Funds the City's budget but is not limited to any specific use



BOSTON

Total Hotel Tax Rate: 14.45%

5.7% State Hotel Tax

6% Local-Option Tax (City)

2.75% Convention Center Tax

Tax Uses

State Hotel Tax:

65% is remitted to the General and the remainder to the Massachusetts Tourism Fund

Local-Option Tax (City):

Hotel tax revenue from rooms built after July, 1997 is first used to pay the debt on the convention center and revenue from the tax is also directed toward the City general fund

Convention Center Tax:

Convention center financing



MIAMI

Total Hotel Tax Rate: 13%

- 6% Florida State Sales Tax
- 1% Miami-Dade County Sales Tax
- 3% Convention Development Tax (CDT)
- 2% Tourist Development Tax (TDT)
- 1% Professional Sports Facilities Franchise Tax

Tax Uses

Florida State Sales Tax:

Funds go toward the general fund

Miami-Dade County Sales Tax:

Includes a 0.5% surtax that supports the operation, maintenance, and administration of the county public general hospital and a 0.5% surtax that supports the costs of a fixed guideway rapid transit system

Convention Development Tax (CDT):

Two-thirds (2/3) of the CDT receipts are distributed to Miami-Dade County and one-third (1/3) is used to fund the Miami Arena (excess one-third (1/3) receipts go back to Miami-Dade County)

Tourist Development Tax (TDT):

60% of the TDT is distributed to the Greater Miami Convention and Visitors Bureau, 20% to the Miami-Dade County Department of Cultural Affairs and 20% to the City of Miami

Professional Sports Facilities Franchise Tax:

Used only for debt service payments on county debt for professional sports facilities



PHOENIX

Total Hotel Tax Rate: 12.57%

5.5% State of Arizona Privilege (Sales) Tax

1.77% Maricopa County Tax

5.3% City of Phoenix Hotel/Motel Tax

Tax Uses

State of Arizona Privilege (Sales) Tax:

Distributed to the General Fund (70%), the counties (12%), education programs (11%) and the cities (7%)

Maricopa County Tax:

1% of the 1.77% tax rate is remitted to tourism development and the remainder of funds go to support roads and jails

City of Phoenix Hotel/Motel Tax:

Phoenix divides funds as follows: Convention Center (2%), Sports Facility (1.0%), General Fund (1.2%), Police/Fire Projection (0.1%), Parks/Desert Preserve (0.1%), Transportation (0.7%) and Public Safety Expansion (0.2%)



ORLANDO

Total Hotel Tax Rate: 12.5%

- 6% Florida State Sales Tax
- 0.5% Orange County Sales Tax
- 6% Orange County Tourist Development Tax

Tax Uses

Florida State Sales Tax:

Funds go toward the general fund

Orange County Sales Tax:

School capital outlay surtax

Orange County Tourist Development Tax:

Expenditures for the first four cents are limited by Florida Statutes to the acquisition and operation of convention centers, sports stadiums and arenas, auditoriums and museums, promotion and/or advertisement of tourism and funding of tourist and convention bureaus and tourist information centers. Expenditures for the fifth cent are limited by Florida Statutes to pay the debt service on bonds issued to finance the construction, reconstruction, or renovation of a professional sports franchise facility or subsequently a convention center or promote and advertise tourism. Expenditures for the sixth cent are limited by Florida Statutes to pay the debt service on bonds issued to finance the construction, reconstruction, or renovation of a new professional sports franchise facility or a retained spring training franchise that was not based in Florida prior to April 1, 1987.





LAS VEGAS STADIUM

Benefits to UNLV



STADIUM BENEFITS TO UNLV

A NEW STADIUM WILL BENEFIT UNLV IN A VARIETY OF AREAS, INCLUDING:

- Supports the vision of UNLV to become a Top Tier institution with an athletic, academic, and campus experience consistent with its aspirational peers.
- Will bring all of UNLV's athletic programs near campus.
- Similar to the impact of the Thomas & Mack Center on the University's basketball program, a new stadium will enhance the competitiveness and financial performance of the football program.
- A sound financial operating model can provide net operating revenue from the stadium to help support the academic mission of the University.
- A stadium in close proximity to The Strip will enhance the visibility of the University and its recruiting of student-athletes and faculty.
- A new state-of-the-art stadium will enhance the profile of the UNLV football program and increase its attractiveness to a Power 5 conference looking for expansion opportunities.
- A stadium is an integral University asset and will enhance the experience for the entire University community.



UNLV FINANCIAL IMPACT

- Note: The Thomas & Mack Center/Sam Boyd Stadium/Cox Pavilion operation at UNLV generates revenue to directly (through cash contributions) and indirectly (by paying expenses for activities) support UNLV athletics. Any impact on the net revenue for the TMC/SBS/Cox operation would directly impact financial support for UNLV Athletics. The specific impact relative to Sam Boyd Stadium is highlighted below.
 - The current activities at Sam Boyd Stadium bring in a net of \$3.5M per year (on average, which does not include UNLV Football home games and all of which goes to support UNLV athletics).
 - Assuming a new stadium were located on the 42 acre parcel, UNLV would want to use the stadium for UNLV home football games without payment of regular lease fees. UNLV would pay actual operating costs and be allowed to recover net operating revenue from the football games (to include use of all stadium areas, including VIP areas).
 - If this proposed structure were in place there would be no net loss relative to the operations from Sam Boyd Stadium.



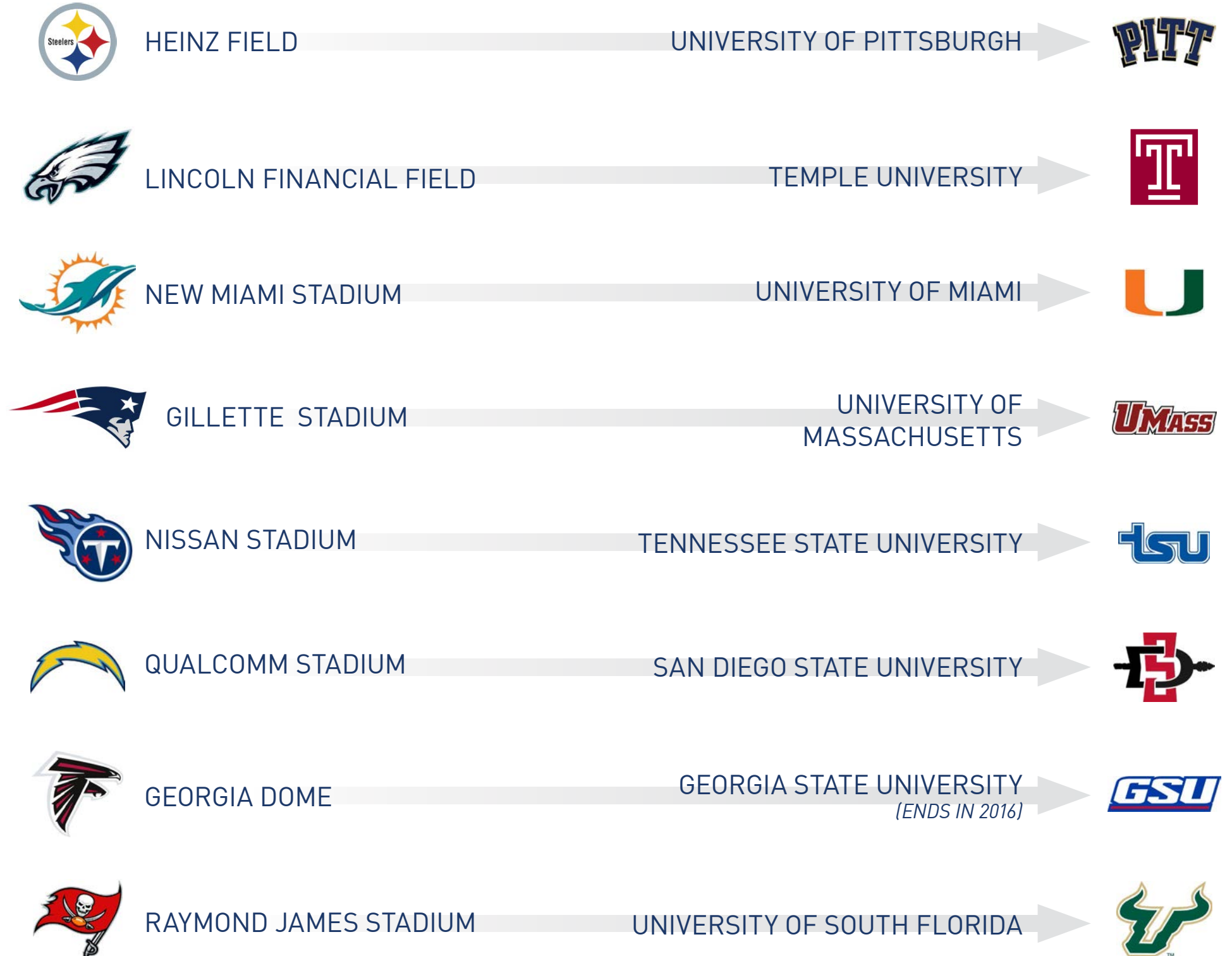


LAS VEGAS STADIUM

Shared NFL &
Collegiate Stadiums



CURRENT NFL & COLLEGIATE SHARED STADIUMS





LAS VEGAS STADIUM

Updated Cost Estimate



UPDATED COST MODEL

Building Program:	Enclosed Stadium	Enclosed NFL Stadium
Total Square Feet	1,100,000	1,600,000
Total Seating Capacity	50,000	65,000
Luxury Suite Inventory	50	100
Club Seat Inventory	2,500	6,000
Project Costs:		
Hard Construction	\$647,416,000	\$897,659,000
Soft Costs	161,854,000	\$280,518,000
On-Site Improvements	34,500,000	34,500,000*
Off-Site Improvements	26,100,000	26,100,000*
Structured Parking	82,500,000	82,500,000
Surface Parking	11,700,000	11,700,000
Total	\$964,070,000	\$1,332,977,000
Retractable Roof (Incremental Cost)	\$55,000,000	\$55,000,000
Total With Retractable Roof	\$1,019,070,000	\$1,387,977,000

Note: It is estimated that a retractable roof could cost an additional \$50 million to \$60 million.

* On-and off-site improvement costs will vary depending on the site location.



LAS VEGAS STADIUM

NFL Funding



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	50%	50%	\$228.69	\$351.92
			AVERAGE (FACILITIES OPENED/RENOVATED SINCE 2010)	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.

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 (45 percent)

The State of Minnesota issued \$498 million in appropriation bonds to fund the State's and the City of Minneapolis's share of U.S. Bank Stadium. The State's portion of the bonds (\$348 million) will be paid with general fund appropriations. It is expected that the amount of these appropriations will be offset by additional general fund revenues generated from lawful gambling tax changes. If these revenues are insufficient, the expectation is that other general fund money will be used to pay the bonds.

The City's share (\$150 million) will be funded by the imposition of Minneapolis City taxes including a half percent local sales tax and up to a three percent tax on liquor, lodging and restaurants through 2046.

The State has also authorized tax exemptions including a sales tax exemption on construction materials for the stadium and stadium infrastructure and a property tax exemption.

Private contribution (55 percent).

- \$100 million from private contributions
- \$494.0 million provided by the Vikings
- \$14 million from other sources

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 <i>(PSL, Stadium Revenues)</i>	\$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:

Public contribution (16 percent)

The City of Atlanta contributed \$200 million toward the cost of Mercedes-Benz Stadium through the existing hotel-motel tax that had been used to fund the debt on the Georgia Dome. In 2010, the Georgia General Assembly approved an extension of the City's 7 percent hotel-motel tax through December 31, 2050, contingent upon a 39.3 percent portion being used to fund a successor facility to the Georgia Dome. The State of Georgia will contribute \$40 million toward parking expansion.

Private contribution (84 percent).

- 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

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

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:

Public contribution (36 percent)

The City of Arlington provided \$325 million in voter-approved City bonds backed by a 0.5 percent sales tax increase, 2 percent hotel tax and 5 percent car rental tax. The City also issued \$115 million in revenue bonds backed by a 10 percent admission tax and \$3 parking surcharge. Tarrant County contributed \$25 million in cash for roads/parking lots.

Private contribution (64 percent).

- 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

METLIFE STADIUM



YEAR OPENED	2010
CAPACITY	82,566
SQ FOOTAGE	2.1 MILLION
PROJECT COST	\$1,600 MILLION
% PRIVATE	100%
% PUBLIC	0%*

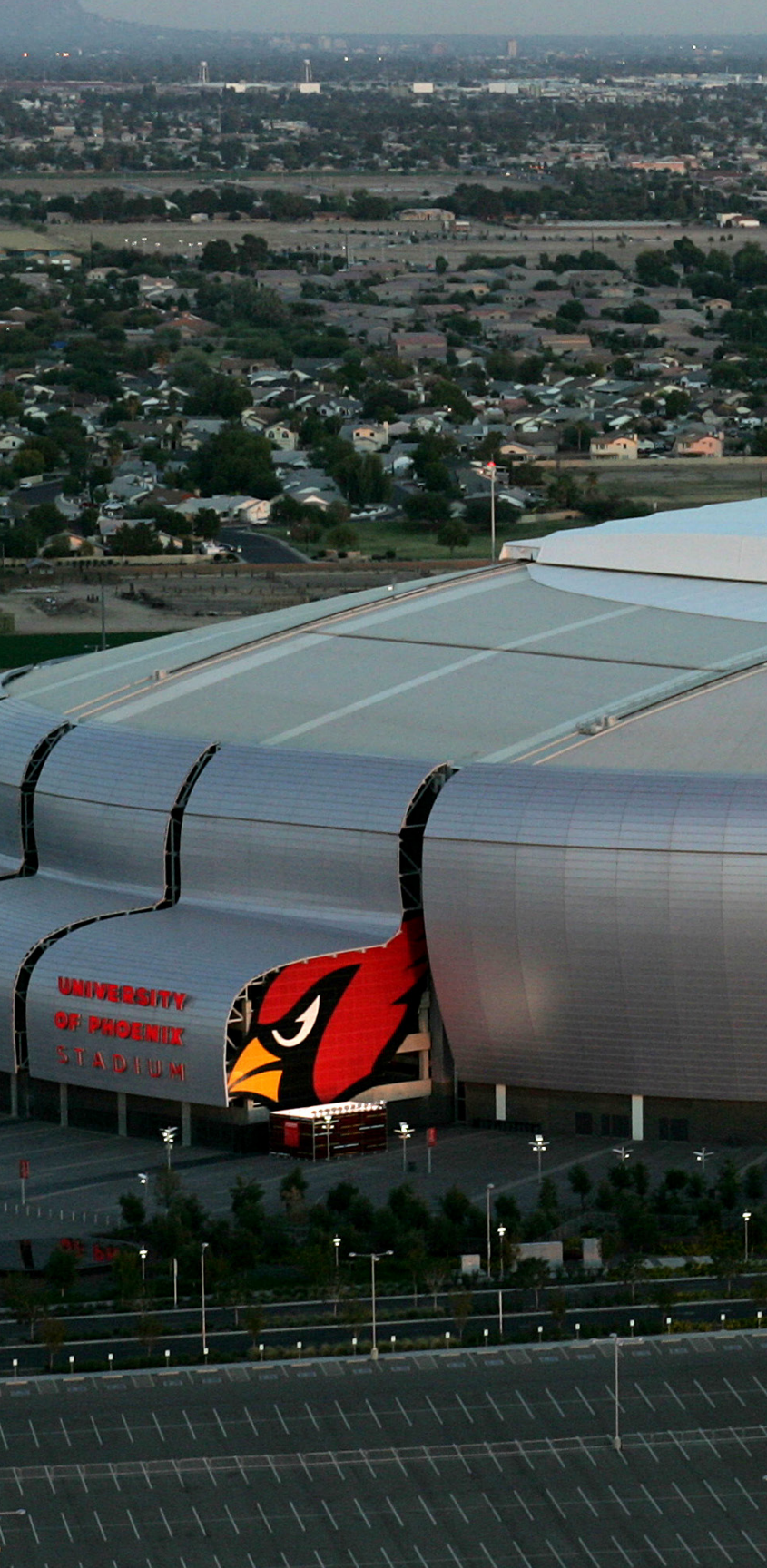
**excluding public land donation*

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

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 contribution (32 percent):

Public funding of the stadium included the Arizona Tourism and Sports Authority contributing \$265.9 million for stadium costs and \$10.3 million for site improvement through a one percent county hotel tax, a 3.25 percent county car rental surcharge, state sales tax receipts on stadium events, state corporate income tax on the NFL and other project revenues including the AZTSA's share of rent, concessions and parking. The City of Glendale/ADOT provided \$23.8 million for site improvements.

Private contribution (68 percent):

- Cardinals contribution consisted of \$113.6 million for stadium construction costs and \$26.3 million for site improvement

Funding Sources & Uses	
Sources	
<i>Stadium Sources</i>	
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	
<i>Stadium Uses</i>	
Stadium GMP	\$367
Other Fees	12.6
<i>Stadium Improvement</i>	
Site Improvements	41.0
Glendale Roadway Improvements	19.3
Total Uses (\$M)	\$439.7

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:

Public contribution (43 percent):

The Harris County Sports Authority contributed \$194 million that was secured by County hotel/motel tax revenue and short-term car rental taxes. User fees including a 10 percent ticket tax, a \$1.00 parking surcharge and sales tax rebates on in-stadium spending accounted for \$140 million in project funding.

Private contribution (57 percent):

- 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



L A S V E G A S S T A D I U M

NFL Stadium
Third-Party Events



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 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 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

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 Ecuador
- US vs Brazil

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 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 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



LAS VEGAS STADIUM

Stadium Authorities



MINNESOTA SPORTS FACILITIES AUTHORITY

OVERVIEW:

Established by the State legislature in 2012, the Minnesota Sports Facilities Authority is responsible for the design, construction and operation of U.S. Bank Stadium.

BOARD COMPOSITION:

The Authority is comprised of five board members: the chair, appointed by the governor of the State of Minnesota, two members appointed by the governor and two members appointed by the mayor of the City of Minneapolis.

BOARD ROLE:

The board makes policies for the administration of the Authority and it appoints a CEO/Executive Director to act as the administrative head of the Authority. The CEO/Executive Director serves at the pleasure of the board, carries out the policies established by the board, directs business and administrative procedures, and recommends personnel to be appointed by the board.



MINNESOTA SPORTS FACILITIES AUTHORITY

FUNDING:

All activities of the Authority are accounted for in one enterprise fund. Sources of funds include:

Operating Revenues/Expenses: Operating revenues include parking revenues, charges for services, and miscellaneous revenues. Operating expenses include concession costs related to the cessation of Metrodome operations, personal services, professional services, contractual services, supplies, repairs and maintenance, utilities, rent, insurance, parking operations, other expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition and construction-related activities are reported as non-operating revenues and expenses.

Contributions for the Stadium Project: Amounts reported as other contributions for the stadium project include contributions from: 1) the Minnesota Vikings, 2) the State of Minnesota, 3) City of Minneapolis, and 4) private contributions. These contributions fund their respective share of the non-capitalized stadium construction expenses and are reported as non-operating revenues.

Stadium Builders Licenses Revenues: Effective July 31, 2014, the Authority entered into an Amended and Restated Purchase and Sale Agreement with the Minnesota Stadium Funding Trust whereby the Authority agreed to sell its interest in Stadium Builders Licenses (SBL) tranches of SBL revenues to Minnesota Stadium Funding Trust pursuant to SBL contracts.

Sales Tax Revenues: A portion of the City of Minneapolis sales tax collections (hotel, liquor and food taxes downtown, as well as the City's half-cent sales tax), are for the benefit of the Authority.



SANTA CLARA STADIUM AUTHORITY

OVERVIEW:

The Stadium Authority exists as a public body, separate and distinct from the City of Santa Clara, and was established to provide for development and operation of Levi's Stadium, in order to ensure that the stadium serves the goals of its other member—the City of Santa Clara. The Stadium Authority is structured so that the City is not liable for the debts or obligations of the Stadium Authority.

BOARD COMPOSITION:

The seven elected members of the City Council serve as the governing board for the Authority. The Mayor serves as chair of the Authority, with the City Manager as the Executive Director and the City Attorney as the Authority's General Counsel.

BOARD ROLE:

The Board operates the Stadium Authority, responsible for construction, management and operation of Levi's Stadium for NFL Events, Non-NFL Events and Civic Events. Annually, the Authority must approve the Stadium Operating and Maintenance Plan, a Capital Expenditure Plan and an Annual Stadium Operating Budget.



SANTA CLARA STADIUM AUTHORITY

FUNDING:

Operating Revenues/Expenses: Operating revenues include NFL ticket surcharges, Stadium Builder License proceeds, non-NFL event rent, intangible license fees, naming rights, sponsorship revenue, rent, senior and youth program fees, fanwalk revenue and non-NFL ticket surcharges. Operating expenses include stadium management, insurance, senior and youth program fees, other expenses, ground rent, performance rent and fund expenses.



HARRIS COUNTY - HOUSTON SPORTS AUTHORITY

OVERVIEW:

The Authority is a government agency that maintains and oversees the bond debt service on the professional sports stadiums, as well as assists with the sports marketing for the destination. Houston Sports facilities include: Minute Maid Park, NRG Stadium, Toyota Center and Tundra Garage and BBVA Compass Stadium.

BOARD COMPOSITION:

The Board of Directors is comprised of citizens of Houston and Harris County to include business owners, entrepreneurs and attorneys, as well as religious and community leaders. Each is selected by Harris County or the City of Houston to ensure that the taxpayers are represented while overseeing the investment in Houston's major sports facilities. All board members are volunteers without political agenda.

BOARD ROLE:

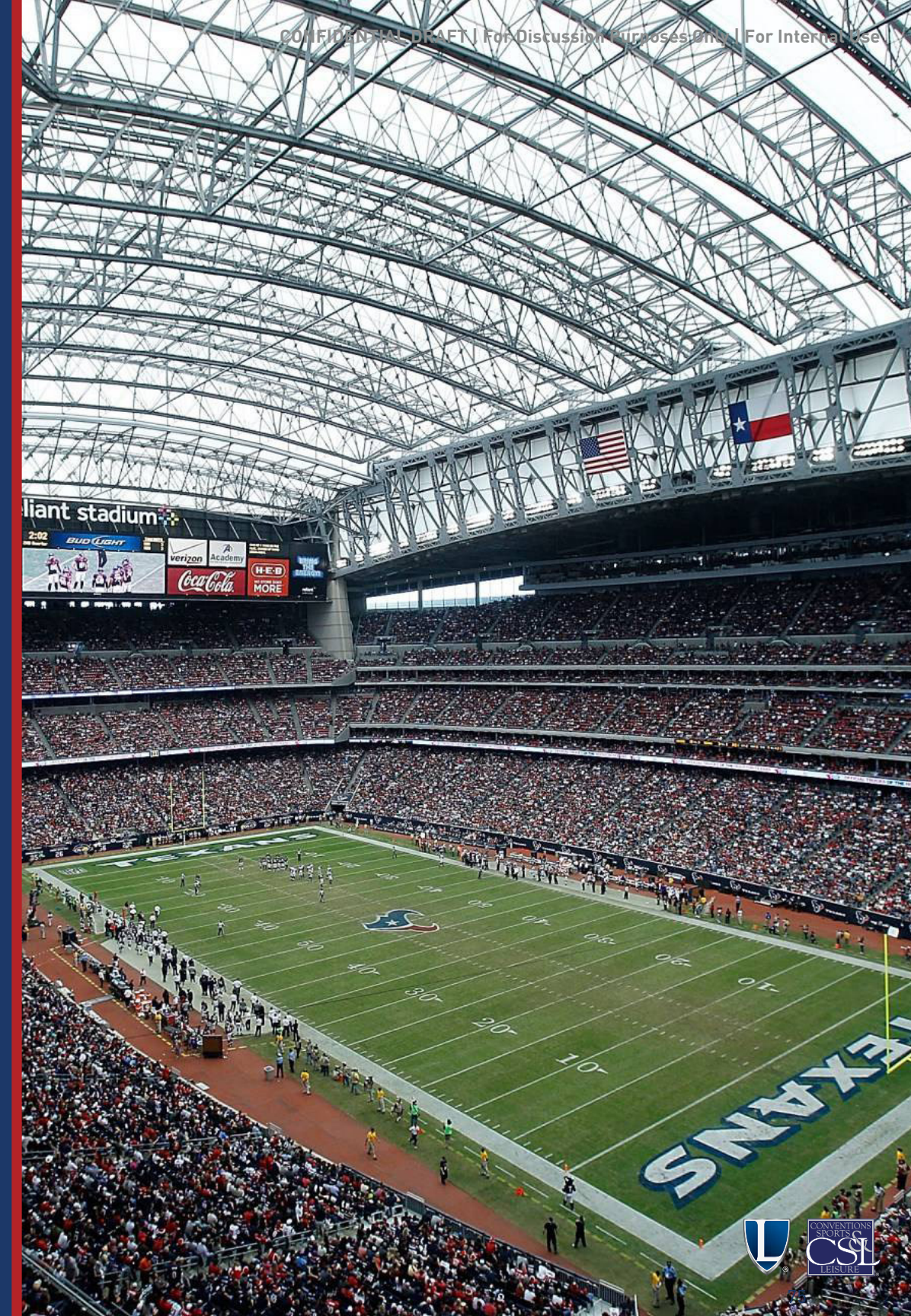
The Board governs the Authority which shall establish a fund known as the venue project fund and use money in such fund for planning, acquiring, establishing, developing, constructing or renovating one or more approved venue projects, including projects for professional baseball team and a professional football team (which project is expected to be suitable for rodeo purposes) and, for a basketball team, a professional hockey team and other sports and community venue purposes.



HARRIS COUNTY - HOUSTON SPORTS AUTHORITY

FUNDING:

- The proceeds from any tax imposed (currently includes a 2% Hotel Occupancy Tax and 5% Car Rental Tax)
- All revenue from the sale of bonds or other obligations
- Money received by the municipality or county from funding concepts such as the sale of luxury boxes or licenses for personal seats
- Any other revenue received by the municipality or county from the approved venue project, including stadium rental payments and revenue from concessions and parking
- Money deposited into the venue project fund is the property of the municipality or county depositing the money



ARIZONA TOURISM AND SPORTS AUTHORITY

OVERVIEW:

The Arizona Tourism and Sports Authority (“TSA”) has the following funding priorities and responsibilities: Designing and constructing University of Phoenix Stadium, which is home to the Arizona Cardinals football team and the Fiesta Bowl; funding tourism promotion in Maricopa County by distributing monies to the Arizona Office of Tourism; awarding monies to renovate existing or construct new Cactus League spring training baseball facilities in Maricopa County; awarding grants for youth and amateur sports facilities and programs in Maricopa County; funding TSA operations (including staff salaries, travel, and insurance), as well as funding the operations of University of Phoenix Stadium; and establishing and funding reserves for its operations.

BOARD COMPOSITION:

A nine-member board of directors, appointed to 5-year terms, governs TSA: The Governor appoints five board members, with one member representing the tourism industry, one representing the hotel and motel industry, one representing youth sports organizations, and one representing Major League Baseball spring training organizations. No more than three of these members may be from the same political party. The President of the Senate and the Speaker of the House each appoint two members who cannot both be from the same political party.

BOARD ROLE:

The Board of Directors, on behalf of the Authority, may: enter into contracts, including intergovernmental agreements; enter into an intergovernmental agreement with the Arizona Exposition and State Fair Board for the joint use of properties and facilities; adopt administrative rules as necessary to operate the Authority; acquire and operate, maintain, encumber, and dispose of real and personal property and interests in property; and retain legal counsel and other consultants as necessary to carry out the purposes of the Authority.



ARIZONA TOURISM AND SPORTS AUTHORITY

FUNDING:

Hotel bed tax increase: For 30 years, TSA receives revenue from a 1 percent increase in Maricopa County's hotel bed tax.

Car rental surcharge: For 30 years, TSA receives a portion of the revenues generated by a 3.25 percent car rental surcharge in Maricopa County.

Sales tax recapture: TSA recaptures all state sales tax paid at Cardinals games, including those played at Arizona State University's Sun Devil Stadium before the new facility was constructed, as well as any sales taxes paid on materials purchased for the new facility's construction.

NFL tax: TSA receives all state income taxes paid by the Cardinals' corporate organization, its employees (including players), and their spouses. Statute guarantees a minimum amount that TSA will receive, with this amount growing by 8 percent annually. TSA receives additional money from the State General Fund if the income tax revenues collected do not meet the required minimum amount. This distribution does not expire, but through fiscal year 2031, TSA will receive at least \$397.8 million in state income tax revenue.

Other facility-generated revenue: TSA generates revenues from events held in the facility, including rent from the Cardinals and other users of the facility, concessions, and parking revenues.





LAS VEGAS STADIUM

Proposed Tax Increment
District



PROPOSED TAX INCREMENT DISTRICT

- Proposed legislation to include the establishment of a Tax Increment District (the “TID”) or other such district for the property contained within the project area (TBD).
- The TID will provide for the recapture of all State and County incremental tax revenues generated by the project including but not limited to: Sales, Use, MBT, and LET.
- The receipts of all incremental tax revenue generated by the project shall be remitted quarterly to the Clark County Stadium Authority (established by the legislation) for the term of the lease (65 years) with the stadium developer.
- The Clark County Stadium Authority will remit the receipts of such revenue collected to the stadium developer. Developer may among other things use such proceeds to secure project debt, repay equity, repay debt, pay any operating costs, pay marketing costs and pay for maintenance and capital expenses related to the project.





LAS VEGAS STADIUM

Outline of Clark County
Stadium Authority Structure



OUTLINE OF CLARK COUNTY STADIUM AUTHORITY STRUCTURE

- Proposed legislation to include the establishment of the Clark County Stadium Authority (CCSA). The sole purpose of the CCSA is to provide governance and oversight for the development and management of the proposed stadium.
- The CCSA would be provided the necessary powers and authorities to enter into a long term lease and other agreements with Sands-Majestic (“Stadium Developer-Operator”)for the development and management of the proposed stadium project.
- The CCSA would have a board consisting of no more than 5 members.
- The CCSA would have approval rights over the final project plan, contracts for construction, construction and operating budgets as provided by the Stadium Developer-Operator and other agreements customary with projects of this nature.
- The CCSA would have the powers to issue or co-issue bond debt (similar to the LVCVA) for the purposes of providing the public funding component of the project financing plan.





LAS VEGAS STADIUM

Funding Model



FUNDING MODEL FOR THE STADIUM

- To be provided the week of April 25



LAS VEGAS STADIUM

Economic & Fiscal Impact Analysis



EVENTS & ATTENDANCE

ENCLOSED STADIUM EVENTS & ATTENDANCE		
	Events	Average Attendance
NFL	0	0
UNLV FOOTBALL	6	30,000
SOCCER	2	40,000
CONCERTS	2	45,000
RUGBY	4	22,500
BOWL GAMES	2	45,000
CORPORATE EVENTS/PUBLIC SHOWS	10	30,000
NEUTRAL SITE CFB GAME	2	55,000
SIGNATURE EVENTS	2	40,000
MOTORSPORTS	3	45,000
COMBATIVE EVENTS	1	55,000
MAJOR NON-RECURRING	2	55,000
TOTAL	36	

ENCLOSED STADIUM EVENTS & ATTENDANCE NFL INCLUDED		
	Events	Average Attendance
NFL	10	65,000
UNLV FOOTBALL	6	30,000
SOCCER	2	40,000
CONCERTS	2	45,000
RUGBY	4	22,500
BOWL GAMES	2	45,000
CORPORATE EVENTS/PUBLIC SHOWS	10	30,000
NEUTRAL SITE CFB GAME	2	55,000
SIGNATURE EVENTS	2	40,000
MOTORSPORTS	3	45,000
COMBATIVE EVENTS	1	55,000
MAJOR NON-RECURRING	2	55,000
TOTAL	46	

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).

SUMMARY OF CSL ECONOMIC & FISCAL IMPACTS

ECONOMIC IMPACT SUMMARY Net New Annual Operations Impacts:		
	CLARK COUNTY	STATE OF NEVADA
Direct Spending	\$301,191,000	\$280,129,000
Total Output	\$503,600,000	\$466,663,000
Jobs (FTEs)	4,894	4,684
Earnings	\$298,183,000	\$180,550,000
FISCAL IMPACT SUMMARY Net New Annual Operations Impacts:		
Sales Tax	\$7,648,000	\$9,478,000
Live Entertainment Tax	N/A	\$9,229,000
Modified Business Tax	N/A	\$41,000
Hotel Tax	\$3,606,000	\$2,576,000
NV General Fund Gaming Tax	N/A	\$3,375,000
Car Rental Tax	\$179,000	\$894,000
Total	\$11,433,000	\$25,593,000
Total Combined		\$37,026,000

ECONOMIC IMPACT SUMMARY - NFL INCLUDED Net New Annual Operations Impacts:		
	CLARK COUNTY	STATE OF NEVADA
Direct Spending	\$530,310,000	\$410,405,000
Total Output	\$869,951,000	\$678,710,000
Jobs (FTEs)	7,987	6,703
Earnings	\$335,113,000	\$260,560,000
FISCAL IMPACT SUMMARY - NFL INCLUDED Net New Annual Operations Impacts:		
Sales Tax	\$10,868,000	\$13,541,000
Live Entertainment Tax	N/A	\$15,631,000
Modified Business Tax	N/A	\$2,985,000
Hotel Tax	\$4,906,000	\$3,504,000
NV General Fund Gaming Tax	N/A	\$4,573,000
Car Rental Tax	\$243,000	\$1,214,000
Total	\$16,017,000	\$41,448,000
Total Combined		\$57,465,000

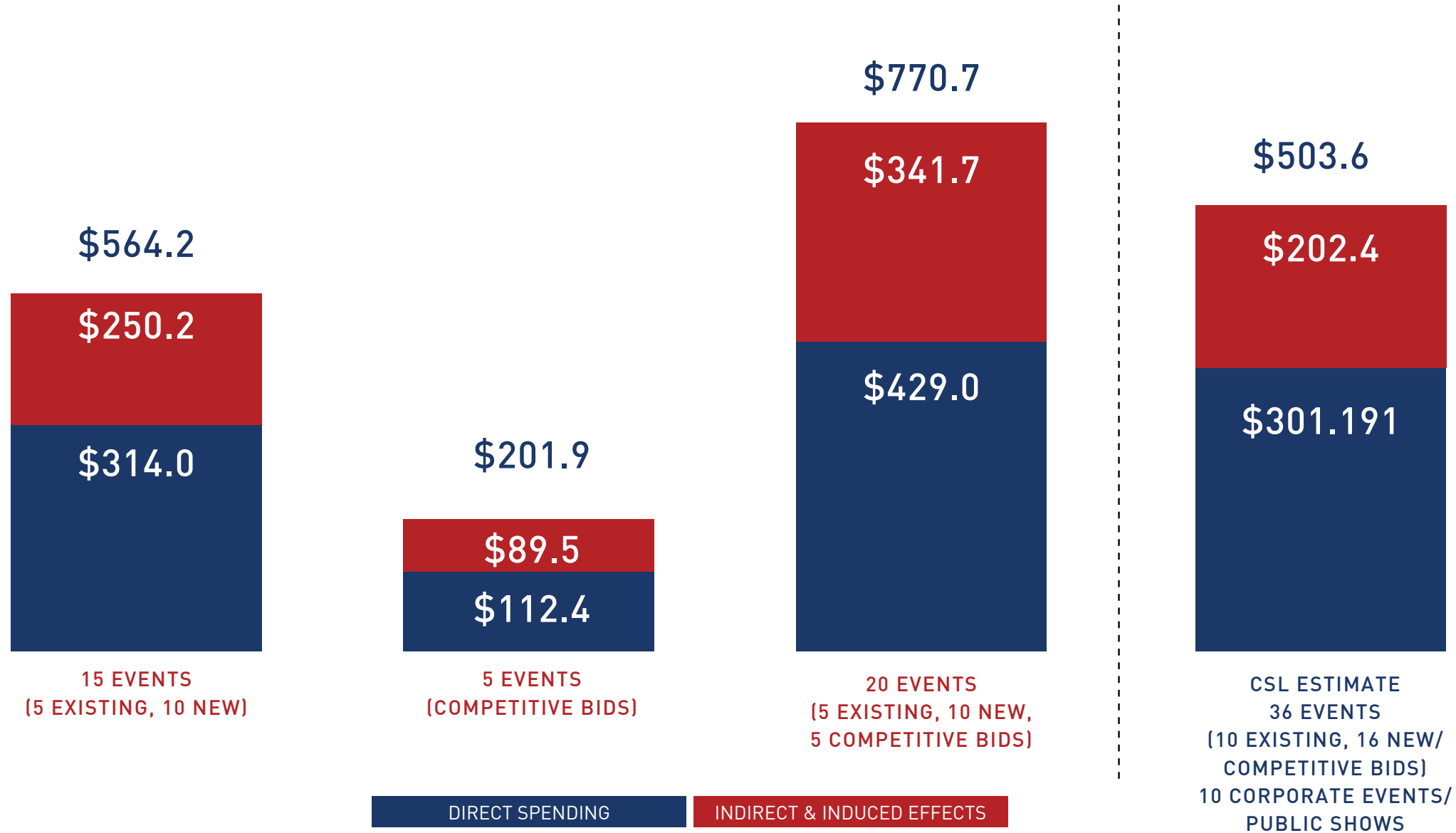
30-Year NPV
\$736M

30-Year NPV
\$1.1B

ECONOMIC IMPACT ESTIMATES

Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

TOTAL ECONOMIC OUTPUT



ROSENTRAU B 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	\$77,853,000	\$27,853,000	\$106,340,000
Retail Shopping	\$68,129,000	\$24,375,000	\$93,059,000
Entertainment (Shows)	\$21,910,000	\$7,839,000	\$29,928,000
Gaming	\$49,468,000	\$17,698,000	\$67,570,000
Local Transportation	\$31,709,000	\$11,345,000	\$43,312,000
Sightseeing	\$6,675,000	\$2,388,000	\$9,118,000
Total	\$314,072,000	\$112,366,000	\$428,998,000

ROSENTRAU B ECONOMIC IMPACT ESTIMATES

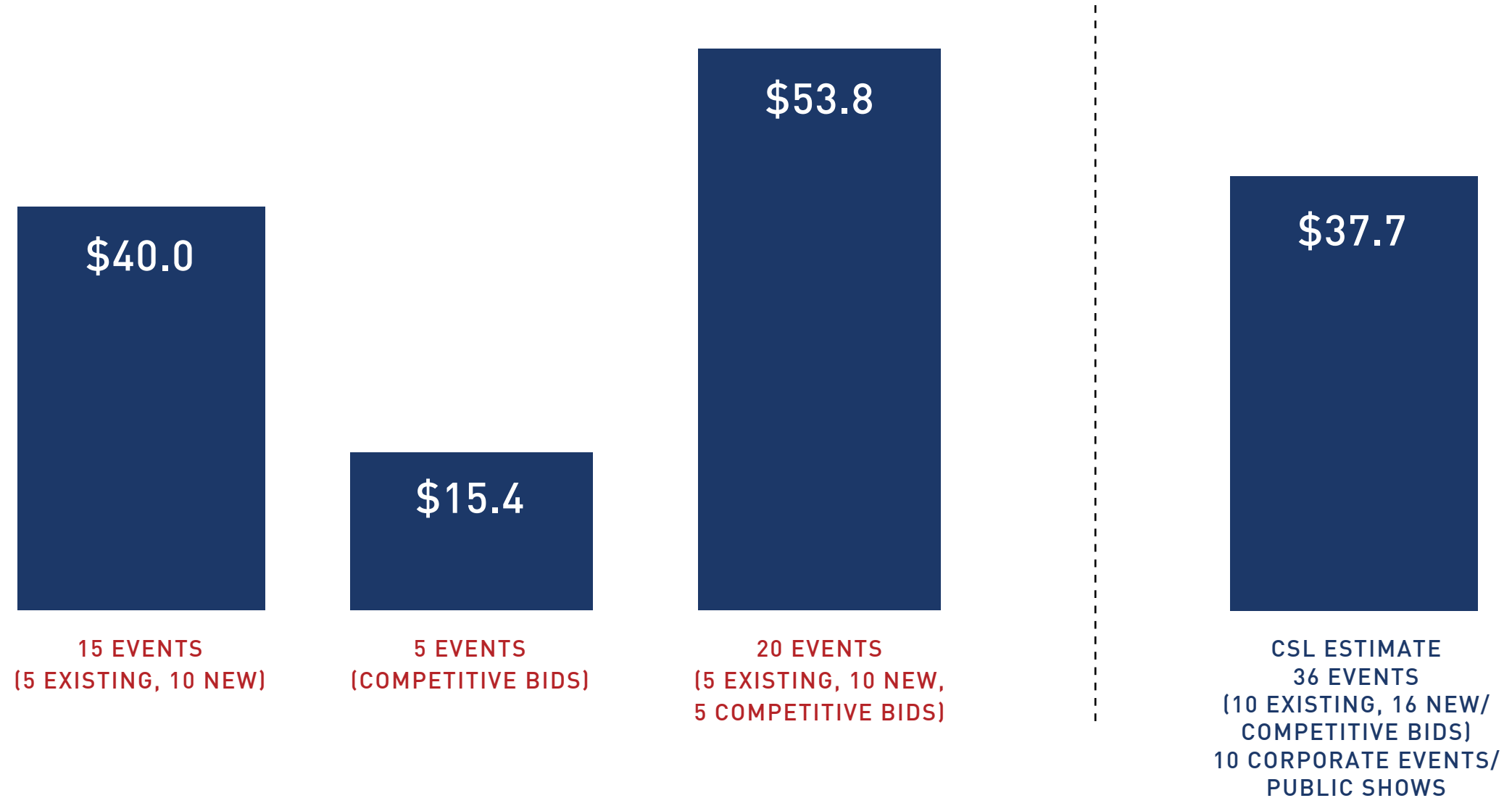
Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

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	106,340,000	75,970,000	182,310,000
Retail Shopping	93,059,000	65,411,000	158,470,000
Entertainment (Shows)	29,928,000	21,277,000	51,204,000
Gaming	67,570,000	83,097,000	150,667,000
Local Transportation	43,312,000	27,009,000	70,321,000
Sightseeing	9,118,000	8,123,000	17,241,000
Total	\$428,998,000	\$341,708,000	\$770,705,000
	Sales Taxable Transactions	\$69,029,000	
	Additional Sales Tax Revenue	\$5,626,000	

ROSENTRAUH ECONOMIC IMPACT ESTIMATES

Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

TOTAL INCREMENTAL TAX REVENUES



ROSENTRAU B 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	\$4,125,541	\$1,475,998	\$5,635,145
Local School Support Tax	\$5,363,204	\$1,918,797	\$7,325,689
Supplemental City/County Relief Tax	\$3,609,849	\$1,291,498	\$4,930,752
Basic City/Council Relief Tax	\$1,031,385	\$368,999	\$1,408,786
Public Mass Transportation Tax	\$515,693	\$184,500	\$704,393
Transportation/Air Quality Tax	\$515,693	\$184,500	\$704,393
Flood Control	\$515,693	\$184,500	\$704,393
Water and Wastewater Improvements	\$515,693	\$184,500	\$704,393
Public Safety Tax	\$618,831	\$221,400	\$845,272
Combined Sales Tax	16,811,581	6,014,692	22,963,217
Additional Sales Tax (Indirect & Induced)	\$4,118,730	\$1,473,561	\$5,625,841
Live Entertainment Tax	\$8,097,503	\$4,000,883	\$10,431,593
Hotel Taxes	\$6,999,333	\$2,504,156	\$9,560,505
State General Fund Gaming Tax	\$3,833,803	\$1,371,623	\$5,236,655
Total Tax Revenues Generated	\$39,860,950	\$15,364,914	\$53,817,811

Southern Nevada Tourism Infrastructure Committee

Southern Nevada Multi-Purpose Stadium



May 26, 2016

Proposed Stadium Will Propel Las Vegas Tourism to New Heights

- The proposed Stadium fills a void in the tourism infrastructure of the entertainment capital of the world
- State of the art facility will attract and accommodate the Raiders and provide a new home for the UNLV Rebels
- The Stadium will have the flexibility to host other world-class events that do not currently visit Las Vegas due to the lack of a suitable venue

Las Vegas Stadium Overview

Feature	Proposed Stadium
Total Seating Capacity	65,000+
Club Seats	6,000
Luxury Suites	100+
Stadium Square Footage	1,500,000+
Retractable Roof and Climate Control	Yes
Estimated Stadium Construction Cost (Excl. Land)	\$1.3 - \$1.6 billion
Expected Opening	Summer 2020

Las Vegas Stadium Event Types

- Targeted event types do not have overlapping peak seasons, enabling maximum utilization of the Stadium throughout the year
- Anticipate hosting at least 10 NFL home games and 36 other large-scale events

Target Stadium Event Types

- NFL Home Games – Raiders
- Major League Soccer
- Stadium Format Concerts
- NFL Super Bowl
- International Soccer Matches
- Neutral Site College Football Games
- NCAA Basketball Tournaments
- Vegas Branded Music Festivals
- Rugby
- Championship Motorsports
- Title Bouts (Boxing and UFC)

Overview of Key Constituents

- There are three primary entities that have distinct roles in the ownership and operation of the Stadium

Entity	Formed By	Purpose
Stadium Authority	Public / State Legislation	<ul style="list-style-type: none"> Owns Stadium and leases to EventsCo (see below) Collects specific assigned public revenue streams and remits payments to Clark County for debt service <ul style="list-style-type: none"> Room tax revenues of \$50 million per year Certain incremental taxes generated by the Stadium No role / risk related to stadium construction or operations
EventsCo	Private Investors ²	<ul style="list-style-type: none"> Leases Stadium from Stadium Authority¹ <ul style="list-style-type: none"> Responsible for development, construction and ongoing operation of the Stadium, including events programming EventsCo / private investors do not receive room tax dollars Responsible for cost overruns of construction and risk of operations
StadCo	Raiders	<ul style="list-style-type: none"> Leases Stadium from EventsCo for NFL Games³ <ul style="list-style-type: none"> Raiders enter into non-relocation agreements with EventsCo and Stadium Authority Ownership of the team would not be affected by the Stadium transaction

¹ Precedent lease terms have been 30-years with extension options.

² May include Sands, Majestic, Raiders and/or other potential investors.

³ Stadium lease terms including revenue allocations and expense splits between EventsCo and the Raiders will be negotiated over the coming months.

Las Vegas Stadium Project Sources and Uses

(\$ in millions)

- The current cost estimates for Stadium construction ranges from \$1.3 billion to \$1.6 billion¹
- Public direct investment in the project is capped with no risk of an increase due to increases in construction costs
- Raiders will contribute at least \$500 million to relocate to Las Vegas
- Private investors take all upfront and ongoing project cost risks and would contribute at least \$240 million - \$540 million to the development of the Las Vegas Stadium

Sources of Funds

	Range		
Public Funding	\$750	-	\$750
Raiders Contribution (Raiders StadCo)	500	-	500
Private Investor Contribution (EventsCo)	240	-	540
Subtotal Private Funding	\$740	-	\$1,040
Total Sources	\$1,490	-	\$1,790

Uses of Funds

	Range		
Stadium Construction Costs ¹	\$1,300	-	\$1,600
Practice Facility	100	-	100
PSL Taxes and Sales Costs	90	-	90
Total Uses	\$1,490	-	\$1,790

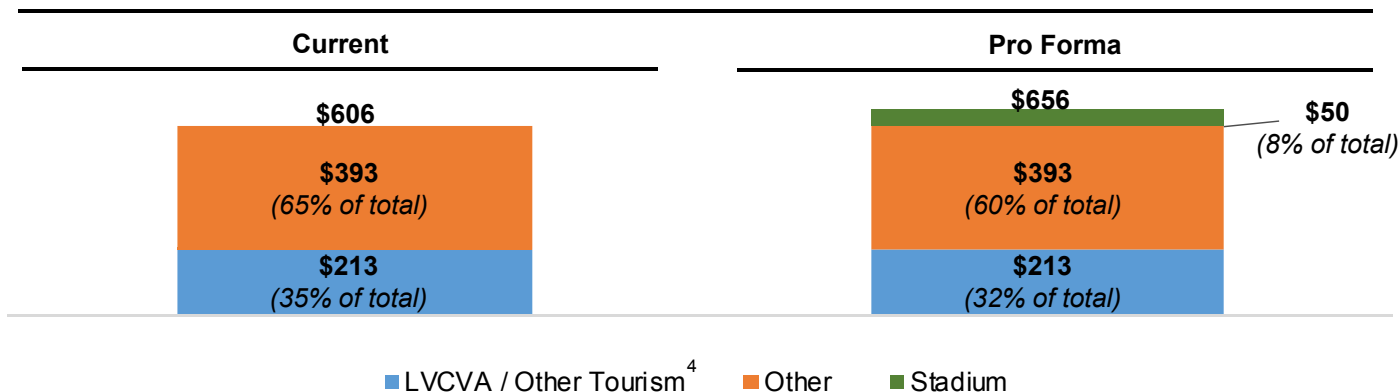
¹ Excluding land acquisition costs.

Public Contribution Funded by Hotel Room Tax

(\$ in millions)

- The hotel room tax is collected from tourists and is not a tax on Las Vegas locals
- **Private investors in the Stadium project would not receive any of the revenue collected from the room tax**
- **For an annual contribution of \$50 million in room tax revenue, Clark County is estimated to receive \$870 million in total net new annual spending and 8,000 new jobs¹**
- The Stadium project does not affect other public services currently funded by the room tax
 - Room tax revenue used to fund the Stadium would be generated by a small increase in the current room tax effective January 1, 2017
 - Proposed \$50 million in annual room tax revenue equates to a room tax rate of approximately 0.9% charged to tourists, or an increase of approximately \$1.08 per hotel night²
- Excess Stadium Authority revenues can be used to fund Stadium capital expenditures, pay other Stadium Authority expenses, prepay debt and/or be used by another municipal entity

Room Tax Amounts and Allocation³



¹ Based on estimates prepared by CSL.

² Based on average nightly room rate of \$120 for 2015. Source: <http://www.lvcva.com/includes/content/images/media/docs/2015-Vegas-FAQs.pdf>.

³ Based on FY2015 actual room tax distribution in Clark County. Source: <http://sntic.org/meeting/07/staff/SNTIC%20Room%20Tax%20Brief%20FINAL.pdf>.

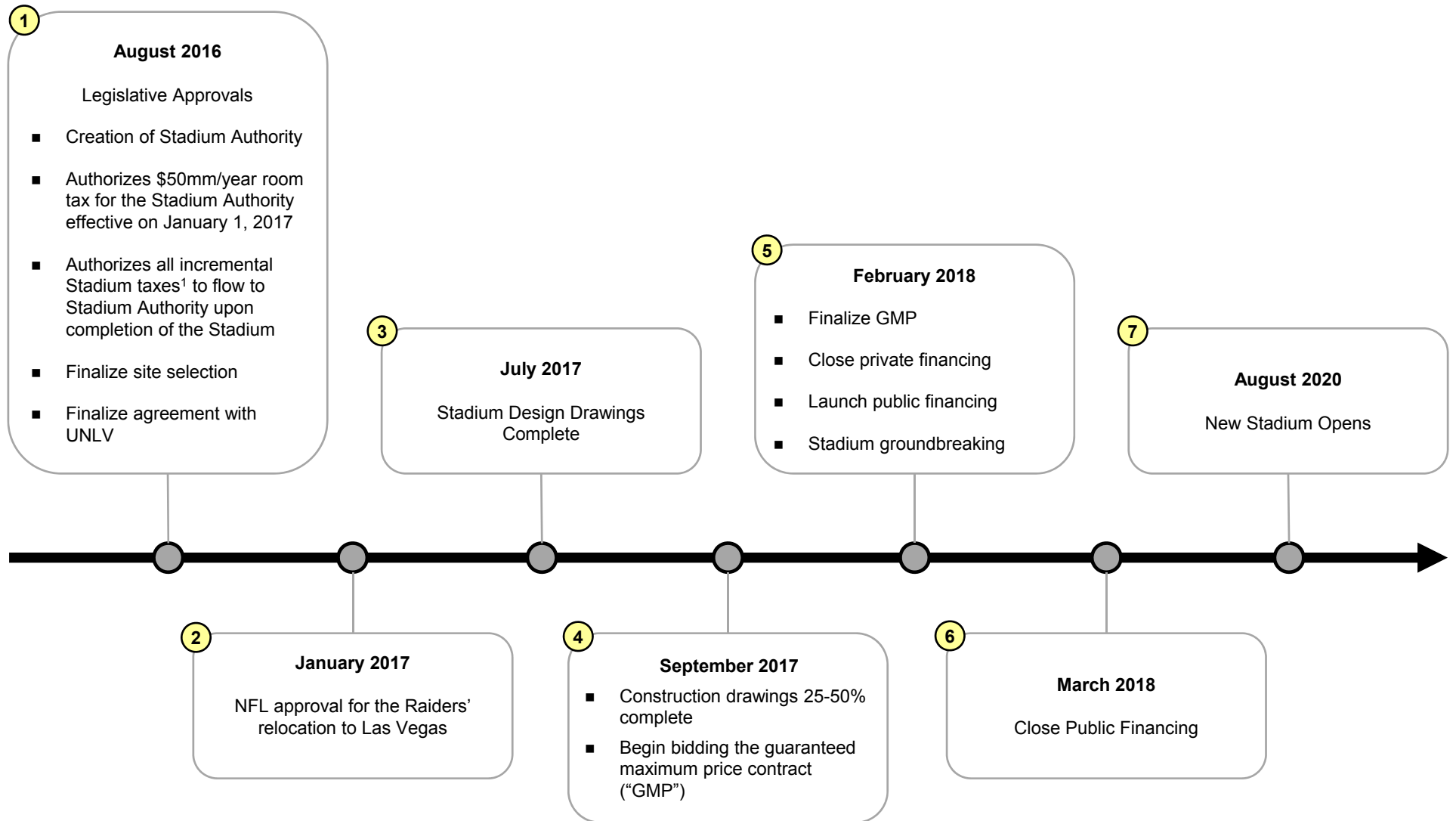
⁴ Includes \$194 million for LVCVA and \$19 million for Nevada Commission on Tourism.

Project is a True Public-Private Partnership

Partner	Contributes	Receives
<p style="text-align: center;">City / State / County / Stadium Authority</p>	<ul style="list-style-type: none"> ■ Bondable revenue stream of \$50 million per year to support construction costs; funds will be available for other public use once muni bonds are repaid ■ Incremental taxes generated by the Stadium¹ available to for capital expenditures, other Stadium Authority expenses and accelerated debt repayment ■ Public contribution is <u>known</u> and has no risk associated with Stadium operations 	<ul style="list-style-type: none"> ■ World-class facility that fills a void in the Las Vegas entertainment market and attracts new large-scale events ■ An NFL team and potentially other professional sports teams will call Las Vegas home and be actively engaged in the community ■ 8,000 new permanent jobs and over \$870 million of total net new annual spending in Clark County; upfront construction impact in excess of \$2 billion
<p style="text-align: center;">EventsCo (Private Investors)</p>	<ul style="list-style-type: none"> ■ Initial financial contribution of at least \$240 - \$540 million ■ Development and construction management ■ Ongoing Stadium operation, programming and maintenance ■ Private contribution would be <u>variable</u> and investors assume all construction and operating risk 	<ul style="list-style-type: none"> ■ Variable and unknown financial return based on event performance ■ Room tax dollars are not contributed to private investors
<p style="text-align: center;">Raiders</p>	<ul style="list-style-type: none"> ■ Long-term lease with non-relocation agreement ■ Upfront financial contribution to construction costs as well as annual rent payments ■ Community engagement programs 	<ul style="list-style-type: none"> ■ World-class stadium in a vibrant locals and tourist market ■ Financial return based on performance of NFL events and other items such as naming rights, sponsorships, etc.
<p style="text-align: center;">UNLV</p>	<ul style="list-style-type: none"> ■ Lease stadium for home football games 	<ul style="list-style-type: none"> ■ World-class stadium enabling UNLV to attract the best football talent from across the country ■ Opportunity to partner with the Raiders

¹ Includes sales tax, live entertainment tax and modified business tax collected in connection with stadium operations.

Illustrative Timeline for Multi-Purpose Stadium Opening in 2020



¹ Includes sales tax, live entertainment tax and modified business tax collected in connection with stadium operations.

LVMC request of the Southern Nevada Tourism Infrastructure Committee

In September 2000 financing closed on \$650 million to acquire the original MGM-Bally's Monorail and construct three additional miles to form what is today The Las Vegas Monorail System. In July 2004 the Las Vegas Monorail opened for revenue service and, after a three month interruption in service, has consistently operated at above 99% availability (which is a calculation used to determine the quality of service). The company has endured many ups and downs in its brief existence: early mechanical interruptions, overly aggressive ridership projections and expectations, the Great Recession, and a Chapter 11 Reorganization. Yet through all of this it has endured to become a financially sound, significant and unique transportation infrastructure serving the resort corridor. It is unique in that it is the only transit grade rail or bus system in the United States to turn an annual operating profit from its fare revenue. Since inception, the system has carried 70 million passengers, improved local air quality by removing 405 tons of emissions, relieved congestion by removing 26.3 million vehicle miles that would have otherwise been added to resort corridor roadways, and provided mobility for millions of convention and leisure visitors. It has truly become an essential transportation mode for thousands of visitors and Strip area employees each day.

The Las Vegas Monorail Company (LVMC or Company) plans to build on this foundation by creating the next phase of the Las Vegas Monorail system: an expansion to Mandalay Bay and a potential station at or near the Sands Expo and Convention Center. Currently, the Company is in the process of developing an expansion of the Monorail from its southern terminus at MGM Grand Hotel to the Mandalay Bay Hotel, Luxor Hotel and Mandalay Bay Convention Center campus. Project engineers have performed preliminary route design and systems analyses for the expansion and estimate total design costs at approximately \$3.9 million (\$3.2m for civil; \$0.7m for systems). Working together with financial advisors, they have estimated construction, debt issuance and retirement, capitalized interest and reserve costs at approximately \$125 million. The LVMC, working closely with contractors and engineers, will establish a "guaranteed maximum price" (GMP) for constructing the project prior to expending the full design cost.

The LVMC has completed an extensive investment grade ridership analysis which bases its projections on the current system's operational results and known trip generating factors. That analysis demonstrates robust incremental ridership will be generated by connecting to Mandalay Bay and Luxor hotels, and the 2.0 million square feet of meeting space at Mandalay Bay Convention Center. After completion, the Las Vegas Monorail will physically connect over 6.5 million square feet of convention and exhibit space, 35,000 hotel rooms, two of the three Strip area arenas, 242 restaurant, casual dining, bar and nightlife locations, 223 retail locations, and 78 shows and other attractions. Physically connecting to this number of venues in the Strip area greatly enhances mobility for resort corridor visitors as well as employees of those establishments.

And though the ridership analysis projections show more than enough revenue to cover the projected operating and debt costs for the extension, the financing plan proposes to use the entire system revenues to pay back the new debt.

The Request of SNTIC

As a nonprofit company, the LVMC meets IRS requirements to issue tax exempt bonds, subject to certain tax rules. IRS Rev. Rul. 63-20, 1963-1 C.B. 24, permits the issuance of tax exempt debt by entities like the LVMC provided that it satisfies all legal requirements to do so. One of the requirements is that the Governor, as the Company sponsor under its Articles of Incorporation, makes certain findings and authorizes the Company to issue the debt. The LVMC is requesting the support and recommendation of the Southern Nevada Tourism Infrastructure Committee that the Governor, subject to making the findings, and if all other legal requirements are satisfied by the Company, approve and sign the attached certificate.

**OFFICE OF THE GOVERNOR
CERTIFICATE**

The Las Vegas Monorail Company, a Nevada non-profit corporation ("Company"), proposes to issue bonds the interest on which will be excluded from gross income for federal income tax purposes (the "Bonds") in order to finance the costs of (a) extending the Las Vegas Monorail approximately one (1) mile to the vicinity of the Mandalay Bay Resort (the "Financed Property"), in accordance with the Transportation Investment Business Plan prepared and adopted by the Regional Transportation Commission of Southern Nevada [and further recommended by the Southern Nevada Tourism Infrastructure Committee], (b) paying the costs of issuing the Bonds, (c) funding reserve and replacement funds for the Bonds and the Project, and (d) paying interest on the Bonds to the extent permitted under the Internal Revenue Code of 1986, as amended (collectively, the "Project").

Pursuant to Section 6.12 of the Company's Amended and Restated Bylaws ("Bylaws"), the Company must "notify the Governor of . . . any material alterations to either the annual budget or financial reports during the year, . . ." As a result of the issuance of the Bonds and the financing of the Project, the Company's financial reports are materially altered to reflect the increase in the Company's financial payment obligations as a result of the debt service to be paid on the Bonds, the acquisition of the Financed Property, the operation and maintenance of the Financed Property and other financial matters incident to the issuance of the Bonds, financing the Project, and the operation and ownership of the Financed Property.

The Company proposes that interest on the Bonds be excluded from gross income for federal income tax purposes, with the Company, and not the State of Nevada, as issuer, pursuant to Rev. Rul. 63-20, 1963-1 C.B. 24. In order for interest on the Bonds to be excluded from gross income for federal income tax purposes, the Company must satisfy certain legal requirements to act as the issuer of the Bonds, one requirement of which being satisfied with the approval of the issuance by the Governor of the State of Nevada.

Now, therefore, on this date, upon application by the Company, Governor Brian E. Sandoval hereby accepts and approves the following matters:

1. The modifications to the Company's annual budget and financial reports resulting from the issuance of the Bonds are accepted and approved.
2. The issuance of the Bonds in an amount not to exceed \$[AMOUNT] and the financing of the Project are hereby approved.
3. The purposes and activities of the Company, described in the Company's Articles of Incorporation and Amended and Restated Bylaws, are hereby reaffirmed.
4. As set forth in Article III of the Company's Articles of Incorporation, the Governor, on behalf of the State of Nevada, agrees to accept title to the Financed Property, including any additions to that property, when such obligations are discharged.

Done this ____ day of _____, 2016.

Brian E. Sandoval, Governor



Las Vegas Monorail Recommendation Action Item for Consideration

The Las Vegas Monorail Company is in the process of developing an expansion of the Monorail from its southern terminus at MGM Grand Hotel to the Mandalay Bay Hotel, Luxor Hotel and Mandalay Bay Convention Center campus. Working with financial advisors, the company has estimated construction, debt issuance and retirement, capitalized interest and reserve costs at approximately \$125 million.

As a nonprofit entity, the Las Vegas Monorail Company meets IRS requirements to issue tax exempt bonds, subject to certain tax rules. IRS Rev. Rul. 63-20, 1963-1 C.B. 24, permits the issuance of tax exempt debt by entities like the Las Vegas Monorail Company provided they satisfy all legal requirements to do so. One of the requirements is that the Governor, as the company sponsor under its Articles of Incorporation, makes certain findings and authorizes the company to issue the debt.

The Las Vegas Monorail Company requests a recommendation that the Governor, subject to making the findings and all other legal requirements being satisfied by the company, approve and authorize the Las Vegas Monorail Company's issuance of debt to finance the Mandalay Bay expansion project.



MEETING AGENDA

**June 23, 2016
8:00 a.m.**

**Main Location:
University of Nevada, Las Vegas
Stan Fulton Building
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 May 26, 2016

4. Chairman/Committee Comments

5. Research Staff Report

6. Committee Recommendations

**For Possible
Action**

a. McCarran International Airport Recommendation

- Review and potential approval of committee recommendation that the Nevada State Legislature authorize and undertake an interim legislative study on aviation fuel supply and aviation fuel reserve capacity in southern Nevada

b. Las Vegas Convention Center Legislative Recommendation

- Process recap presentation by Rossi Ralenkotter (LVCVA)
- Review and potential approval of committee recommendation regarding the Las Vegas Convention Center expansion and renovation project

**For Possible
Action**

7. Committee Workshops

a. Review and Modification of Stadium Proposal Alternatives

8. July Meeting Preview

9. Committee Member Comments

10. Public Comment

11. Adjournment For Possible Action

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
May 26, 2016**

The meeting of the Southern Nevada Tourism Infrastructure Committee was called to order by Chairman Hill at 8:05 a.m. in the Stan Fulton Building located at the University of Nevada, Las Vegas.

1. ROLL CALL/CALL TO ORDER/ESTABLISH QUORUM

BOARD MEMBERS PRESENT

Mr. Steve Hill, Committee Chairman
Mr. Len Jessup, Committee Vice Chairman
Ms. Carolyn Goodman, Mayor of City of Las Vegas
Mr. Steve Sisolak, Chairman of the Clark County Commission
Ms. Kristin McMillan, President and CEO of the Las Vegas Metro Chamber of Commerce
Mr. Tom Jenkin, Global President of Caesars Entertainment
Mr. Bill Noonan, Senior Vice President of Boyd Gaming
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. William Hornbuckle, President of MGM Resorts International

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: 8:06 A.M.

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

3. ACCEPTANCE OF MINUTES FROM APRIL 28, 2016: 8:06 A.M.

Chairman Hill opens Agenda Item 3 for a motion to accept the meeting minutes from April. A motion is made by Commissioner Sisolak for the acceptance of the minutes. Mr. Noonan seconds the motion. The April meeting minutes pass unanimously.

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 8:07 A.M.

Chairman Hill states there will be a meeting on June 23rd but asks the committee to also reserve June 24th in the event that extra time is needed. Topics that will be covered at the next meeting include the Las Vegas Convention Center's legislative recommendation, McCarran International Airport's fuel supply issue, the Las Vegas Monorail's issuance of debt request and a continued stadium discussion. The stadium discussion will include further financial information and recommendations for the proposal, similar to the convention center analysis.

Chairman Hill states that the goal for the July 11th meeting is to have all recommendations in place, so as to be able to utilize the July 28th meeting to form a proposal for the governor. Those unable to attend on July 28th are encouraged to call in or find an alternate representative, as Chairman Hill would like to have every agency represented in the final voting process.

Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 8:12 A.M.

Mr. Jeremy Aguero, Principal of Applied Analysis, states he has been continuing to refine the Las Vegas Convention and Visitors Authority's (LVCVA) financial model. Additionally, the Las Vegas Sands and Majestic Realty's stadium financial model was reviewed and rebuilt, similar to the LVCVA's model. Additionally, included in the packets provided by Applied Analysis are two recommendations to be covered in more detail at the next meeting: the monorail request and the aviation fuel supply issue at McCarran International Airport. Mr. Aguero also points out additional research contained in the packet, specifically in regards to short-term rentals and the room tax revenue that could potentially be collected. Through background research of Airbnb data, it was determined that approximately \$2.3 million could be raised in revenue per year from such a tax. Mr. Aguero also relayed that Airbnb has expressed a willingness to assist local jurisdictions in collecting applicable hotel taxes.

Commissioner Sisolak states that he has spoken with Sheriff Joseph Lombardo at the Las Vegas Metropolitan Police Department, who expressed that he would like to make a presentation regarding public safety as it relates to the resort corridor. Commissioner Sisolak stresses that this is the most important issue to consider, especially with the potential expansion of the convention center and construction of a football stadium.

Chairman Hill closes Agenda Item 5.

6. COMMITTEE WORKSHOP

a. Convention Center Legislative Recommendation: 8:20 A.M.

Chairman Hill asks Mr. Aguero to elaborate on the results of the work he completed with the LVCVA. Mr. Aguero points out that Ms. Rana Lacer, Chief Financial Officer for the LVCVA, had three main concerns with the reconstructed financial model. The first was a concern with regards to the amount of debt service coverage the LVCVA will have for its bonds. The LVCVA's policy is to have 3 times coverage, meaning revenue collected will be 3 times higher than the required bond payment. Mr. Aguero states that the required coverage ratio would need to be below that, in the 2.5 range. Mr. Aguero suggests the LVCVA will need to meet and discuss altering its minimum coverage policy. This is not expected to be an issue, as 2.5 times coverage is still considered extremely healthy.

The second concern was the proposed 4 percent, or \$12 million, reduction in total expenditures by the LVCVA. The LVCVA said that a reduction on total costs was not feasible due to fixed costs, such as bond payments, that cannot be adjusted. It was agreed that the 4 percent reduction would be better applied to operating expenditures rather than total expenditures, which would reduce total expenses by \$8 million.

The third concern was including 2017 in the model, which is a partial year and made the required room tax rate that would be used to fund the convention center expansion and renovation project much lower. The LVCVA's recommendation was to include the 10-year average that starts from 2018. Mr. Aguero agrees that this request is very reasonable.

Mr. Aguero states these modifications would yield a room tax rate increase between 0.528 percent and 0.56 percent, with the 0.56 percent being inclusive of all recommendations.

Mr. Sloan asks Mr. Aguero if increased revenue projections were taken into account to offset the room rate increase to 0.56 percent. Mr. Aguero says the only variable considered was the room tax and not future increased revenues.

Mr. Markantonis asks if an increase in the convention center rental rate can help offset the loss of the \$4 million resulting from the exclusion of non-operating expenses in the 4 percent cost reduction. Mr. Aguero states that assuming demand is not affected by an increase in the rate, a 4 cent, or 12 percent, increase in the rental rate would yield this \$4 million difference. Mr. Markantonis follows up by asking if such an increase were to be implemented, would this keep the price of the convention center cheaper than that of local private entities. Mr. Aguero states that based on available information, even with the increase the convention center would still be cheaper than private entities.

Chairman Hill asks the committee to review the draft legislative language put forth by Mr. Aguero. He walks through all of the sections with the committee and highlights points of emphasis. Chairman Hill points out that Section 7.2 must be

adjusted, as it includes only Las Vegas and no other local jurisdictions. Chairman Hill discusses Section 9 and the prospect of an oversight panel. This panel would have veto power over any projects funded through bonds that would require approval. Alternative language that relates more to the Clark County School District (CCSD) oversight board is also available. Chairman Hill then asks if there are any questions on Section 9.

Mr. Noonan states that he would like Section 9 to mirror CCSD's board.

Ms. Sinatra thought the oversight committee would have more authority. Mayor Goodman concurs with Ms. Sinatra and believes that the oversight committee should be very experienced.

Mr. Aguero says there is some concern, depending on the makeup of the oversight committee, that there could be issues regarding the taxability of bonds that are issued. Mr. Aguero has requested a legal opinion from the LVCVA regarding this and will bring this to the committee as soon as he has it.

Chairman Hill then returns to Section 7 and reviews the method for appointing members to the oversight committee. The number of people on the committee was designed to be relatively small. The governor will make the selections so as to obtain the most skilled committee that has the right mix in regards to areas of expertise.

Mayor Goodman proposes the current committee submit a list of names to Chairman Hill for his review, and says that knowledge along with experience is important.

Commissioner Sisolak asks if there are any missing fields for the oversight committee. Mr. Aguero says this is the first vetting of the proposal and augmenting the list can be done if necessary.

Mayor Goodman asks about the purpose and power of the oversight committee. Mr. Aguero says the oversight committee would be a third party outside of the LVCVA's board that would discuss the developing and financing details of the Las Vegas Convention Center's expansion and renovation. The LVCVA would need to receive approval from this oversight committee to go forward with the project.

Mr. Ralenkotter states that Las Vegas is competing with other public markets for conventions, such as Orlando and Chicago, and this should be taken into consideration when discussing rental rate increases. He also states that rates will already increase 20 percent by 2018.

Chairman Hill closes Agenda Item 6a.

b. Stadium Proposal: 8:58 A.M.

Mr. Andy Abboud, Vice President of Government Relations and Community Development at the Las Vegas Sands, presents a video to the committee showing local representatives in favor a large-capacity stadium. He highlights the proposed stadium's features, including its 65,000 seats, 1.5 million square feet and a retractable roof. The total cost is in the \$1.3 billion to \$1.6 billion range, which excludes the price of land. Mr. Abboud states that there are many other opportunities beyond the National Football League (NFL), such as Major League Soccer (MLS), international soccer, concerts, rugby, college football, UFC, motor sports and college basketball. Mr. Marc Badain, President of the Oakland Raiders, confirms that Las Vegas is the top priority for the Raiders and are still committed to providing \$500 million toward the stadium.

Mr. Greg Carey, Managing Director of Goldman Sachs, states there needs to be three entities with distinct roles in the ownership and operation of the stadium: Stadium Authority, EventsCo and StadCo. The Stadium Authority will own the stadium and lease it to EventsCo. The Stadium Authority will collect public revenue streams and remit payments to Clark County for debt services. However, the Stadium Authority has no role or risk related to stadium construction or operations. EventsCo will take the lease and will be responsible for cost overruns, ensuring on-time performance and revenue risk. EventsCo will not receive any room tax dollars. StadCo will be an entity created by the Raiders under NFL guidelines. Included will be a non-relocation clause, which is of paramount importance. Additionally, the Raiders have football-related intendedness, meaning that the NFL can take the Raiders franchise away if the team does not honor its obligations related to the \$500 million pledged to the stadium.

Mr. Carey states that the total cost will be between \$1.5 billion and \$1.7 billion, \$750 million of which will be collected from room tax. The remaining sources of funding will come from the Raiders, Las Vegas Sands and other private entities. Mr. Carey iterates there is no risk to the local tax payer. Las Vegas Stadium has a very high economic velocity where an annual contribution of \$50 million in room tax revenue would produce \$870 million in spending and 8,000 new jobs. Excess Stadium Authority revenue will be used to fund stadium capital expenditures and to pay off debt. Mr. Robert Goldstein, President and Chief Operating Officer for the Las Vegas Sands, says EventsCo will take on a lot of risk, as will the Raiders. Mr. Goldstein reiterates that the Raiders are not trying to exploit public money.

Mr. Goldstein presents a proposed timeline for the project. The NFL needs to approve the Raiders relocation to Las Vegas by January 2017. Then, the stadium can be open by summer 2020 for the 2020 football season.

Ms. McMillan asks about how much land is needed for the project, as well as what locations are being considered. Mr. Goldstein states approximately 40 acres would be needed, but they are not committed to a particular site. Possible sites include the UNLV 40-acre site, Cashman Field, the former Riviera site, or by SLS Hotel and

Casino. Chairman Hill states the committee will need to make a decision on the stadium funding before developers can sign a contract on land. The committee can provide insight, but the project must eventually be turned over to a stadium authority board. The risk of the land cost is the responsibility of the developers. Mr. Aguero's analysis does not include cost of land, and the public will not be responsible for this.

Mr. Noonan asks how the funding for infrastructure needed to get to and from the stadium is typically handled. Mr. Carey states it is usually part of the whole program, and it will be similar to building a new casino. The Las Vegas Sands and Majestic Realty are asking for the public money for construction of the stadium and the tax increment. The rest of the risk will come on the private side.

Mr. Sloan asks about the Riviera site and connecting the Las Vegas Convention and Visitors Authority to the stadium site. Mr. Ralenkotter says there have been discussions with the Las Vegas Sands and Majestic Realty regarding using the Riviera property for a stadium to coexist with the convention center.

Mr. Hobbs clarifies that the public contribution of \$750 million will remain fixed, regardless of an increase in the cost of the stadium. The private portion will cover any additional funding needed for the stadium.

Chairman Hill questions why stadiums in other towns that have been built with a smaller percentage of public revenue but this proposal requires more public funding. Mr. Bill Rhoda, President of CSL, says the price of stadiums has gone up significantly in the last two decades. Mr. Rhoda points out that for NFL stadiums, there is a 50-50 split between public and private financing. For places with similar demographics to Las Vegas, the split is usually 75 percent public to 25 percent private. Mr. Rhoda states some recent stadiums that have had more private funding have been in larger markets that can generate more revenue.

Mayor Goodman asks if the transportation infrastructure that Mr. Noonan brought up was included in the stadium expenses. Mr. Goldstein states roadway improvements are not included in the current funding of the stadium proposal, but the developers assume the risk of this infrastructure.

Mr. Aguero begins his presentation on the stadium, which focuses on the structure of the stadium deal as well as stress testing the financing model. Las Vegas will create a stadium authority board, which would be responsible for raising \$750 million for the construction of the stadium and would have oversight of stadium operations. The EventsCo would handle the day-to-day operations of the stadium and events. The sources of funding for the construction of the stadium are broken down as \$750 million of public money, \$110 million Premium Seat Licenses (PSLs), \$200 million from the NFL G-4 loan, \$100 million from the Raiders and \$240 million from Las Vegas Sands and Majestic Realty. This \$1.4 billion will be utilized for the construction of the stadium and a practice facility. The developer

would be responsible for inputting capital and running the stadium. Revenue projections for the NFL, UNLV and other entities are only rough estimates and not ready to be presented as of now.

Mr. Aguero continues on to discuss the Stadium Authority, which would be responsible for raising \$750 million. This would be accomplished this via a 1 percent room tax. Such a tax would produce a revenue stream of \$50 million per year. Mr. Aguero states that this room tax would be implemented on January 1, 2017, and would yield 1.5 times debt service coverage. In the absence of unforeseen circumstances, coverage money would yield one-third more money than needed, which would be used to pay off the bond in fiscal year 2033.

Mr. Aguero goes on to state that the room tax will not be the only source of revenue, and that a sales tax, live entertainment tax and modified business tax applied to the stadium will also be utilized. The revenues will total approximately \$2.63 billion and would be used for the payment of bonds, to invest in capital at a rate of \$2.5 million per year and to offset losses to UNLV in the order of \$221 million.

Chairman Hill points out that the Stadium Authority will need a staff and these costs, though not a significant amount, will need to be considered.

Mr. Aguero continues on to talk about the EventsCo that will be in charge of the day-to-day operations of the stadium. The stadium would generate \$265 million in revenue annually, of which the EventsCo would retain 11.7 percent, or \$31 million, of that revenue. This revenue will be used to fund ongoing operations and provide returns. Mr. Aguero states non-event revenues will total \$10.32 million, bringing the total net operating revenues to \$19.9 million.

The model is then stress tested for a variety of factors, including the difference between public and private funding as well as the number of events the stadium will host. It is reiterated that the developer takes the risk with these factors.

Mr. Aguero concludes by introducing the next steps that are to be taken in the analysis, including changing pricing assumptions, shifting tax increments, reviewing the revenue distribution to the stadium operator and developing contingency plans if the Raiders relocation is not approved by the NFL.

Commissioner Sisolak asks about the 1.5 times coverage as opposed to 3 times coverage for the convention center and what the coverage for the convention center is used for. Mr. Aguero says this will need to be analyzed further.

Commissioner Sisolak asks about a \$3.5 million annual payment to UNLV and why they would get this. Mr. Aguero says this is to compensate for events that would otherwise take place at Sam Boyd Stadium.

Commissioner Sisolak asks who would be responsible for the public safety of stadium attendees. Chairman Hill says that the hosts of events would be responsible for security.

Commissioner Sisolak asks how NFL gets one-third of the revenue with significantly less events. Mr. Aguero points out that the NFL attracts more people and tickets are more expensive, resulting in more revenue.

Commissioner Sisolak points out the funding from the Raiders totals \$410 million and asks about the prior pledge of \$500 million. Mr. Carey states the numbers shown are net numbers. Mr. Goldstein confirms the Raiders are committed to providing \$500 million toward the stadium.

Mayor Goodman would like the stadium team to estimate the ancillary costs, such as roadway infrastructure, that are not currently a part of the funding package. Mr. Cavileer states the Sands/Majestic Group will be responsible for everything over the \$750 million private contribution, including all infrastructure costs related to the stadium development. Commissioner Sisolak asks for clarification on this statement. Mr. Goldstein states that if the cost for infrastructure is too high for the Sands/Majestic Group to afford, then they will have to terminate the project.

Chairman Hill closes Agenda Item 6b.

7. JUNE MEETING PREVIEW: 11:33 A.M.

Mr. Aguero says the next meeting will include refined language for the LVCVA's legislative proposal and a more enhanced model of the benefit a stadium would have to the community. He says he will start to develop preliminary language for what a proposal may look like for the stadium. Recommendations for the airport and monorail also need to be finalized.

Chairman Hill closes Agenda Item 7.

8. COMMITTEE MEMBER COMMENTS: 11:35 A.M.

Mr. Ralenkotter states the Stadium Authority is modeled after the LVCVA's board. Thus, since the LVCVA's board does not directly collect room tax, when that legislative language for the stadium goes forward, the Stadium Authority collection of room tax would need to be clarified. Additionally, in regards to the room tax that the LVCVA is requesting for the expansion and renovation of the convention center, it is based on the gross of the room tax collected.

Chairman Hill closes Agenda item 8.

9. PUBLIC COMMENT: 11:36 A.M.

Mr. Thomas White of Labors Local 872 stresses that a stadium is vital to create jobs for the labor unions. On behalf of the labor unions, Mr. White states he is in full support of the stadium and monorail.

Mr. Rick McCann of Nevada Public Safety wants to hear how public safety interests will be taken care of. Mr. McCann believes public safety is a very important consideration when building these new infrastructures. Mr. McCann offers a letter to Chairman Hill that provides public safety information and has been signed by several union members.

Mr. Dave Wood of UA Local 525 provides comments on behalf of William Stanley, Executive Secretary-Treasurer of the Southern Nevada Building and Construction Trades Council. Mr. Wood states the council is in support of the committee's effort to prioritize tourism-improvement projects in southern Nevada. The council, however, has concerns regarding the substantial amount and source of public funding being considered for the stadium proposal. Accordingly, the council recommends considering the number and type of employment opportunities from the stadium.

There are no more public comments. Chairman Hill closes Agenda Item 9.

10.ADJOURNMENT: 11:44 A.M.

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



CHRIS GIUNCHIGLIANI
Commissioner

Board of County Commissioners

CLARK COUNTY GOVERNMENT CENTER
500 S GRAND CENTRAL PKY
BOX 551601
LAS VEGAS NV 89155-1601
(702) 455-3500 FAX: (702) 383-6041

June 20, 2016

Mr. Steve Hill, Chair
Southern Nevada Tourism Infrastructure Committee
Governor's Office of Economic Development
555 E. Washington Ave., Ste. 5400
Las Vegas, NV 89101

Dear Chairman Hill:

I regret that I am unable to attend this week's meeting of the Southern Nevada Tourism Infrastructure Committee (SNTIC), but I sit on the Southern Nevada Health District Board and the meeting is at the same time as the SNTIC's meeting. Please enter my letter under public comment.

I, along with many constituents, have been watching the discussions about the remodeling and expansion of the Las Vegas Convention and Visitors Authority (LVCVA) and the room tax needed to assist with that proposal. The LVCVA and its related proposal are in my Commission District.

I first want to note that recently the discussion of a stadium and NFL team has entered into the discussion concerning LVCVA. In my opinion that discussion should not even be considered. A proposed stadium is nothing more than a distraction to the discussion of updating LVCVA and its proposed expansion. Room taxes are public and if someone wishes to build a stadium they should use their private dollars to build it—no public taxes should be utilized in any format.

After reviewing the proposed language for submission to the legislature, it appears that Section 2, Distribution of proceeds; use of funds, appropriates the money only for expansion and to maintain, improve, etcetera the convention authority. This language on its face appears appropriate.

Section 3 states that the tax **may not** be used for seven specific areas, but item 5 and 6 are most important.

- (5) To improve and expand recreational facilities other than those authorized in Section 2;
- (6) To construct, purchase or acquire recreational facilities other than those authorized in Section 2;

On its face it correctly prohibits other "recreational facilities" from being considered for funding. I'm requesting you add a number 8 to read: The room tax dollars shall not be expended to build a stadium. That would make it clear as to the intent.

I do hope your discussions are redirected to the legislative intent which was improvements and expansion of LVC VA and nothing more. One thing not addressed is the length of time the .05 would be collected and I'd suggest a public review period of the expenditures, deliverables and accomplishments.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chris Giunchigliani".

Chris Giunchigliani
Commissioner

Cc: Lawrence Weekly
Steve Sisolak

Convention Center Expansion and Renovation
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~{omitted material}~~ is material to be removed.

OVERVIEW

SECTION 1 amends NRS 244 to increase the room tax by one-half of one percentage point (0.5 percent) in counties with 700,000 people or more. **SECTION 2** specifies allowable uses of the additional room tax revenue created in **SECTION 1**. **SECTION 3** enumerates prohibited uses of the additional room tax revenue created in **SECTION 1**. **SECTION 4** amends NRS 244A to cap the local government collection allowance for the transient lodging tax to an amount not greater than \$25 million per year in counties with a population of 700,000 or more; establishes the allowable uses and prohibited uses for the revenues in excess of the maximum collection allowance in Section 4. **SECTION 5** creates a committee for convention facilities in counties with a population of 700,000 or more. **SECTION 6** establishes the duty of the county fair and recreation board to provide support and information to an oversight committee for convention facilities. **SECTION 7** establishes certain reporting and duties of an oversight committee for convention facilities. **SECTION 8** amends NRS 268 to increase the room tax by one-half of one percentage point (0.5 percent) in all cities in a county with 700,000 people or more. **SECTION 9** specifies the allowable uses of the additional room tax revenue created in **SECTION 8**. **SECTION 10** enumerates prohibited uses for the additional room tax revenue created in **SECTION 8**. **SECTION 11** exempts the imposition of the increases in room tax as set forth in this Act from the business impact statement requirement. **SECTION 12** and **SECTION 13** exempt the Act from the legislative limitation on the imposition of additional transient lodging taxes. **SECTION 14** makes the Act effective upon passage and approval with ninety (90) days to implement the increase in room tax.

LANGUAGE FOR CONSIDERATION

SECTION 1. *NRS 244.335X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.*

1. The board of county commissioners:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that county upon all persons in the business of providing lodging. This tax must be imposed by the board of county commissioners in each county, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 244.335.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

SECTION 2. *NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.*

1. The proceeds of the tax imposed by Section 1 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 1 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate the facilities of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 3. *NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 1 may not be used:*

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 2;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or

7. For any other purpose inconsistent with Section 2.

SECTION 4. NRS 244A.645 Powers of board concerning license taxes assigned or appropriated by cities, towns and counties. In connection with any license taxes assigned or appropriated by any city, town or county, or any combination thereof, for use in connection with NRS 244A.597 to 244A.655, inclusive, the county fair and recreation board of any county, upon behalf of the county, in addition to powers elsewhere conferred, may:

1. Collect the proceeds of such taxes from time to time, receive, control, invest and order the expenditure of all money pertaining thereto, prescribe a procedure therefor, including, but not limited to:

(a) Enforcing the collection of any delinquent taxes and providing penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a transient lodging facility and the closure of a transient lodging facility for failure to pay the tax on transient lodging; and

(b) Creating an office and hiring personnel therefor.

2. Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected, excluding from this limitation and from those gross revenues any costs of collecting any delinquent taxes borne by any delinquent taxpayer.

(a) In a county whose population is 700,000 or more:

(1) The incorporated cities collectively and any county shall enter into an agreement with the board for the payment of collection fees, which may not exceed 10 percent of the proceeds of the license taxes collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed \$25 million in any single fiscal year.

(b) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a) which would have been paid to the collecting entities shall be pledged revenues for the purpose of subsection 3 of NRS 350.020 and accounted for separately and used only:

(1) To expand an existing convention center owned and operated by the county fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve and renovate the facilities of the county fair and recreation board; and

(2) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in Subsection 1.

(c) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a), which would have been paid to the collecting entities shall not be used:

- (1) As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;*
- (2) To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;*
- (3) To operate and maintain recreational facilities under the jurisdiction of the county fair and recreation board;*
- (4) To improve and expand recreational facilities other than those authorized in Section 2;*
- (5) To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or*
- (6) For any other purpose inconsistent with Section 2.*

SECTION 5. NRS 244A.XXX Oversight panel for convention facilities: Establishment in counties whose population is 700,000 or more; membership; terms of members; meetings.

- 1. The oversight committee shall be comprised of seven (7) members that live in the county.*
- 2. Oversight committee members shall be nominated by the board of county commissioners, city councils of any incorporated city in the county, the Majority Leader of the Nevada State Senate, and the Speaker of the Nevada State Senate and shall be appointed by the Governor.*
- 3. The seven (7) members appointed by the Governor shall include:*
 - (a) One member who has experience in structural or civil engineering;*
 - (b) One member who has experience in matters relating to the construction of convention facilities;*
 - (c) One member who has experience in the estimation of the cost of construction projects;*
 - (d) One member who has experience in the financing of capital projects; and*
 - (e) Three members who are representatives of the gaming industry.*
- 4. The initial term for members appointed under Section 5(3)(a-d) shall end on June 30, 2018 and the initial term for members appointed under Section 5(3)(e) shall end on June 30, 2019. After the initial terms, the term of each member of the oversight panel is two (2) years. Members of the oversight panel are eligible for reappointment.*
- 5. The oversight panel for convention facilities may meet at the call of the chair of the oversight panel, but is not required to hold meetings except for the purposes of carrying out its duties pursuant to this Act, or at the request of the Legislature, the Governor or county fair and recreation board.*
- 6. The oversight panel shall comply with NRS Chapter 239 and will dissolve upon the earlier of ten (10) years after the date of passage of the Act or the completion of the expansion and renovation projects as set forth in Section 2, as certified by an independent public accountant.*

SECTION 6A (ADVISORY). NRS 244A.XXX Oversight panel for convention facilities: Duty of county fair and recreation board to provide support and information. The county fair and recreation board in a county whose population is 700,000 or more shall:

- 1. Provide administrative support to the oversight panel for convention facilities to ensure its ability to fulfill the duties and responsibilities pursuant to this Act;*
- 2. Comply with all requests by the oversight panel for information;*
- 3. Prepare a 3-year plan for the renovation and expansion of convention facilities and a 5-year plan for the construction of convention facilities funded by this Act for submission to the oversight panel for its review and recommendations on or before June 30 of each even-numbered fiscal year;*
- 4. Consider each recommendation made by the oversight panel and, if the county fair and recreation board does not adopt a recommendation:*
 - (a) State in writing the reason for its action and include the statement in the minutes of the Board of Directors; and*
 - (b) Submit those minutes to the Governor and the Director of the Legislative Counsel Bureau within 30 days of the board's action.*
- 5. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all construction or renovation payments made with the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the immediately preceding fiscal year; and*

6. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all bond activity and uses related to the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the preceding fiscal year.

SECTION 7A (ADVISORY). *NRS 244A.XXX Duty to submit recommendations for financing costs for construction to county fair and recreation board.*

1. In a county whose population is 700,000 or more, the oversight panel for convention facilities shall review and recommend approval or disapproval of the county fair and recreation board's plan for the issuance of bonds or any other form of indebtedness pursuant to this Act.

2. The oversight panel's approval shall be made after the approval, if any, required by any debt management commission and prior to adoption of a resolution of intent pursuant to subsection 3 of NRS 350.020.

SECTION 6B (REQUIRED ASSENT). *NRS 244A.XXX Oversight panel for convention facilities: Duty of county fair and recreation board to provide support and information. The county fair and recreation board in a county whose population is 700,000 or more shall:*

1. Provide administrative support to the oversight panel for convention facilities to ensure its ability to fulfill the duties and responsibilities pursuant to this Act;

2. Comply with all requests by the oversight panel for information;

3. Prepare a 3-year plan for the renovation and expansion of convention facilities and a 5-year plan for the construction of convention facilities funded by this Act for submission to the oversight panel for its review and recommendations on or before June 30 of each even-numbered fiscal year;

4. Consider each recommendation made by the oversight panel and, if the county fair and recreation board does not adopt a recommendation:

(a) State in writing the reason for its action and include the statement in the minutes of the Board of Directors;

(b) Submit those minutes to the Governor and the Director of the Legislative Counsel Bureau within 30 days of the board's action; and

(c) Revise and resubmit its request for the issuance of bonds or any other form of indebtedness to the oversight panel.

5. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all construction or renovation payments made with the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the immediately preceding fiscal year; and

6. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all bond activity and uses related to the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the preceding fiscal year.

SECTION 7B (REQUIRED ASSENT). *NRS 244A.XXX Duty to submit recommendations for financing costs for construction to Legislature; oversight panel required to approve or deny request for issuance of certain bonds.*

1. In a county whose population is 700,000 or more, the oversight panel for convention facilities shall review and approve or disapprove a request of the county fair and recreation board for the issuance of bonds or any other form of indebtedness pursuant to this Act.

2. The oversight panel's approval shall be made after the approval, if any, required by any debt management commission and prior to adoption of a resolution of intent pursuant to subsection 3 of NRS 350.020.

SECTION 8. *NRS 268.09X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.*

1. The city council or other governing body of each incorporated city:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that city upon all persons in the business of providing lodging. This tax must be imposed by the city council or other governing body of each incorporated city, regardless of the existence or nonexistence of any other license

fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 268.095.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

*(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.*5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

SECTION 9. NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.

1. The proceeds of the tax imposed by Section 8 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 8 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate the facilities of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 10. NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 8 may not be used:

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any or general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 9;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 9; or

7. For any other purpose inconsistent with Section 9.

SECTION 11. Exemption from Business Impact Statement requirements. Any ordinance or other action of the board of county commissioners or city councils taken pursuant this Act is exempt from the requirements of NRS 237.030 thru 237.150.

SECTION 12. NRS 244.3359 Taxes on rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration; exceptions.

1. A county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.3351, 244.3352, ~~and~~ 244.33561 and Section 1 of this Act.

2. A county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.33561.

3. Except as otherwise provided in subsection 2 and NRS 387.191, the Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for the promotion of tourism or for the construction or operation of tourism facilities by a convention and visitors authority.

SECTION 13. NRS 268.0968 Tax on revenues from rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration.

1. Except as otherwise provided in NRS 268.096, ~~and~~ 268.801 to 268.808 *and Section 8 of this Act*, inclusive, a city located in a county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

2. Except as otherwise provided in NRS 268.7845, a city located in a county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

3. The Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for:

- (a) The promotion of tourism;
- (b) The construction or operation of tourism facilities by a convention and visitors authority; or
- (c) The acquisition, establishment, construction or expansion of one or more railroad grade separation projects.

SECTION 12. *This Act shall become effective upon passage and approval except that Sections 1 and 8 shall be imposed ninety (90) days after passage and approval.*

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

CONVENTION CENTER RENTAL RATE SURVEY (UPDATED)

RANKED BY SHOW DAY RENTAL RATE

Reflects 2016 Published Non-Discounted Rates*

Updated June 14, 2016

City	Facility Name	Rate per NSF for Show Days*
New Orleans, LA	Ernest Morial Convention Center	\$0.55
Houston, TX	George R. Brown Convention Center	\$0.50
San Francisco, CA	Moscone Convention Center	\$0.44
San Diego, CA	San Diego Convention Center	\$0.42
Anaheim, CA	Anaheim Convention Center	\$0.38
Indianapolis, IN	Indiana Convention Center	\$0.37
Orlando, FL	Orange County Convention Center	\$0.37
Las Vegas, NV	Sands Expo & Convention Center (private facility)	\$0.36
Las Vegas, NV	Las Vegas Convention Center (increased rate as of 7/1/18)	\$0.35
Las Vegas, NV	Mandalay Bay Convention Center (private facility)	\$0.35
Atlanta, GA	Georgia World Congress Center	\$0.33
Las Vegas, NV	Las Vegas Convention Center (increased rate as of 7/1/16)	\$0.33
Los Angeles, CA	Los Angeles Convention Center	\$0.32
Las Vegas, NV	Las Vegas Convention Center (current thru 7/1/16)	\$0.29
Louisville, KY	Kentucky Expo Center	\$0.29
Salt Lake City, UT	Salt Palace Convention Center	\$0.29
Philadelphia, PA	Pennsylvania Convention Center	\$0.20
Denver, CO	Colorado Convention Center	\$0.19
Chicago, IL	McCormick Place	\$0.18
Dallas, TX	Dallas Convention Center (Kay Bailey Hutchinson Conv Ctr)	\$0.17
	Average	\$0.33

Yellow shaded rows reflect LVCC rate increases scheduled to go into effect in 2016 and 2018.

***NOTES:**

a) For many convention centers, actual contracted rates may differ from the published, non-discounted rates listed above.

b) Many convention facilities, particularly those within privately-run resorts with other available revenue centers, may offer discounted or free rental space depending on other revenues from lodging, catering, etc., that may be contracted with convention clients.

NSF = Net Square Feet

Sources: Individual Convention Centers; compiled by the Las Vegas Convention and Visitors Authority



Clark County Department of Aviation Recommendation Action Item

Southern Nevada currently relies on the 550-mile CALNEV pipeline, which originates in Colton, Calif., as its sole source of aviation fuel. While additional onsite fuel storage capacity has been developed at McCarran International Airport in recent years, even a short-term disruption to the CALNEV system or its feeder refineries could quickly result in a critical shortage of jet fuel that would limit air travel in and out of the Las Vegas area.

The Clark County Department of Aviation requests a recommendation that the Nevada Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and State Legislature in advance of the 2019 session.



WELCOME

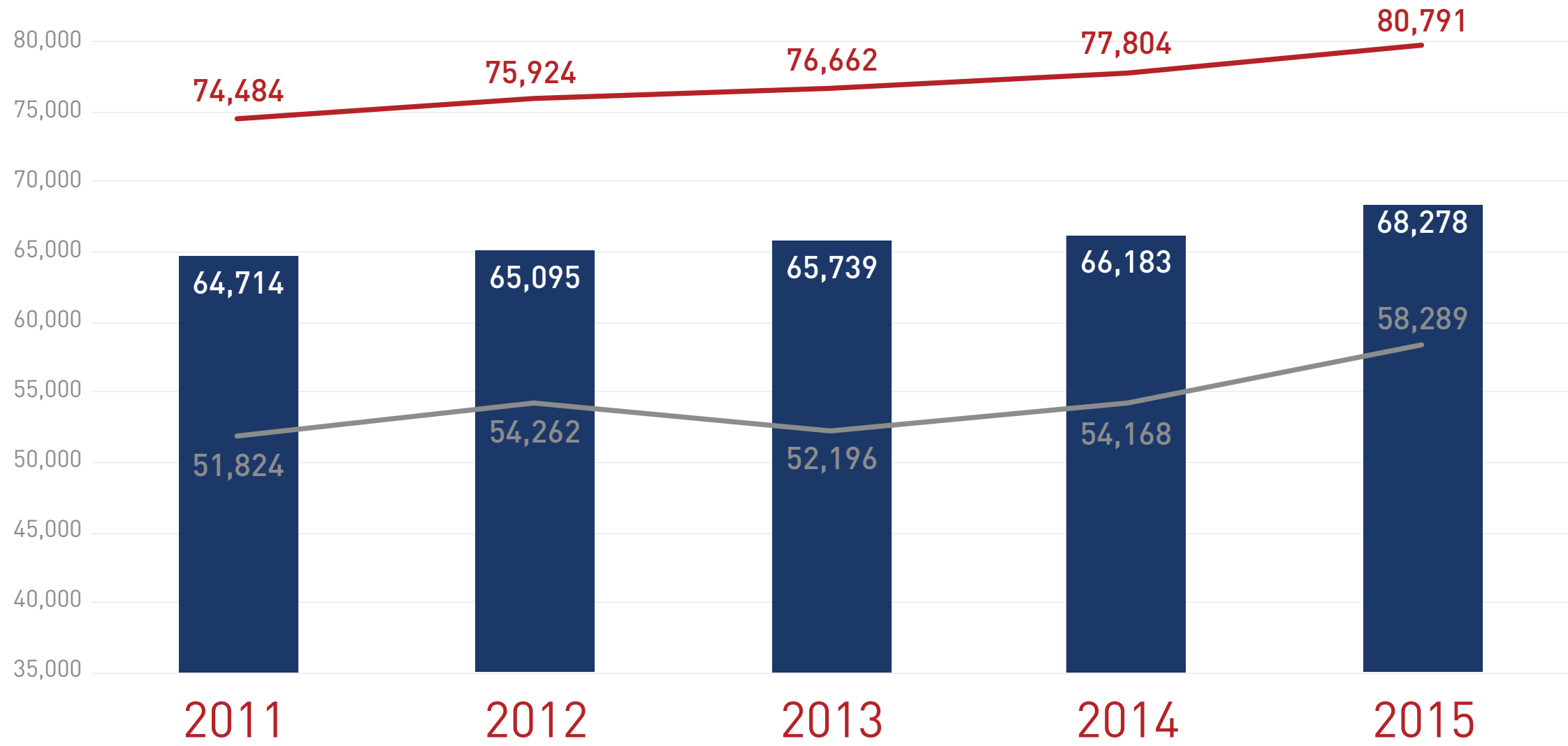
BACKUP DATA TO
FINANCIAL PROJECTIONS



NFL ATTENDANCE BY TEAM

Team	Facility	Year Built	Capacity	2015 Average Attendance	% of Capacity
Dallas Cowboys	AT&T Stadium	2009	80,000	91,459	114%
Indianapolis Colts	Lucas Oil Field	2008	62,421	66,048	106%
San Francisco 49ers	Levi's Stadium	2014	68,500	70,799	103%
Seattle Seahawks	CenturyLink Field	2002	67,000	69,020	103%
Arizona Cardinals	University of Phoenix Stadium	2006	62,400	64,186	103%
Philadelphia Eagles	Lincoln Financial Field	2003	68,532	69,484	101%
Denver Broncos	Sports Authority Field at Mile High	2001	76,125	76,923	101%
Houston Texans	NRG Stadium	2002	71,054	71,770	101%
Chicago Bears	Soldier Field	1924/2003	61,500	62,036	101%
Carolina Panthers	Bank of America Stadium	1996	73,778	74,057	100%
Baltimore Ravens	M&T Bank Stadium	1998	71,008	71,002	100%
New Orleans Saints	Mercedes-Benz Superdome	1975/2011	73,208	73,038	100%
Atlanta Falcons	Mercedes-Benz Stadium	2017	71,000	70,356	99%
Pittsburgh Steelers	Heinz Field	2001	65,050	64,357	99%
Buffalo Bills	Ralph Wilson Stadium	1973/1999	71,870	69,881	97%
New England Patriots	Gillette Stadium	2002	68,756	66,829	97%
Green Bay Packers	Lambeau Field	1957/2003	80,750	78,414	97%
Kansas City Chiefs	Arrowhead Stadium	1972/2010	76,416	74,086	97%
New York Giants	MetLife Stadium	2010	82,566	79,001	96%
New York Jets	MetLife Stadium	2010	82,566	78,160	95%
San Diego Chargers	Qualcomm Stadium	1967/1997	70,561	66,773	95%
Detroit Lions	Ford Field	2002	65,000	61,348	94%
Cincinnati Bengals	Paul Brown Stadium	2000	65,535	61,390	94%
Tampa Bay Buccaneers	Raymond James Stadium	1998	65,890	61,560	93%
Jacksonville Jaguars	EverBank Field	1946/1995	67,164	61,464	92%
Cleveland Browns	FirstEnergy Stadium	1999	73,200	66,186	90%
Tennessee Titans	Nissan Stadium	1999	69,143	62,304	90%
Washington Redskins	FedEx Field	1997	85,000	76,209	90%
Miami Dolphins	Sun Life Stadium	1987	76,100	67,194	88%
Oakland Raiders	O.co Coliseum	1966/1995	63,132	54,614	87%
Minnesota Vikings	U.S. Bank Stadium	2016	65,000	52,430	81%
Los Angeles Rams	New Inglewood Stadium	2019	80,000	n/a	n/a
	AVERAGE	2003	70,814	68,786	97%

NFL ATTENDANCE

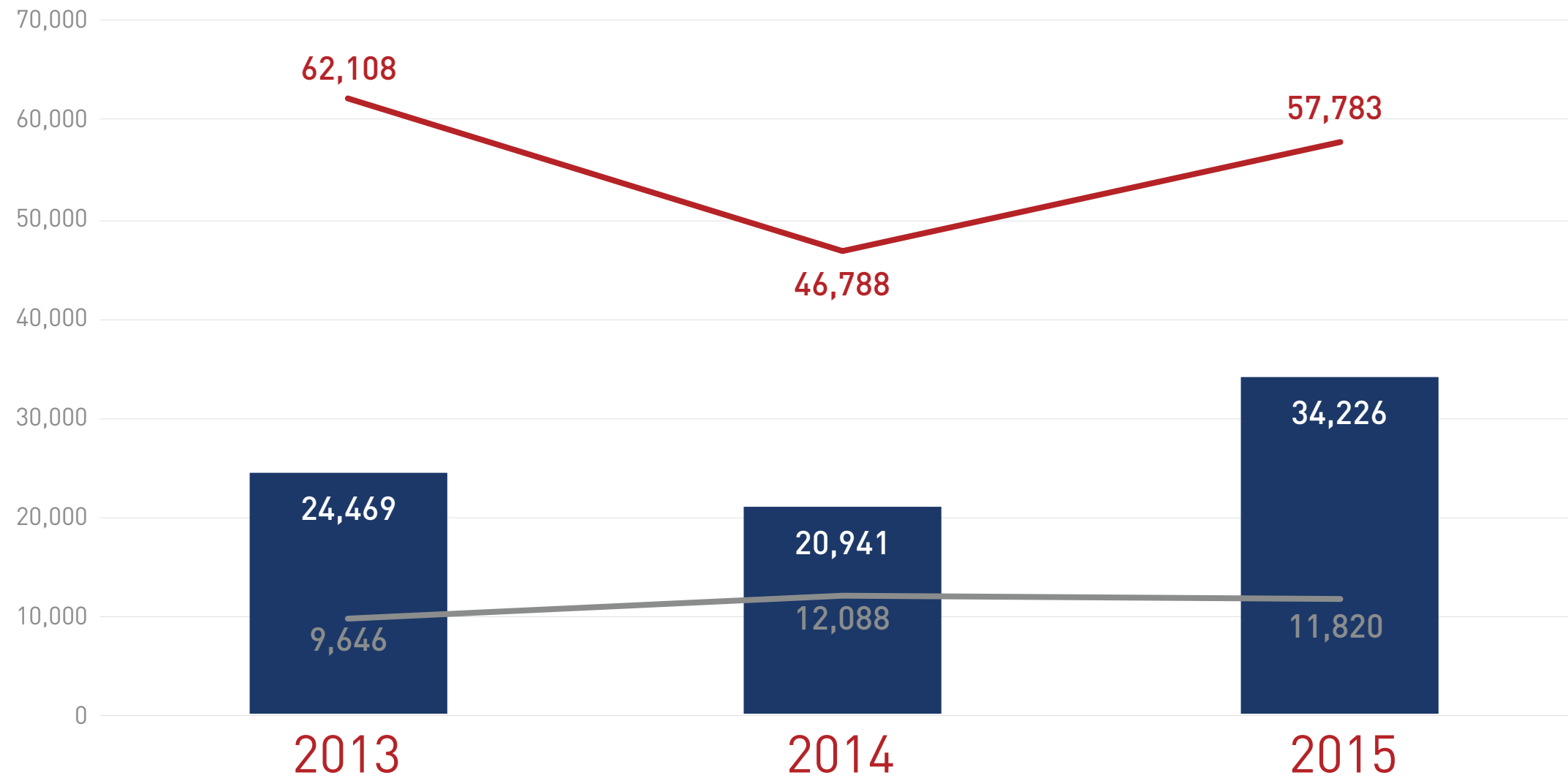


LEAGUE AVERAGE

TOP-5 TEAMS

LAST-5 TEAMS

TOP 50 CONCERTS ATTENDANCE



2015 Top-10 Concerts included the following stadium tours:

- AC/DC
- Rolling Stones
- One Direction
- Taylor Swift

















TOP 50 AVERAGE

















TOP-10 CONCERTS

LAST-10 CONCERTS

NFL AVERAGE TICKET PRICE

2015

RANK	FRANCHISE	AVERAGE TICKET PRICE
1	 New England Patriots	\$126.18
2	 San Francisco 49ers	123.29
3	 Washington Redskins	120.41
4	 New York Jets	119.52
5	 New York Giants	117.97
6	 Chicago Bears	116.90
7	 Denver Broncos	106.91
8	 Dallas Cowboys	104.70
9	 Philadelphia Eagles	102.46
10	 Houston Texans	102.08
11	 Baltimore Ravens	101.92
12	 New Orleans Saints	101.09
13	 Indianapolis Colts	98.83
14	 Seattle Seahawks	98.62
15	 Pittsburgh Steelers	94.78
16	 Carolina Panthers	94.18

RANK	FRANCHISE	AVERAGE TICKET PRICE
17	 San Diego Chargers	94.14
18	 Green Bay Packers	91.38
19	 Atlanta Falcons	87.94
20	 Minnesota Vikings	87.33
21	 Miami Dolphins	85.95
22	 Detroit Lions	84.22
23	 Arizona Cardinals	80.86
24	 St. Louis Rams	78.22
25	 Cleveland Browns	76.39
26	 Kansas City Chiefs	76.27
27	 Cincinnati Bengals	75.16
28	 Tennessee Titans	73.74
29	 Tampa Bay Buccaneers	70.97
30	 Buffalo Bills	69.72
31	 Jacksonville Jaguars	63.92
32	 Oakland Raiders	63.15
AVERAGE		\$93.41

TOP 50 CONCERTS AVERAGE TICKET PRICE

2015

RANK	ARTIST	AVERAGE TICKET PRICE	RANK	ARTIST	AVERAGE TICKET PRICE
1	The Rolling Stones	\$174.50	26	Maroon 5	\$81.58
2	Eagles	\$159.44	27	André Rieu	\$81.09
3	Paul McCartney	\$155.76	28	AC/DC	\$77.92
4	Grateful Dead - "Fare Thee Well"	\$144.32	29	Foo Fighters	\$75.50
5	Madonna	\$127.55	30	Cirque du Soleil - "Amaluna"	\$74.60
6	Bette Midler	\$127.54	31	Mötley Crüe	\$74.15
7	Fleetwood Mac	\$125.61	32	Violetta	\$73.19
8	Elton John	\$124.49	33	Kevin Hart	\$73.00
9	U2	\$118.35	34	Cirque du Soleil - "Quidam"	\$70.07
10	Taylor Swift	\$110.15	35	Helene Fischer	\$65.04
11	Neil Diamond	\$106.87	36	Garth Brooks	\$64.47
12	Billy Joel	\$106.47	37	Ed Sheeran	\$64.33
13	Take That	\$104.27	38	Cirque du Soleil - "Varekai"	\$62.94
14	Juan Gabriel	\$100.71	39	Chris Brown	\$61.55
15	David Gilmour	\$100.47	40	Dave Matthews Band	\$58.13
16	Queen + Adam Lambert	\$99.34	41	Mumford & Sons	\$57.76
17	Shania Twain	\$98.13	42	Trans-Siberian Orchestra	\$57.19
18	Cirque du Soleil - "Totem"	\$96.13	43	Luke Bryan	\$55.48
19	Stevie Wonder	\$92.45	44	Def Leppard	\$54.43
20	Cirque du Soleil - "Kooza"	\$91.97	45	Imagine Dragons	\$53.09
21	One Direction	\$88.91	46	Zac Brown Band	\$52.69
22	Katy Perry	\$88.46	47	Ariana Grande	\$51.69
23	Cirque du Soleil - "Kurios"	\$87.82	48	Jason Aldean	\$48.52
24	Rush	\$85.41	49	5 Seconds Of Summer	\$47.15
25	Kenny Chesney	\$85.37	50	Florida Georgia Line	\$41.37
				AVERAGE	\$112.02

INTERATIONAL SOCCER TICKET PRICE RANGE

2016 INTERNATIONAL CHAMPIONS CUP



Rose Bowl
Pasadena, CA
\$40 - \$145



Levi's Stadium
Santa Clara, CA
\$40 - \$500



Soldier Field
Chicago, IL
\$35 - \$300



MetLife Stadium
East Rutherford, NJ
\$55 - \$255



Bank of America Stadium
Charlotte, NC
\$34 - \$325



Autzen Stadium
Eugene, OR
\$30 - \$115



Michigan Stadium
Ann Arbor, MI
\$55 - \$235



Ohio Stadium
Columbus, OH
\$35 - \$325



U.S. Bank Stadium
Minneapolis, MN
\$40 - \$175

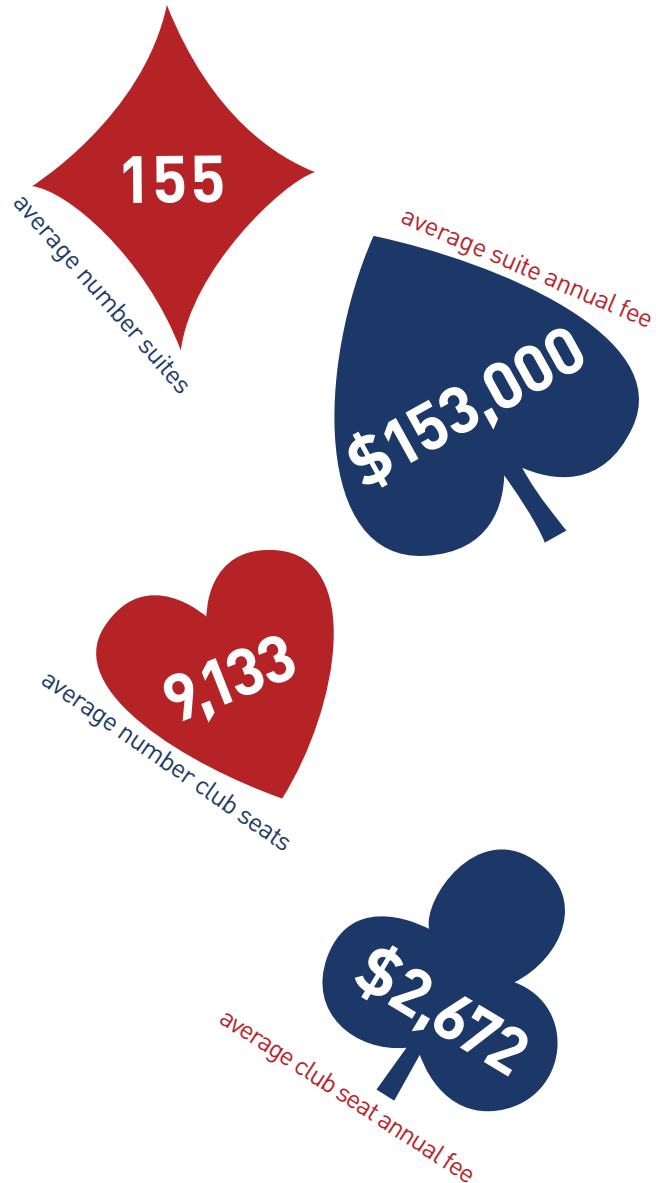
AVERAGE FACILITY FEES

Facility	Facility Fee
Levis Stadium	\$4.00
Lucas Oil Stadium	\$3.00 ⁽¹⁾
Mercedes-Benz Superdome	\$2.00
NRG Stadium	\$2.00
AT&T Stadium	10% ⁽²⁾
Soldier Field	10% ⁽²⁾

(1) Facility fee charges on all events, excluding NFL games.

(2) Admission tax on all paid attendance.

NFL PREMIUM SEATING



NFL PREMIUM SEATING SUMMARY

Franchise	Facility	Year Built	Private Suites			Club Seats			Total Potential Seating Revenue
			Total # of Suites	Average Annual Fee	Potential Annual Revenue	Total # of Club Seats	Average Annual Fee	Potential Annual 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.

AVERAGE CONCESSIONS PER CAPITA

GENERAL CONCESSIONS:

Based on a review of comparable NFL stadiums, per capita spending on food and beverages ranges between \$15.00 and \$25.00.

PREMIUM CONCESSIONS:

Per capita spending on food and beverages in premium seating areas of comparable NFL stadiums varies depending on the seating product and level of exclusivity. The following is a range of food and beverage spending per caps at comparable NFL stadiums based on seat location and club lounge type:

Mid-Tier Club Lounge:	\$75 to \$100
High-Tier Club Lounge:	\$125 to \$150
Luxury Suites:	\$100 to \$125



REVENUE DISTRIBUTIONS

NFL LEASE COMPARISON

	Bears	Buccaneers	Cardinals	Colts	Vikings
FACILITY:	Soldier Field	Raymond James Stadium	University of Phoenix Stadium	Lucas Oil Field	U.S. Bank Stadium
YEAR OPENED:	1924 / 2003	1998	2006	2008	2016
TOTAL COST	\$587 million	\$194 million	\$439.7 million	\$811.5 million	\$1,106 million
TOTAL PUBLIC CONTRIBUTION:	\$387 million (66%)	\$194 million (100%)	\$300 million (68%)	\$711.5 million (88%)	\$498 million (45%)
UPFRONT CONTRIBUTION FROM TEAM:	\$200 million	\$0	\$140 million	\$100 million	\$494 million
REVENUES TO TEAM:					
Gate receipts / rent	100.0%	100.0%	100.0%	100.0%	100.0%
Concessions	100.0%	100.0%	100.0%	100.0%	100.0%
Novelties	100.0%	100.0%	100.0%	100.0%	100.0%
Parking	0.0%	100.0%	100.0%	100.0%	100.0%
Private Suites	100.0%	100.0%	100.0%	100.0%	100.0%
Club Seats	100.0%	100.0%	100.0%	100.0%	100.0%
Advertising	100.0%	100.0%	100.0%	100.0%	100.0%
Naming rights	0.0%	100.0%	100.0%	100.0%	100.0%
Other Event Revenue	0.0%	0.0%	0.0%	0.0%	0.0%
EXPENSES PAID BY TEAM:					
Stadium Expenses	0.0%	0.0%	0.0%	0.0%	0.0%
Game Day Expenses	0.0%	0.0%	0.0%	(2)	100.0%
Rent Expenses	\$5,700,000	\$3,500,000	\$250,000	\$250,000	\$8,500,000
Capital Repairs	0.0%	0.0%	0.0%	0.0%	\$1,500,000

(1) The Bears pay rent in the amount of \$4.7 plus \$1.0 million for parking.

(2) Colts reimburse the CIB for certain game-day expenses.

SAM BOYD STADIUM
FISCAL 2015 EVENT ANALYSIS
(Excludes UNLV Football)

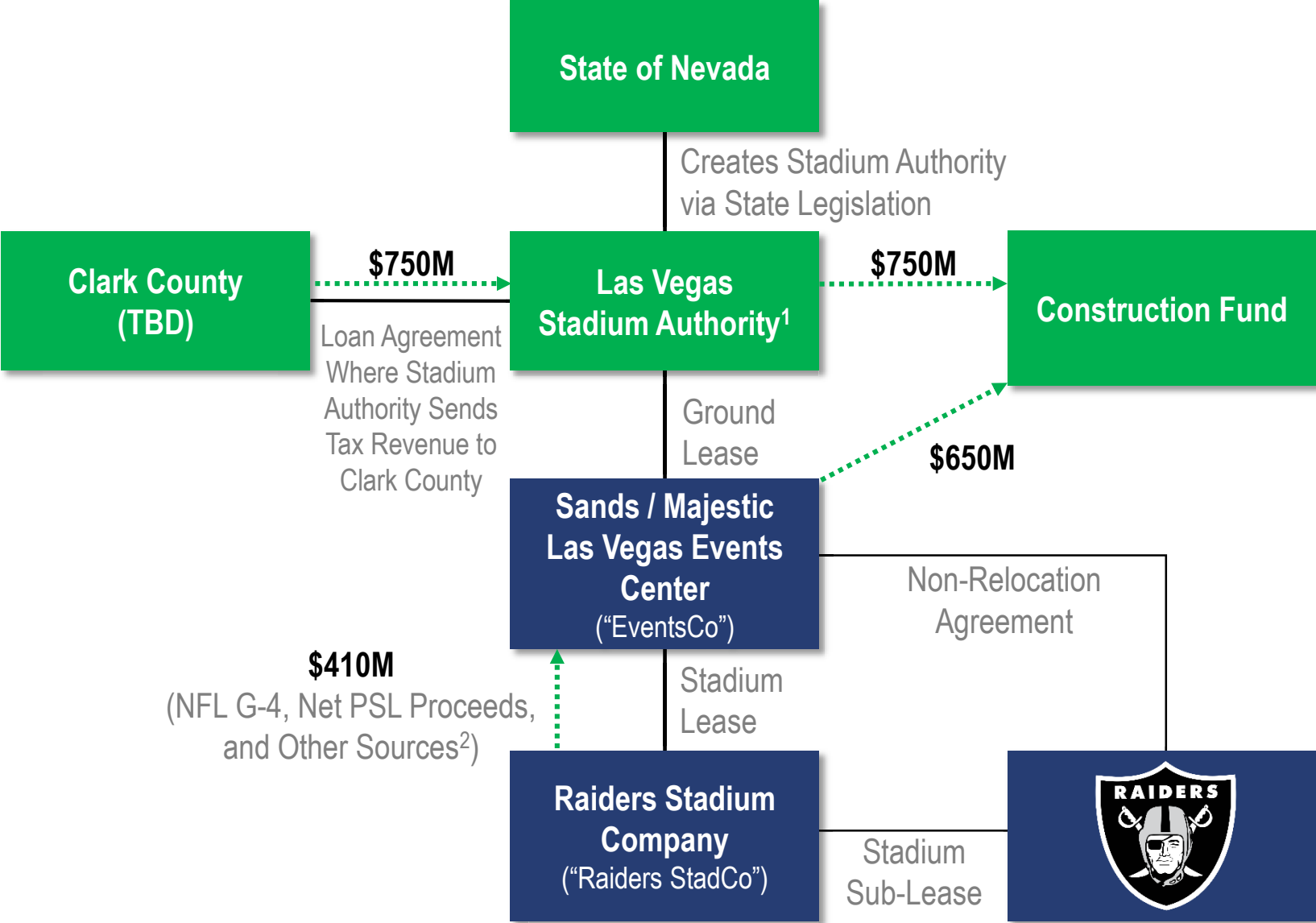
Event	People Through Trunstile	Revenues									Expense	Total w/o UNLV FB	
		Rent Reimbursements	Club Seat Tickets	Suite	Sponsorship	Conv Fees,OCH Utility/Prkn Fees	Paid Parking	Net(45% GP) F&B	Net(49% GP) Catering	Novelty			
Direct Event Revenues and Expenditures:													
Parking Lot Event		2,820											2,820
5K Running Event		12,500						3,260	298			(708)	15,350
Automotive Swap Meet		3,500											3,500
Xtreme Sport Event	20,727	64,569		51,750		274,540			199,680	4,538		(89,026)	506,051
Parking Lot Event		500											500
Commercial Shoot		3,640											3,640
Parking Lot Event		2,820											2,820
Bowl Game	23,290	156,927	540	24,000		69,867	69,861	154,706	31,846	6,144		(79,789)	434,100
5K Running Event	2,000	18,189					12,421	1,093				(1,393)	30,310
5K Running Event	3,500	16,166					13,189	365				(2,410)	27,310
Parking Lot Event		2,820											2,820
Parking Lot Event		3,500											3,500
Parking Lot Event		500											500
Xtreme Sport Event	19,393	145,979		60,000		314,733		191,438	10,506			(87,041)	635,615
5K Running Event	7,500	20,494					11,113	2,102				(5,474)	28,234
Parking Lot Event		2,820											2,820
Parking Lot Event		10,722							3,954			(524)	14,152
Rugby Event	51,202	66,252	87,505	5,000		261,406	78,634	465,990	95,639	95,932		(252,660)	903,698
Xtreme Sport Event	47,328	-	40,000	90,000		718,097		217,100	129,607			(245,325)	949,479
Convention	30,000	714,064						29,643	148,739			(278,505)	613,942
Indirect Event Revenues:													
Suite Catering										131,844			131,844
Suites Lease				107,500									107,500
Suite Sublease				102,500									102,500
Club Seats			668,903										668,903
Sponsorship					500,000								500,000
Indirect Expenditures:													
SBS Facility Operations												(1,312,955)	(1,312,955)
General and Admin (18% of total expenditures)												(540,926)	(540,926)
UNLV Tickets (based on revenue allocation)						(366,182)							(366,182)
	204,940	1,248,782	796,948	440,750	500,000	1,272,461	188,477	1,262,414	556,673	102,076		(2,896,737)	3,471,844



SOUTHERN NEVADA _____
Tourism Infrastructure Committee

Las Vegas Stadium Alternative Funding Concept

Proposed Stadium Corporate Structure



¹ Assumed to be a newly created entity that is separate and distinct from the Las Vegas Convention and Visitors Authority
² \$200M face value of PSLs sold resulting in after-tax proceeds of \$110M plus \$200M of G-4 Loan and \$100M Contribution from Raiders

Source: LVS-Majestic Model, May 2016.

Comparison of Alternatives



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Total Cost	\$1.4 billion	
Stadium	\$1.3 billion	
Practice Facility	\$100 million	
Land	N/A	



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Total Cost	\$1.4 billion	\$1.45 billion
Stadium	\$1.3 billion	\$1.3 billion
Practice Facility	\$100 million	\$100 million
Land	N/A	\$50 million



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Total Cost	\$1.4 billion	\$1.45 billion
Stadium	\$1.3 billion	\$1.3 billion
Practice Facility	\$100 million	\$100 million
Land	N/A	\$50 million
Public Funding	\$750 million	
Total Debt	\$572 million	
Pay-Go	\$95 million	
Coverage	1.55x	



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Total Cost	\$1.4 billion	\$1.45 billion
Stadium	\$1.3 billion	\$1.3 billion
Practice Facility	\$100 million	\$100 million
Land	N/A	\$50 million
Public Funding	\$750 million	\$550 million
Total Debt	\$572 million	\$421 million
Pay-Go	\$95 million	\$67 million
Coverage	1.55x	1.51x



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Total Cost	\$1.4 billion	\$1.45 billion
Stadium	\$1.3 billion	\$1.3 billion
Practice Facility	\$100 million	\$100 million
Land	N/A	\$50 million
Public Funding	\$750 million	\$550 million
Total Debt	\$572 million	\$421 million
Pay-Go	\$95 million	\$67 million
Coverage	1.55x	1.51x
Private Funding	\$650 million	
Sands-Majestic	\$240 million	
Raiders	\$410 million	



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Total Cost	\$1.4 billion	\$1.45 billion
Stadium	\$1.3 billion	\$1.3 billion
Practice Facility	\$100 million	\$100 million
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Stadium Funding Models Comparison

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Private Funding	\$650 million	\$900 million
Sands-Majestic	\$240 million	\$400 million
Raiders	\$410 million	\$500 million
Preferred Investment Return	Uncertain	
Residual Revenue (Private/Public)	100% / 0%	



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Total Cost	\$1.4 billion	\$1.45 billion
Stadium	\$1.3 billion	\$1.3 billion
Practice Facility	\$100 million	\$100 million
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Coverage	1.55x	1.51x
Private Funding	\$650 million	\$900 million
Sands-Majestic	\$240 million	\$400 million
Raiders	\$410 million	\$500 million
Preferred Investment Return	Uncertain	9.0%
Residual Revenue (Private/Public)	100% / 0%	50% / 50%



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Room Tax		
Resort Corridor	1.0%	
Outside Resort Corridor	1.0%	
Outlying Areas (25 mi)	1.0%	



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Room Tax		
Resort Corridor	1.0%	0.7%
Outside Resort Corridor	1.0%	0.5%
Outlying Areas (25 mi)	1.0%	0.0%



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Room Tax		
Resort Corridor	1.0%	0.7%
Outside Resort Corridor	1.0%	0.5%
Outlying Areas (25 mi)	1.0%	0.0%
Tax Increment Area		
Sales Tax	Yes	
Live Entertainment Tax	Yes	
Modified Business Tax	Yes	



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Room Tax		
Resort Corridor	1.0%	0.7%
Outside Resort Corridor	1.0%	0.5%
Outlying Areas (25 mi)	1.0%	0.0%
Tax Increment Area		
Sales Tax	Yes	Yes
Live Entertainment Tax	Yes	Yes
Modified Business Tax	Yes	Yes



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Room Tax		
Resort Corridor	1.0%	0.7%
Outside Resort Corridor	1.0%	0.5%
Outlying Areas (25 mi)	1.0%	0.0%
Tax Increment Area		
Sales Tax	Yes	Yes
Live Entertainment Tax	Yes	Yes
Modified Business Tax	Yes	Yes
Tax Increment Distribution		
Stadium Authority	100%	
EventsCo	0%	



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Room Tax		
Resort Corridor	1.0%	0.7%
Outside Resort Corridor	1.0%	0.5%
Outlying Areas (25 mi)	1.0%	0.0%
Tax Increment Area		
Sales Tax	Yes	Yes
Live Entertainment Tax	Yes	Yes
Modified Business Tax	Yes	Yes
Tax Increment Distribution		
Stadium Authority	100%	0%
EventsCo	0%	100%



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Stadium Authority Board Allocations		
Tier 1: Debt Repayment	\$34.9 million	\$27.5 million



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Stadium Authority Board Allocations		
Tier 1: Debt Repayment	\$34.9 million	\$27.5 million
Tier 2: Stadium Authority Ops	\$0	\$2.0 million



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Stadium Authority Board Allocations		
Tier 1: Debt Repayment	\$34.9 million	\$27.5 million
Tier 2: Stadium Authority Ops	\$0	\$2.0 million
Tier 3: Capital Improvement Fund		
Stadium Authority	\$2.5 million	\$5.0 million
EventsCo	\$2.5 million	\$0



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Stadium Authority Board Allocations		
Tier 1: Debt Repayment	\$34.9 million	\$27.5 million
Tier 2: Stadium Authority Ops	\$0	\$2.0 million
Tier 3: Capital Improvement Fund		
Stadium Authority	\$2.5 million	\$5.0 million
EventsCo	\$2.5 million	\$0
Tier 4: UNLV Payment	\$3.5 million	\$3.5 million



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Stadium Authority Board Allocations		
Tier 1: Debt Repayment	\$34.9 million	\$27.5 million
Tier 2: Stadium Authority Ops	\$0	\$2.0 million
Tier 3: Capital Improvement Fund		
Stadium Authority	\$2.5 million	\$5.0 million
EventsCo	\$2.5 million	\$0
Tier 4: UNLV Payment	\$3.5 million	\$3.5 million
Tier 5: Metro Police Funding	\$0	\$4.0 million



Stadium Funding Models Comparison

	Sands-Majestic Proposal	Potential Alternative
Stadium Authority Board Allocations		
Tier 1: Debt Repayment	\$34.9 million	\$27.5 million
Tier 2: Stadium Authority Ops	\$0	\$2.0 million
Tier 3: Capital Improvement Fund		
Stadium Authority	\$2.5 million	\$5.0 million
EventsCo	\$2.5 million	\$0
Tier 4: UNLV Payment	\$3.5 million	\$3.5 million
Tier 5: Metro Police Funding	\$0	\$4.0 million
Tier 6: Clark County Event Fund	\$0	Residual



Proposed Funding Structure



NFL Stadium Proposed Funding Structure

Stadium Authority Board

- Clark County will issue bonds on behalf of Stadium Authority Board in the amount supported by available room tax revenue and a coverage ratio of 1.5x
- Maximum public funding: \$550 million

Stadium
Authority
Board
\$550M



NFL Stadium Proposed Funding Structure

Stadium Authority Board

- Clark County will issue bonds on behalf of Stadium Authority Board in the amount supported by available room tax revenue and a coverage ratio of 1.5x
- Maximum public funding: \$550 million

Raiders

- Contribution: \$500 million

Raiders
\$500M

Stadium
Authority
Board
\$550M



NFL Stadium Proposed Funding Structure

Stadium Authority Board

- Clark County will issue bonds on behalf of Stadium Authority Board in the amount supported by available room tax revenue and a coverage ratio of 1.5x
- Maximum public funding: \$550 million

Raiders

- Contribution: \$500 million

Developer

- Responsible for all remaining stadium development costs, including land and required standard infrastructure

**Total Cost
\$1.45 Billion**

**Developer
\$400M**

**Raiders
\$500M**

**Stadium
Authority
Board
\$550M**



Stadium Authority Board Formation, Powers & Authorities



Stadium Authority Board Formation

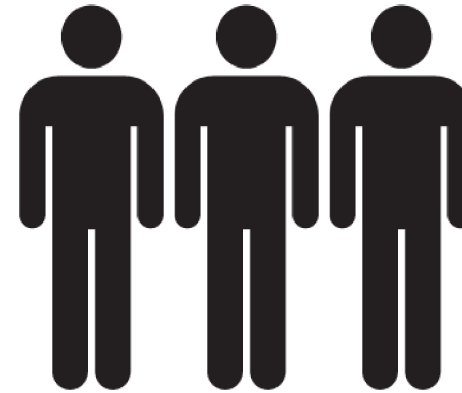
Seven Board Members Appointed By



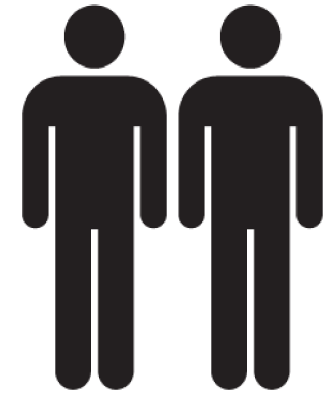
Clark County
Commission



Nevada
Governor



Project
Developer



Stadium Authority Board Powers & Authorities

- Created as a unit of government with appropriate powers, duties and authorities
- Authorized to receive any private and public resources necessary to fund, finance and develop the project
- Authority to bond against the public revenues
- Solicit and receive bids, enter into contracts, hire necessary personnel and other duties necessary to discharge its responsibilities
- Serve as the governing body for a tax increment area
- Approve the stadium site



Stadium Authority Board Powers & Authorities *(continued)*

- Approve the overall scope of the stadium project
- Approve the overall design and specifications of the stadium project
- Enter into a development agreement with the developers
- Own the stadium
- Receive audits and other project and performance measurement-related reports to ensure stadium operations are consistent with the intent of the Nevada State Legislature
- Authority to contract with a third party to operate the stadium
- Ability to approve any development within the tax increment area



Stadium Authority Board Sources & Uses



Sources

Increase in the Hotel Room Tax

- State of Nevada to increase room tax rates based on geographic location
- Stadium Authority Board receives incremental revenue
- All taxes identified or relied upon for stadium construction shall sunset when all public debt has been fully retired

Incremental Room Tax Increases NFL Stadium

<u>Area</u>	<u>Amount</u>
Resort Corridor	0.7%
Outside Resort Corridor	0.5%
Outlying Areas (25 mi)	0.0%



Uses

Allocation of Incremental Room Tax Revenue

Tier 1: Debt Repayment

- 1.5x coverage

Tier 2: Stadium Authority Operations

- \$2.0 million per year, increasing 3% annually

Tier 3: Capital Improvement Fund

- \$5.0 million per year, increasing 3% annually

Tier 4: UNLV Payment for Lost Sam Boyd Stadium Events

- \$3.5 million per year, increasing 3% annually

Tier 5: Metro Police Resort Corridor Funding

- \$4.0 million per year, increasing 3% annually

Tier 6: Clark County Event Fund

- Any remaining funds



Event Fund Governance

➤ To Be Determined



Creation of a Stadium Tax Increment Area



Stadium Tax Increment Area

- State of Nevada to allow creation of a Tax Increment Area
- Clark County will create Tax Increment Area unless state grants necessary powers to Stadium Authority Board to do so
- Tax Increment Area to include footprint of stadium and related practice facilities
- EventsCo receives all revenue generated from Tax Increment Area, offsets additional capital contribution
- Tax Increment Area capture rates:
 - Sales Tax – 100% of collections
 - Live Entertainment Tax – 100% of collections
 - Modified Business Tax – 100% of collections



NFL Team Terms & Conditions



NFL Team Terms & Conditions

- Lease agreement of 30 years with two, five-year extensions at team option
- Minimum annual team rent payment of \$2.5 million
- Team guarantee for rent payments for full term of lease
- All domestic home games must be played in stadium
- Team provides an agreed upon number of affordable tickets and a method for distributing those tickets
- A best-practices public safety plan



Stadium Developer Terms & Conditions



Stadium Developer Terms & Conditions

- Developer assumes all development and operating risk
- Developer will operate the stadium and be responsible for all costs associated with operation
- Developer will provide an annual audit of stadium operations for the prior fiscal year to the Stadium Authority Board no later than August 31st of each year
- Developer will be allocated first 9.0% of free cash flow as a preferred return on investment
- Stadium net revenue in excess of 9.0% return on developer investment will be shared on a 50/50 basis between developer and Stadium Authority Board



Stadium Developer Terms & Conditions *(continued)*

- Developers and the Raiders agree that they will make their best efforts to acquire the NFL's assent to relocate the Raiders to Las Vegas
- Project funding
 - Stadium Authority Board bond funds will not be released until \$350 million of project expenditures have been incurred by the developers (modeled at January 1, 2019)
 - Thereafter, the remaining \$1.1 billion will be funded equally by the developers and the Stadium Authority Board



Stadium Timeline

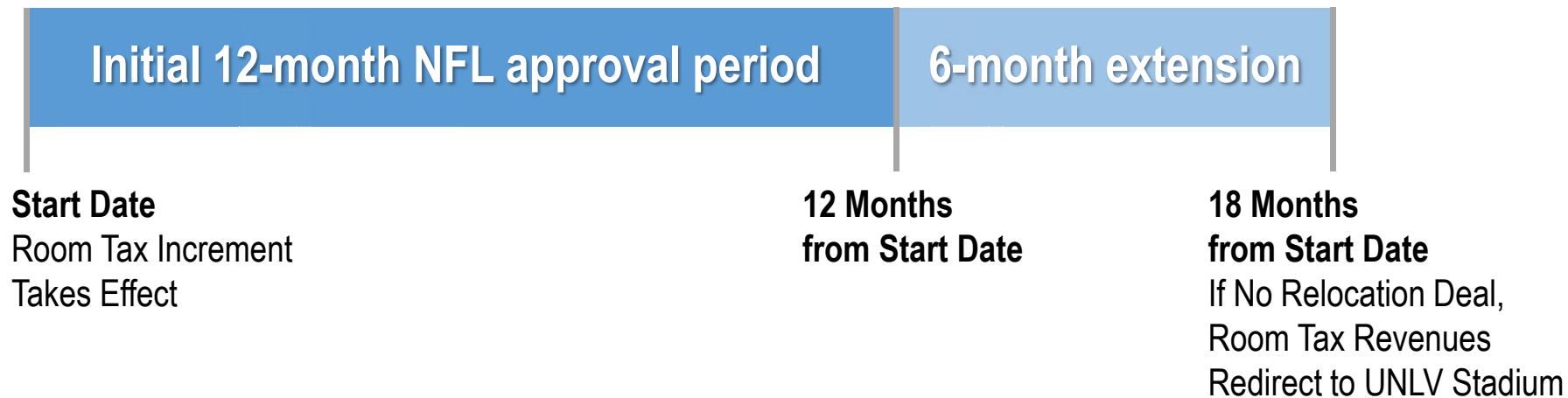
(Window of Opportunity)



NFL Stadium Timeline

- Developer must secure approval from NFL and contract with Raiders to relocate team to Las Vegas within 12 months of implementation of room tax increment
- A one-time six-month extension may be approved by Stadium Authority Board

Potential Raiders Relocation Timeline



UNLV Stadium Alternative

- If NFL stadium proposal does not meet required contingencies, room tax funds will be dedicated to build a collegiate-style stadium for UNLV football and events
- Room tax increment funding is contingent upon UNLV raising \$200 million in private funds within 24 months and approval of development plan by Stadium Authority Board
- If contingencies are met, the State of Nevada will issue bonds in the amount supported by available room tax revenue and a coverage ratio of 1.50x



UNLV Stadium Alternative *(continued)*

- Under UNLV stadium alternative, incremental room tax rates will be reduced

Incremental Room Tax Increases UNLV Stadium

Area	Amount
Resort Corridor	0.375%
Outside Resort Corridor	0.250%
Outlying Areas (25 mi)	0.000%



No Stadium Alternative

- If UNLV does not raise the necessary private funds within the 24-month timeframe, all collected incremental room tax revenue will be made available to repay bonds issued for the Las Vegas Convention Center expansion and renovation project

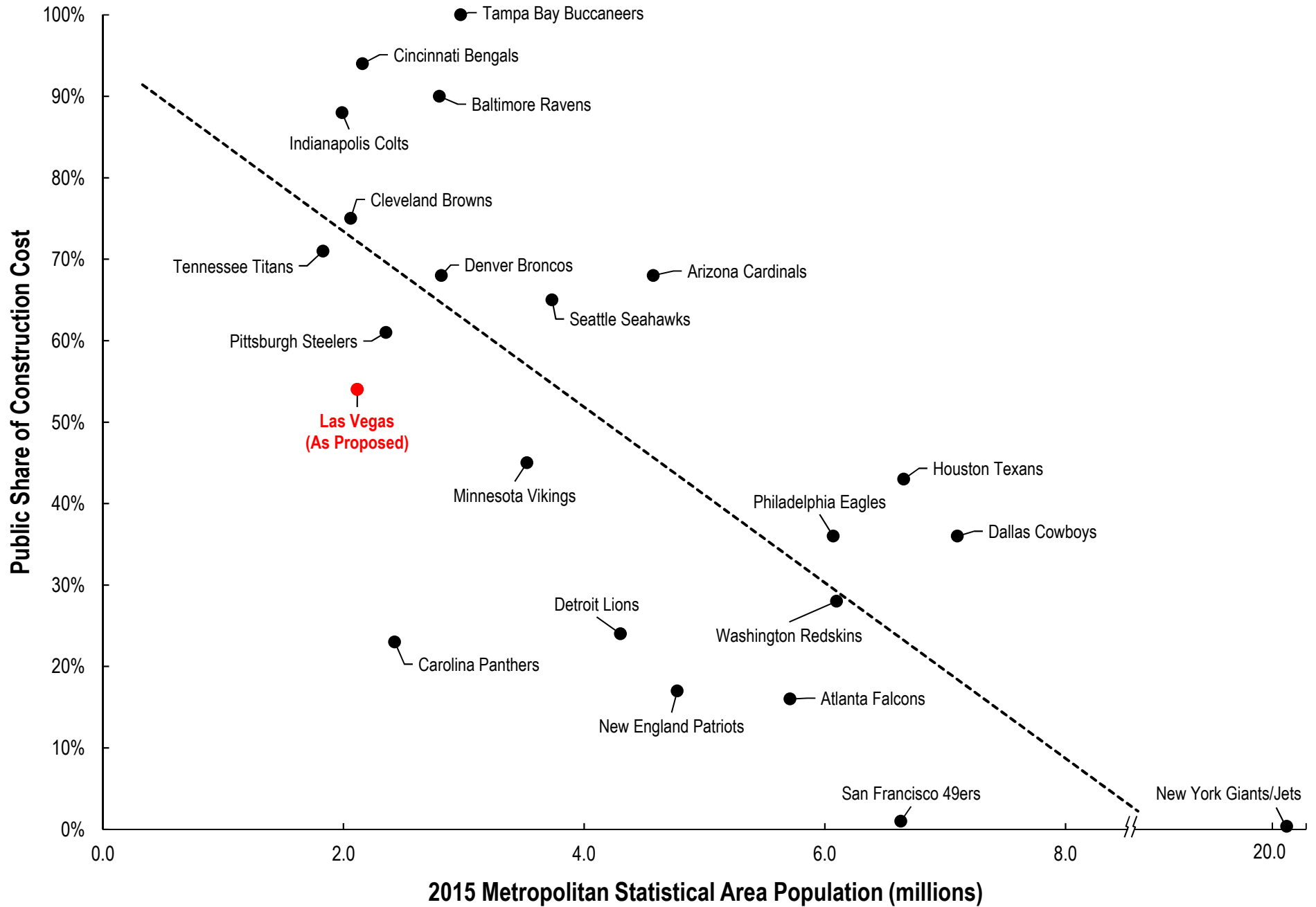




SOUTHERN NEVADA _____
Tourism Infrastructure Committee

Las Vegas Stadium Alternative Funding Concept

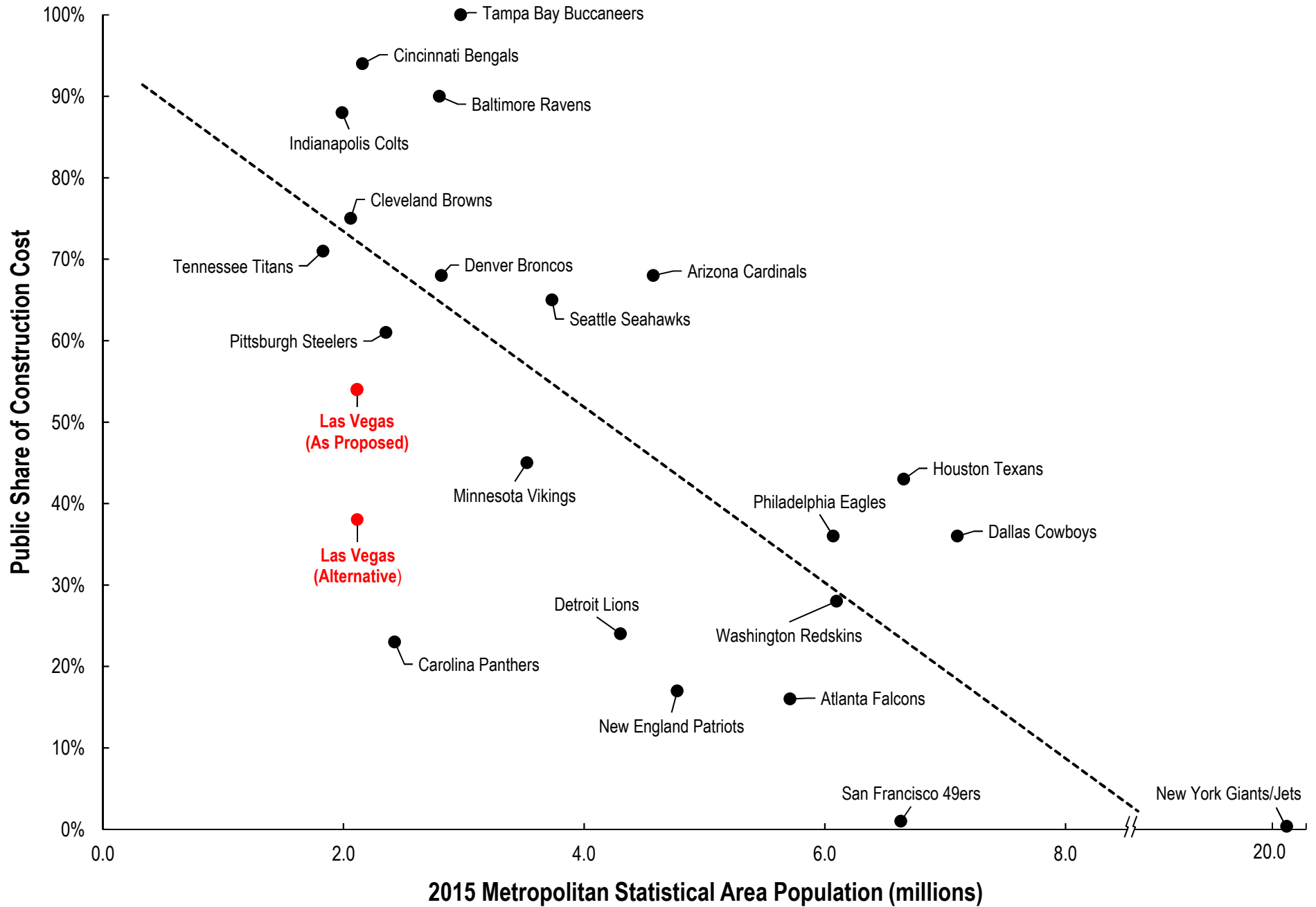
Public Share of NFL Stadium Costs and MSA Population



Note: List includes only new stadiums built since 1996; San Francisco MSA and San Jose MSA combined for 49ers population

Sources: CSL, Census Bureau

Public Share of NFL Stadium Costs and MSA Population



Note: List includes only new stadiums built since 1996; San Francisco MSA and San Jose MSA combined for 49ers population

Sources: CSL, Census Bureau

Stadium Construction Funding and Oversight
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTIONS 1 to 21 of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a large events center or a college football stadium in a county whose population is 700,000 or more (currently Clark County). **SECTION 10** of this bill creates a district to finance a large events center in such a county and provides that the district consists of all property that is located within the county and each city within the county and that is within 25 miles of the center of the site of the large events center. **SECTIONS 10 and 19** of this bill provide for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the district at a specified rate of the gross receipts from the rental of transient lodging in the district. **SECTION 11** of this bill requires the stadium authority for the county in which the district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain: (1) if the National Football League commits to allow a professional football team to locate or relocate to the district, a large events center in the district; or (2) if a commitment from the National Football League to allow a professional football team to locate or relocate to the district is not obtained but a university within the district obtains a commitment of at least \$200,000,000 in private funding for a football stadium, a college football stadium within the boundaries of the district. If the conditions for the use of the proceeds of the tax for a large events center or a college football stadium are not satisfied, the proceeds of the tax must be distributed to the county fair and recreation board for use to pay debts incurred for the facilities of that board. **SECTION 12** of this bill defines the allocations of revenue collected by the Stadium Authority Board. **SECTION 13** of this bill requires the equal distribution of stadium operating net revenues to the Stadium Authority Board and stadium developer once the developer has received the preferred annual rate of return. **SECTION 14** of this bill creates a Tax Increment Area to include a football stadium and related practice facilities, defines the tax sources that apply to the Tax Increment Area, and assigns all revenue collected under the Tax Increment Area to the stadium developers. **SECTION 15** of this bill requires the county in which the district is located to issue special obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a large events center if the National Football League commits to allow a professional football team to locate or relocate to the district. If such a commitment is not obtained and a university in the district secures a commitment of \$200,000,000 in private funding for a football stadium within the boundaries of the district. **SECTION 15** also provides for the issuance of special obligations of the State of Nevada to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a football stadium within the boundaries of the district. **SECTION 16** defines a large events center project. **SECTION 17** amends NRS 278C.140 to include a large events center project as a qualified undertaking. **SECTION 18** defines "Authority" to include a stadium authority. **SECTION 19** provides for alternative, lower transient lodging tax rates to apply in the event that a large event center project is unable to meet the requirements set forth in the act and lower rates are put in place to fund a collegiate stadium. **SECTION 20** establishes the terms of stadium authority board members. **SECTION 21** establishes effective dates for the each section of the act.

LANGUAGE FOR CONSIDERATION

- SECTION 1.** *As used in sections 1 to 21, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 and 3 of this act have the meanings ascribed to them in those sections.*
- SECTION 2.** *"District" means the district to finance a large events center that is created by subsection 1 of section 4 of this act.*
- SECTION 3.** *"Stadium authority" means the stadium authority for the county in which a district is located.*

SECTION 4. *1. In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:*

(a) Three members appointed by the Governor;
(b) Two members appointed by the board of county commissioners of the county in which the district created by section 10 of this act is located; and

(c) Two members appointed by the development partners.

2. The stadium authority constitutes:

(a) A body corporate and politic;

(b) A political subdivision of the county in which the district created by section 10 is located; and

(c) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the district created by Section 10 of this Act.

3. A vacancy on the stadium authority occurs when a member:

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the person or entity who appointed that member.

4. A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.

5. A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.

6. The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.

SECTION 5. *1. The Governor shall appoint one of its members as Chair.*

2. The stadium authority shall appoint:

(b) One of its members as Vice Chair; and

(c) A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.

2. The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.

3. The stadium authority shall meet regularly in the district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.

4. Except as otherwise provided in subsection 5 of NRS 281A.420:

(a) Four of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.

(b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least four members of the stadium authority.

5. The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.

SECTION 6. *1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:*

(a) Hire the members of its staff as employees;

(b) Contract with any governmental entity or other person to provide the persons to serve as its staff; or

(c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).

2. The stadium authority shall specify:

(a) The powers and duties of the members of its staff; and

(b) The amount and basis of compensation for the members of its staff.

SECTION 7. *The stadium authority:*

1. May adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of sections 11 to 22, of this act, for carrying out its business and affairs; and

3. Shall create a tax increment account, a stadium capital projects fund and a stadium operating account to carry out the provisions of sections 1 to 21, of this act.

SECTION 8. *1. Except as otherwise provided in section 9, the stadium authority may:*

(a) Enter into any contracts and other agreements with any person or other entity that the Board determines to be necessary or desirable to conduct the business of the Authority.

- (b) Sue and be sued.*
- (c) Acquire and own land and the improvements upon that land.*
- (d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable. The contracts and other agreements authorized by this subsection:
(1) May include, without limitation, contracts or other agreements relating to the design, planning, construction, acquisition, lease, lease-purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and
(2) Are not subject to the limitations of subsection 1 of NRS 354.626.*
- (e) Enter into a lease, ground lease or management agreement with any party authorizing the stadium authority to lease any portion of the land in the tax increment area owned by any party and any improvements thereon or, in the case of land that is owned or controlled by the Nevada System of Higher Education, to manage such land or improvements for the Nevada System of Higher Education on such terms as may be acceptable to the stadium authority and the Board of Regents and which do not violate any covenants concerning any securities issued by the Board of Regents.*
- (f) Receive any public and private resources necessary to fund, finance and develop the undertaking.*
- (g) Approve, in consultation with the development partners, the site selected for the undertaking.*
- (h) Approve, in consultation with the development partners, the overall design, scope and specifications of the undertaking.*
- (i) Enter into a development agreement with the development partners.*
- (j) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of the Legislature.*
- (k) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.*

2. If the stadium authority enters into a development agreement with development partners, the stadium authority shall ensure that the development partners will provide suitable financial security for their funding obligations as a part of the project financing.

SECTION 9. *1. The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:*

- (a) Expend or authorize the expenditure of any money in the tax increment account unless the stadium authority has entered into a lease, ground lease or management agreement pursuant to paragraph (d) of subsection 1 of section 8 of this act which authorizes a specific undertaking.*
- (b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a lease, ground lease or management agreement pursuant to paragraph (d) of subsection 1 of section 8 of this act which authorizes that undertaking.*

2. The stadium authority may own land and the improvements upon that land in its name.

SECTION 10. *1. In each county whose population is 700,000 or more, there is hereby created a district to finance a large events center. The district consists of all property that is within the county and within each city in the county and that is located within a radius of 25 miles from the center of the location or proposed location of a large events center constructed or to be constructed in the county.*

2. There is hereby imposed upon all persons in the business of providing lodging in the district a tax at the rate of:

(a) Seven tenths of one percent of the gross receipts from the rental of transient lodging in a gaming corridor within the district.

(b) One half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of a gaming corridor.

3. The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the district is located for the tax whether or not it is actually collected from a paying guest.

4. The taxes imposed by subsection 2 must:

(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;

(b) Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and

(c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 11 of this act.

5. As used in this section:

(a) "Gaming corridor" (define boundaries of area in which 0.7% rate will be imposed).

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

SECTION 11. 1. *The stadium authority shall create an account and deposit into the account any proceeds of the taxes imposed by subsection 2 of section 10 of this act received by the stadium authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 15 of this Act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 10 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district a large events center or to establish a bond reserve fund and other reserves to secure any bonds issued pursuant to section 15 of this act, or any combination thereof, as directed by the board of directors of the stadium authority.

3. Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection 2 of section 10 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a large events center unless, within the period prescribed by section // of this act, the National Football League has committed to allow the location or relocation of a professional football team within the boundaries of the district.

4. If, within the period prescribed by section // of this act, the National Football League has not committed to allow the location or relocation of a professional football team within the boundaries of the district or that professional football team has not entered into a contract for the location or relocation of the team within boundaries of the district, the stadium authority shall:

(a) If, within 24 months after the end of the period prescribed by section // of this act, a university within the boundaries of the district has secured a commitment of at least \$200,000,000 in private funding for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district, use the proceeds of the taxes imposed by subsection 2 of section 10 of this act to acquire, construct, lease, improve, equip, operate or maintain a football stadium within the boundaries of the district.

(b) If, within the period prescribed by paragraph (a), a university within the boundaries of the district has not raised the private funding described in paragraph (a), distribute the proceeds of the taxes imposed by subsection 2 of section 10 of this act to the county fair and recreation board for the payment of securities issued to finance the renovation and expansion of the facilities of that board.

5. After the issuance of securities pursuant to:

(a) Subsection 1 of section 15 of this act, the proceeds of the taxes imposed by subsection 2 of section 10 of this act and any applicable penalty or interest must be used by the stadium authority to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the county to finance or refinance, in whole or in part, a large events center within the boundaries of the district.

(b) Subsection 2 of section 15 of this act, the proceeds of the taxes imposed by subsection 2 of section 10 of this act and any applicable penalty or interest must be used by the stadium authority to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the State of Nevada to finance or refinance, in whole or in part, a football stadium within the boundaries of the district.

SECTION 12. 1. *Stadium Authority allocations of collected revenue to include:*

(a) Bond repayment;

(b) Stadium Authority operations;

(c) Stadium capital improvement fund;

(d) UNLV/Sam Boyd payment;

(e) Las Vegas Metropolitan Police Department Resort Corridor funding; and

(f) Clark County event fund.

SECTION 13. 1. Stadium Operations Revenue Sharing. *Any and all annual stadium operations net revenues in excess of developer preferred return amount shall be distributed equally between the Stadium Authority Board and the developer.*

SECTION 14. 1. A Tax Increment Area shall be created to include the property of the large events center and affiliated practice facilities.

2. Tax Increment Area will apply to all revenue generated from the following sources:

(a) Sales and Use Tax

(b) Live Entertainment Tax

(c) Modified Business Tax

3. All revenue generated under subsection 2 will inure to the stadium developers.

SECTION 15. 1. If:

(a) The National Football League has committed to allow the location or relocation of a professional football team within the boundaries of the district;

(b) That football team has entered into a contract to locate or relocate the team within the boundaries of the district; and

(c) The board of directors of the stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 10 of this act are sufficient to establish a debt service coverage ratio of at least X.X, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a large events center, the county in which the district is located, acting by and through the stadium authority, shall issue special obligations of the county in an amount not to exceed \$XXXX payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 10 of this act. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.

2. If:

(a) Special obligations of the county are not issued pursuant to subsection 1;

(b) Within 24 months after the end of the period prescribed by section // of this act, a university located within the district has secured a commitment of at least \$200,000,000 in private funding for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district; and

(c) The stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 10 of this act are sufficient to establish a debt service coverage ratio of at least X.X, the stadium authority shall notify the State Board of Finance of those facts, and the stadium authority and the State Board of Finance shall determine the amount of financing necessary to acquire, construct, lease, improve, equip, operate or maintain a football stadium on the campus of the university. Upon a determination of the amount of such financing, to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a football stadium on the campus of the university, the State Board of Finance shall issue special obligations of the State of Nevada in an amount not to exceed the amount of the determined to be necessary by the State Board of Finance and the stadium authority, payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 10 of this act. The provisions of the State Securities Law contained in chapter 349 of NRS apply to the issuance of securities pursuant to this subsection. The proceeds of any bonds issued pursuant to this subsection must be allocated to the stadium authority in such a manner as agreed to by the stadium authority and the State Board of Finance.

SECTION 16. Chapter 278C of NRS is hereby amended by adding thereto a new section to read as follows:

“Large events center project” means a project undertaken pursuant to sections 1 to 21, inclusive, of this act.

SECTION 17. NRS 278C.140 is hereby amended to read as follows:

278C.140 “Undertaking” means any enterprise to acquire, improve or equip, or any combination thereof:

1. In the case of counties:

(a) A drainage and flood control project, as defined in NRS 244A.027;

(b) An overpass project, as defined in NRS 244A.037;

(c) A sewerage project, as defined in NRS 244A.0505;

(d) A street project, as defined in NRS 244A.053;

(e) An underpass project, as defined in NRS 244A.055; ~~or~~

(f) A water project, as defined in NRS 244A.056 ~~or~~

(g) A large events center project, as defined in section 16 of this act.

2. In the case of cities:

(a) A drainage project or flood control project, as defined in NRS 268.682;

(b) An overpass project, as defined in NRS 268.700;

(c) A sewerage project, as defined in NRS 268.714;

(d) A street project, as defined in NRS 268.722;

(e) An underpass project, as defined in NRS 268.726; ~~or~~

(f) A water project, as defined in NRS 268.728 ~~or~~

(g) A large events center project, as defined in section 16 of this act.

3. In the case of a city with respect to any tax increment area created pursuant to a cooperative agreement between the city and the Nevada System of Higher Education pursuant to NRS 278C.155, in addition to the projects described in subsection 2:

(a) A project for any other infrastructure necessary or desirable for the principal campus of the Nevada State College that is approved by the Board of Regents of the University of Nevada; or

(b) An educational facility or other capital project for the principal campus of the Nevada State College that is owned by the Nevada System of Higher Education and approved by the Board of Regents of the University of Nevada.

4. In the case of a county or city with respect to any tax increment area created by an ordinance adopted pursuant to NRS 278C.157, in addition to the projects described in subsections 1 and 2:

(a) A natural resources project; or

(b) A rail project.

SECTION 18. Section 1 of chapter 582, Statutes of Nevada 1977, at page 1531, is hereby amended to read as follows:

Section 1. Definitions. As used in this act, unless the context otherwise requires:

1. "Authority" means the Clark County Fair and Recreation Board, designated by resolution pursuant to NRS 244.654 as the Las Vegas Convention and Visitors Authority ~~or~~ *or the Stadium Authority, appointed pursuant to section 18 of this act.*

2. "County" means Clark County, Nevada.

3. Other words and terms defined in the Local Government Securities Law have the meanings ascribed to them in that law.

SECTION 19. Section 10 of this act is hereby amended to read as follows:

1. In each county whose population is 700,000 or more, there is hereby created a district for the promotion of a large events center consisting of all property that is within the county and within each city in the county and that is located within a radius of 25 miles from the *center of the* location or proposed location of a large events center built or to be built in the county.

2. There is hereby imposed a tax at the rate of:

(a) Three ~~fourths~~ *eighths* of one percent of the gross receipts from the rental of transient lodging in a gaming corridor within the district.

(b) One ~~half~~ *quarter* of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of a gaming corridor.

3. The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the district is located for the tax whether or not it is actually collected from a paying guest.

4. The taxes imposed by subsection 2 must:

(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the district;

(b) Be collected and enforced in the same manner as any other tax imposed in the county on the gross receipts from the rental of transient lodging; and

(c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 11 of this act.

5. As used in this section:

- (a) "Gaming corridor" (define boundaries of area in which 0.375% rate will be imposed).
- (b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

SECTION 20. 1. For the district created by section by section 10 of this act for Clark County:

- (a) The Governor shall, on or before September 1, 2016, appoint the three members of the Stadium Authority pursuant to paragraph (a) of subsection 1 of section 4 of this act to initial terms that, for two of the appointees, commence on September 1, 2016, and expire on September 30, 2018, and for the third appointee commences on September 1, 2016, and expires on September 30, 2017; and
- (b) The Board of County Commissioners of Clark County shall, on or before September 1, 2016, appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of section 4 of this act to an initial term that, for one appointee commences on September 1, 2016, and expires on September 30, 2018, and for the second appointee commences on September 1, 2016, and expires on September 30, 2017; and
- (c) The development partners shall on or before September 1, 2016 appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 4 of this act to an initial term that, for one appointee commences on September 1, 2016, and expires on September 30, 2018, and for the second appointee commences on September 1, 2016, and expires on September 30, 2017.

2. The stadium authority appointed pursuant to this section shall hold an organizational meeting during September of 2016. At that meeting, the stadium authority shall elect:

- (b) One of its members as Vice Chair; and
- (c) A Secretary and Treasurer.

SECTION 21. 1. Sections 1 to 15, inclusive, of this act become effective on January 1, 2017, and expire by limitation:

- (a) If special obligations of the county or the State of Nevada are issued pursuant to section 15 of this act, on the date on which those obligations are fully paid.
- (b) If special obligations of the county or the State of Nevada are not issued pursuant to section 15 of this act, on the date which is 24 months after the end of the period prescribed by section // of this act.

2. Section 19 of this act:

- (a) Becomes effective on the date on which the board of directors of the stadium authority determines that, within the period prescribed pursuant to section // of this act, the National Football League has not committed to allow the location or relocation of a professional football team within the boundaries of the district or that football team has not entered into a contract to locate or relocate the team within the boundaries of the district; and
- (b) Expires by limitation on the date which is 24 months after the end of the period prescribed by section // of this act.



MEETING AGENDA

**July 11, 2016
8:00 a.m.**

**Main Location:
University of Nevada, Las Vegas
Stan Fulton Building
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 June 23, 2016

4. Chairman/Committee Comments

5. Research Staff Report

6. Committee Recommendations

**For Possible
Action**

a. Convention Center Legislative Recommendation

- Review and potential approval of committee's legislative recommendation regarding the Las Vegas Convention Center expansion and renovation project

7. Committee Workshop

a. Update by Las Vegas Sands and Majestic Realty regarding NFL-ready stadium proposal

b. Review and discussion of potential stadium funding and regulatory options

8. July 28th Meeting Preview

9. Committee Member Comments

10. Public Comment

For Possible Action 11. 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 Melanie Sheldon, 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 Melanie Sheldon, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101, (702) 486-2700, msheldon@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
June 23, 2016**

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

1. ROLL CALL/CALL TO ORDER/ESTABLISH QUOROM

BOARD MEMBERS PRESENT

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

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. 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: 8:08 A.M.

Mr. Stanley Washington states veterans should be helping build capital structures in Las Vegas. He also submits for the record the Green Zone Initiative.

Mr. Andre Smith, Chief Executive Officer of General Steel and Aluminum Manufacturing in Nevada, states his company wants to provide aluminum and steel to the stadium project.

Chairman Hill closes Agenda Item 2.

3. ACCEPTANCE OF MINUTES FROM MAY 26, 2016: 8:12 A.M.

Chairman Hill opens Agenda Item 3 for a motion to accept the meeting minutes from May. A motion is made by Commissioner Sisolak for the acceptance of the minutes. Mr. Noonan seconds the motion. The April meeting minutes pass unanimously.

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 8:13 A.M.

Chairman Hill congratulates Bill Foley on attaining a National Hockey League franchise in Las Vegas and President Len Jessup on the three University of Nevada, Las Vegas (UNLV) Runnin' Rebel players in the National Basketball Association draft. He states there will be a meeting on July 11th, then the committee will conclude July 28th.

Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 8:15 A.M.

Mr. Jeremy Aguero, Principal of Applied Analysis, addresses a question from the prior meeting about the rental rates at the convention center. He states the escalation in the rates charged by the Las Vegas Convention Center are closely aligned to those of the Las Vegas Sands and Mandalay Bay convention centers. Additionally, on the national scale, Las Vegas's rates are close to the median. Mr. Aguero also addresses from the prior meeting the \$3.5 million that is allocated to UNLV to make up for lost revenue at Sam Boyd Stadium. He states the \$3.5 million is accurate and remains in the stadium model.

Commissioner Sisolak asks about the \$3.5 million UNLV subsidy and whether Sam Boyd Stadium will be shut down. Mr. Gerry Bomotti, Senior Vice President for Finance and Business for UNLV, says board of regents would need to decide whether there will be future use for Sam Boyd, but the recommendation to the board would be to shut it down.

Mr. Hornbuckle asks about tax consequences for the stadium after construction. Mr. Aguero states there would be no property tax, but there would be sales taxes and live entertainment taxes.

Chairman Hill closes Agenda Item 5.

6. COMMITTEE WORKSHOP

a. McCarran International Airport Recommendation: 8:25 A.M.

Ms. Rosemary Vassiliadis, Director of Clark County Department of Aviation, summarizes a proposal for an interim study for an additional fuel line to support the current and future needs of McCarran International Airport. She states this would be of large assistance since there is currently only one aviation fuel supply line into southern Nevada and any kind of blockage could become very problematic and costly. She suggests the state look at the feasibility of this pipeline.

Commissioner Sisolak asks about the price for the fuel line and who will pay for it. Ms. Vassiliadis clarifies it will not be the state, and a good option would be to see if a private company would be willing to take on the project.

Mr. Sloan moves to accept Ms. Vassiliadis's proposal. Mr. Noonan seconds the motion. The recommendation for the interim legislative study passes unanimously.

b. Las Vegas Convention Center Legislative Recommendation: 8:30 A.M.

Chairman Hill introduces two options regarding the powers of the Las Vegas Convention Center Expansion and Renovation project's oversight committee. Options 6a and 7a in the draft legislation language state the panel would have an oversight role. Then, 6b and 7b would require the approval and assent of that advisory committee as opposed to solely an advisory role. He also introduces three issues brought forth in a letter by Clark County Commissioner Chris Giunchigliani: The sunset of the room tax collection after the bonds are paid off, explicit exclusion of stadium funding and accountability provisions.

Mr. Hornbuckle asks if the advisory committee would ultimately report to the board of directors of the Convention Authority. Chairman Hill states that is correct. Mr. Aguero clarifies approval of bonds would still lie with the Las Vegas Convention and Visitors Authority board.

Commissioner Sisolak states he thought the advisory board would have more power than is being proposed and asks which proposal would provide this. Mr. Aguero says that both proposals would provide this, and the only difference between option 6a and 6b in the recommendation is the idea of the advisory board having veto power.

Commissioner Sisolak asks about giving the LVCVA board more influence from Las Vegas resort companies and why this issue has been dropped. He iterates that this should be revisited and more authority should be given to the community experts.

Mr. Markantonis asks for clarification on 6a and 6b regarding disagreements and veto power. Mr. Aguero states under 6a if there is a disagreement, it goes back to the LVCVA board, the decision is put in the minutes and it is submitted to the legislature and the governor. The LVCVA will still be able to go forward, but the

LVCVA's board will have to put it on record that it decided to go against the will of the advisory committee.

Mr. Aguero states the makeup of the LVCVA's board is important when it comes to the issuance of bonds. If the board was represented by primarily private entities, it would hinder the LVCVA's ability to issue tax-exempt bonds.

Mayor Goodman states it is critical to hear from the LVCVA. She states the seats are already established and that she is opposed to another layer of government, saying that will only slow the process down and make things more difficult.

Mr. Noonan reminds Chairman Hill that the structure of the oversight board was changed at the request of many private industry representatives on the board. Mr. Rossi Ralenkotter, President and Chief Executive Officer of the LVCVA, reviews the composition of the LVCVA board and the purpose of its composition, as well as the LVCVA's planned oversight procedures for the convention center expansion and renovation project. These procedures include an oversight committee comprised of convention industry and construction experts.

Mr. Jenkin states an advisory committee of construction experts providing a second view of the project is appropriate, but the advisory committee having the authority to stop the project seems ludicrous. He recommends approval of 6a.

Chairman Hill clarifies neither proposal would involve the legislature and the governor in this decision-making process. On the advisory side, the oversight committee would need to make a recommendation, then if the LVCVA board does not follow it, it would be required to inform the legislature and governor. In section 6b, the oversight committee could tell the LVCVA board that it cannot move forward with a project.

Mr. Aguero states there is a requirement in 6b that if the LVCVA does not wish to follow the recommendation of the oversight committee, it is required to revise and resubmit its request for the issuance of bonds or any form of debt to the oversight panel.

Mayor Goodman states she is opposed to an oversight committee and her recommendation would be that the committee not include 6a or 6b in the recommendation.

Mr. Hornbuckle makes a motion to support 6b and 7b. Commissioner Sisolak seconds the motion. Then, Vice Chairman Jessup, Mr. Hornbuckle, Mr. Markantonis and Mr. Sloan vote yes. Mayor Goodman, Ms. McMillan, Mr. Jenkin and Mr. Noonan vote no. Chairman Hill then votes no to tie the votes and allow further conversation on this issue.

Mayor Goodman makes a motion to accept what Mr. Ralenkotter presented as the oversight structure that will work for the Convention Center, then rescinds this motion after discussion.

Commissioner Sisolak requests an agenda item in the next meeting that highlights the makeup of the LVCVA Board of Directors.

Chairman Hill asks Commissioner Sisolak that if bond council says having an industry majority on the board changes the bonds from being tax-exempt to taxable, if Commissioner Sisolak would still like it to be an agenda item. Commissioner Sisolak states he would like it to be a discussion.

Chairman Hill raises the issue of whether the additional room tax would sunset at the end of the payment period of the bonds.

Mr. Ralenkotter states that if the tax were to sunset when the bond was repaid in full, this sunset would come at a point where the convention center would be in need of renovations and remodeling once again. He states it would be less difficult to sustain the tax so as to avoid going through this same process again in the future. As long as the tax revenue is used solely for uses such as capital improvements on the convention center, Mr. Ralenkotter believes this is the best option.

Mr. Jenkin states that upon the completion of construction, the LVCVA should have sufficient revenues to fund its ongoing projects. He states that unless another remodel is needed, the convention center can operate without the tax and that it should sunset.

Mr. Sloan states that he agrees with Mr. Jenkin and that it would be proper to review what the money would be used for going forward if the tax did not sunset. Mr. Noonan agrees with Mr. Sloan and states that a discussion should be built in at a future date, approximately 20 to 25 years down the road. He states that he is in agreement that the tax should sunset, but there should be an opportunity to reevaluate in the future.

Mr. Aguero believes that having a conversation in the future about whether the tax will continue is appropriate, but it cannot be decided that it will sunset before the bonds have been paid in full. Mr. Aguero will write this recommendation into the language for the next meeting.

Chairman Hill raises the next recommendation from Commissioner Giunchigliani that stadium construction be specifically included in the list of prohibited uses for the funds for the LVCVA convention center project.

Chairman Hill states that in the current recommendation, stadiums are excluded from being funded by the additional room tax, included in this current recommendation.

Commissioner Sisolak states that restrictions should not be too narrowly defined and that some flexibility should be given. Mr. Ralenkotter agrees that some flexibility is needed.

Mr. Jenkin makes the motions to not add the restrictive language. Mr. Noonan seconds the motion.

Commissioner Sisolak asks if passing this would impact the operation of Cashman Field. Chairman Hill states it would not. Commissioner Sisolak asks if this revenue is fungible with other money. Mr. Aguero clarifies that Section 2 of the draft legislation provides limitations. Commissioner Sisolak asks if this would preclude the LVCVA from constructing a minor league baseball stadium. Mr. Aguero says that this is something he would need to go back and review. Commissioner Sisolak asks again whether the room tax money is fungible with other money. Mr. Aguero responds that it is separate and not fungible in any way.

Chairman Hill brings this motion to a vote. The motion passes unanimously.

Chairman Hill raises the accountability recommendation as it relates to the reporting of the progress of the project. Mr. Ralenkotter explains the process the LVCVA has to follow, including a requirement to report to the board for any expenses in excess of \$100,000. Chairman Hill asks if a recommendation for an annual report on the project would fit in with what the LVCVA already does. Mr. Ralenkotter says this would be possible, and similar processes are already in place.

Mr. Jenkin makes a motion to accept the recommendation for an annual report requirement. This motion is seconded by Mr. Noonan and passes unanimously.

Chairman Hill closes Agenda Item 6b, but then reopens that item.

Chairman Hill states a member of the committee made a recommendation that option 6a be revised regarding the powers of the oversight committee. The recommendation is that in the event of opposition to an oversight committee recommendation or decision, the LVCVA could move forward with a supermajority vote from the LVCVA Board of Directors. Mr. Ralenkotter states this would be acceptable, provided a 30-day notification period is included.

Chairman Hill closes Agenda Item 6b.

7. COMMITTEE WORKSHOP: 10:06 A.M.

a. Review and Modification of Stadium Proposal Alternatives

Chairman Hill states the goal of the stadium discussion today is to present and discuss an alternative concept for the financing of the stadium. He expresses his desire to see both of

these projects come to fruition. A chart is presented that illustrates the metropolitan population of cities with a National Football League (NFL) team on the x-axis and percentages of public funding on the y-axis. Chairman Hill points out a higher population stadiums have more suites and higher ticket prices, and thus less public funding. He states that small markets, such as Las Vegas, are faced with the decision of whether a stadium and NFL team will have an impact worth investing in. He points to Las Vegas's tourism as being the main impact on the economy. There is a trend line showing the relationship between metropolitan population and the percent of public funding for NFL stadium construction, and Chairman Hill points out that the first proposal was below that trend line.

Chairman Hill states the new funding concept has changed the total price from \$1.4 billion to \$1.45 billion with the addition of a \$50 million land allowance. The alternative concept changes the public contribution from \$750 million to \$550 million with a private contribution of \$900 million. This \$900 million would require \$400 million from the Las Vegas Sands and Majestic Realty partnership. In regards to the room tax, he states that within the resort corridor the tax would be 0.7 percent, outside of this boundary it would be 0.5 percent, and the tax would not increase outside a 25 mile radius from the stadium. At 1.5 times coverage, this would provide the funding needed. Because of the coverage, that money is then available for other uses such as paying down the bonds more quickly. Once the bonds are paid, the Stadium Authority Board's operating costs will be paid, a \$5 million capital contribution for stadium maintenance will be paid, and UNLV will be paid the \$3.5 million as previously discussed. Additional revenue will be used to pay for more police officers on the Strip. The Stadium Authority Board would consist of 7 members: 3 appointed by the governor, 2 by the Clark County Commission and 2 by the developers.

Mr. Aguero presents the alternative funding concept. He states that the structure of the deal, despite the new funding proposal, remains unchanged. He states that the total rate of return is now approximately 9 percent. Anything beyond that would be redistributed 50-50 between the developer and the public. The net rate of return would be approximately 8.5 percent. He reviews all details set forth by Chairman Hill. Mr. Aguero provides details of the Raiders's obligations to the stadium and to public safety during events. The Raiders must agree to put forth their best effort to relocate to Las Vegas, and the Stadium Authority Board's funds would not be released until \$350 million has been incurred by the developer. All construction costs would be split 50-50 from that point forward until the public contribution reached its maximum amount of \$550 million. If the criteria in the proposal are not met in regards to the NFL, UNLV would have the opportunity to move forward with a collegiate stadium. The room tax would be reduced in this event. If neither the NFL nor the UNLV Stadium come to fruition, the room tax revenue that had been generated would be allocated to repay the LVCVA bonds for the expansion and renovation of the Las Vegas Convention Center project.

Commissioner Sisolak states that he has not been involved enough in the proposal and whoever has been involved has not given public safety enough consideration.

Mr. Jenkin states he is troubled by EventsCo and how it will work and compete with Las Vegas Events, asking whether it will give the stadium an unfair advantage. He also says he agrees with Commissioner Sisolak in regards to his comments on public safety.

Mr. Noonan agrees with Commissioner Sisolak and Mr. Jenkin regarding public safety on the Strip and states downtown should be included in these considerations as well.

Mr. Hornbuckle asks about the basis of the \$2.5 million rent to be paid by the Raiders. Mr. Aguero states this is what was proposed in the Sands-Majestic model.

Chairman Hill asks the Las Vegas Sands, Majestic Realty and Raiders representatives to share their thoughts on the alternative proposal.

Mr. Marc Badain, President of the Oakland Raiders, states he is disappointed with the alternative proposal set forth. He points out that even at the first proposal of \$750 million, the public funding was below the trend line, and that the new proposal would be seen as a negative by the NFL.

Mr. Craig Cavileer, Executive Vice President of Majestic Realty, states the \$750 million contribution by the public is capped, while the private contribution is not. The developer is assuming all risk and will be responsible for the building of necessary infrastructure for the stadium under the first proposal. However, the new proposal does not allow for this. He reiterates the team will be responsible for all on- and off-site infrastructure costs.

Mr. Sloan states that there is a large reliance on the Raiders to relocate and given the process to relocate in the NFL, there will be an 18-month period of uncertainty. Thus, there is risk in collecting the tax for no economic benefit. Mr. Aguero states that the revenue from the room tax would be used to defuse the Convention Center bonds.

Commissioner Sisolak states that infrastructure costs for the Trop-42 site could reach as much as \$200 million, which would change the entire complexion of the situation for the developers. Mr. Andy Abboud, Vice President of Government Relations and Community Development for the Las Vegas Sands, states he has not confirmed this study but will address it. He also addresses the skepticism about raising tax dollars for Mr. Adelson. He states Mr. Adelson's commitment to this project is not to get rich quick, but for the good of the community, and his assumption of the risk proves this.

Commissioner Sisolak says there should be a better portrayal of approximately how much cost overrun this project may incur, as he thinks this is not well enough understood by many people.

Mayor Goodman expresses the location of the site must be determined before further conversation. Mr. Cavileer states that they have representatives currently looking at sites and exploring every option. Chairman Hill questions how feasible having a site determined by July 11th meeting would be. Mr. Cavileer states they can try their best to narrow it down

to three or four options, though this cannot be guaranteed. Mr. Hornbuckle offers to meet up with the group to discuss the Rock in Rio site.

Ms. Vassiliadis states only UNLV has submitted a 7460 evaluation form to the FAA for height restrictions only. There are many factors that will need to be evaluated in terms of aviation and safety. Chairman Hill asks about a general timeframe. Ms. Vassiliadis says it could take four to six months. She cites Levi's Stadium in Santa Clara as an example of a stadium near an airport. She says that Levi's Stadium has led to problems for pilots being 1.5 nautical miles away from the runway, and the proposed stadium at the Trop-42 site would be 500 nautical feet from the runway.

Chairman Hill states today's items were intended to start dialogue about alternatives, and that members of the committee need to take steps between now and the next meeting to produce resolutions and recommendations. He proceeds to ask the Raiders if they have any questions about what was covered. Mr. Badain questions the obligation for the Raiders to pay \$2.5 million in rent over the course of 30 years. He states that the new funding proposal is a negative, but that the affordable tickets proposal is a positive. He says they will continue conversations in the coming days. Mr. Abboud states he is committed to getting a deal done.

Chairman Hill asks if there are any other concerns from the committee or the guest speakers. There are none, and Chairman Hill states he does not think the two parties are far apart, and he is confident a deal can get done.

Clark County Sheriff Joseph Lombardo states his concerns regarding public safety to the committee. Comparing Las Vegas to destinations such as Bourbon Street in New Orleans and Times Square in New York, he states that Las Vegas should be ashamed by what it provides for tourist safety. Chairman Hill asks if the Sheriff believes the \$4 million contribution to Metro police under the stadium funding model is helpful, to which Sheriff Lombardo responds that it is good for another 23 to 28 officers, but more would be helpful.

Commissioner Sisolak thanks Sheriff Lombardo for speaking and explains the difficulty of explaining to locals a tax to fund public safety on the Strip, but safety on the Strip is vital to ensure that tourists feel safe and will want to return.

Mr. Hornbuckle states that finding the money to fund public safety should be a priority, but the challenge is that it should not be solely from a room tax. Mr. Jenkin agrees and implores that this decision should be at the forefront of discussion.

Commissioner Sisolak solicits other ideas how to get businesses involved with this tax. He asks Mr. Aguero about the implementation of a sales tax in the Strip corridor and downtown area for the purpose of public safety. Mr. Aguero says there may be complications due to the Streamlined Sales Tax Act, but there are some alternatives that can be considered that will achieve the same goal.

Chairman Hill recommends that the committee look through the material and provide comment, questions and recommendations to Mr. Aguero or Chairman Hill. He also reminds the commitments of the Open Meeting Law as it pertains to negotiations and decisions.

Chairman Hill closes Agenda Item 7.

8. JULY MEETING PREVIEW: 12:27 P.M.

Mr. Aguero will continue his work on the Convention Center legislation language and stadium proposal.

Chairman Hill closes Agenda Item 8.

9. COMMITTEE MEMBER COMMENTS: 12:27 P.M.

Chairman Hill states there are two meetings remaining, the last of which is on July 28th. The two remaining open topics are the convention center recommendation and the stadium proposal.

Chairman Hill closes Agenda item 9.

10. PUBLIC COMMENT: 12:27 P.M.

Mr. Stanley Washington states there are 200,000 to 300,000 veterans in the Las Vegas valley and nobody deserves to be part of this project more than them. He also says he is going to introduce an infrastructure proposal that requires no public funding or private funding from the Raiders.

Mr. Tommy White of Laborers 872 states his union is very supportive of the stadium and Metro.

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

11. ADJOURNMENT: 12:33 P.M.

CHAIRMAN HILL OPENS AGENDA ITEM 11 FOR POSSIBLE ACTION. MR. HORNBUCKLE MAKES THE MOTION TO ADJOURN THE COMMITTEE MEETING. MAYOR GOODMAN SECONDS THE MOTION. THE MOTION PASSES UNANIMOUSLY.

Southwest Airlines Co.
Bob Montgomery
Vice President- Airport Affairs
P.O. Box 36611
Dallas, Texas 75235-1611
214-792-4365
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June 29, 2016

Mr. Steve Sisolak, Chair
Clark County Commission
500 S. Grand Central Parkway
Las Vegas, NV 89155

Dear Mr. Sisolak,

Southwest Airlines is extremely concerned about the proposal to build a new stadium on the "Tropicana" site adjacent to Runways 19. McCarran International Airport is critically important to the Las Vegas economy and anything that restricts it damages both the community and Southwest Airlines. A stadium, whether open or domed, located less than half a mile from the ends of two of McCarran's major runways will restrict operations at McCarran International Airport, and will erode safety, security, and capacity at the airport.

Landing and take-off are the most critical stages of flight, and the industry is dedicated to removing conflicts, not creating them. Safety concerns stem from the activities that come with fan expectations of a modern sports arena including video boards and signage, light displays, fireworks, helicopters, and drones. A stadium on this site will also preclude "Next Gen" instrument arrival procedures (which are in the final stage of development) for the Runways 19, thereby shrinking capacity. Noise will become a conflict, as flights this close will render the stadium useless for anything but large sporting events, especially concerts. Finally, since most of our Customers arrive at the airport via Las Vegas Boulevard to Tropicana Avenue to Paradise Road, we must oppose this site due to vehicle gridlock alone.

It is well known that McCarran International Airport is the major artery by which visitors come to and from Las Vegas with an estimated economic impact of \$30 billion. Southwest Airlines alone transported nearly 12 million Passengers in and out of Las Vegas in 2014, employed 3,250 Employees, aided in creating roughly 36 thousand Las Vegas jobs, and stimulated nearly \$7 billion in Las Vegas area economic activity. To clog that artery by either restricting runway use or by creating roadway gridlock puts all of these benefits at risk.

Please consider an alternative site.

Sincerely,

A handwritten signature in blue ink that reads "Bob Montgomery". The signature is stylized and includes a large circular flourish at the end.

Bob Montgomery
Vice President-Airport Affairs

A handwritten signature in blue ink that reads "Craig Drew". The signature is written in a cursive, flowing style.

Captain Craig Drew
Sr. Vice President Air Operations

Chairman Steve Sisolak
June 29, 2016
2

Cc: Rosemary Vassiliadis, Director of Aviation-McCarran International Airport
Don Burnette, Clark County Manager
Steve Hill, Executive Director-Governor's Office of Economic Development

Department of Veterans Services
6880 S. McCarran Blvd A-Suite2
Reno, Nevada 89511
(775) 688-1653 • Fax (775) 688-1656

BRIAN SANDOVAL
Governor



Nevada State Veterans Home
100 Veterans Memorial Drive
Boulder City, Nevada 89005
(702) 332-6784 • Fax (702) 332-6762

Northern Nevada
Veterans Memorial Cemetery
14 Veterans Way
Fernley, Nevada 89408
(775) 575-4441 • Fax (775) 575-5713

STATE OF NEVADA
NEVADA DEPARTMENT OF VETERANS SERVICES

555 E. Washington Ave., Room 1013
Las Vegas, Nevada 89101
(702) 486-3830 • Fax (702) 486-3829

Southern Nevada
Veterans Memorial Cemetery
1900 Veterans Memorial Drive
Boulder City, Nevada 89005
(702) 486-5920 • Fax (702) 486-5923

SUBJECT: Veteran Owned Business Resources and Programs
DATE: 7/8/2016

There are many programs on both the state and federal level that provide information and opportunities for veteran owned businesses. Below are a number of those resources.

- The VA's Center for Verification and Evaluation (CVE)
 - As a part of the VA's Veterans First Program, contract set-asides are available for Veteran Owned Small Businesses and Service Disabled Small Businesses; however, an applicant must be verified to qualify. Verification is the process by which a Veteran is evaluated and determined eligible to be listed in the Vendor Information Pages (VIP) database.
 - The Center for Verification and Evaluation (CVE) is the office within VA that manages the verification process and verifies VOSB/SDVOSBs for inclusion in the VetBiz database.
 - <http://www.va.gov/osdbu/verification/assistance/>
- U.S. Small Business Administration (SBA) – Veteran Business Outreach Center Region IX
 - VBOC's mission is to advance the growth and commercial competitiveness of veteran owned small business enterprises through education and services focusing on business development, technology deployment and e-commerce.
 - <http://www.vbocix.org/>
- Federal contracting set-asides
 - The Federal government is required by law to award 3% of the entire volume of contract awards to Service Disabled Veteran Owned Businesses.
 - Federal contracting set-asides are managed through a web-based portal which allows vendors to review Federal Business Opportunities (FedBizOpps).
 - <https://www.fbo.gov/?s=main&mode=list&tab=list&tabmode=list>

- Nevada State Purchasing System
 - Many businesses consider the idea of selling their products or services to the government much too complicated and overwhelming. In today's marketplace, the government could become your best customer. The Nevada Procurement Technical Assistance Center (PTAC) helps simplify the process and cut through the red tape, connecting Nevada businesses with lucrative opportunities
 - <http://purchasing.staging.nv.gov/vendors/DBINV/>
 - <http://diversifynevada.com/programs-resources/procurement-outreach>
 - https://www.sba.gov/sites/default/files/files/resourceguide_3133.pdf
- State of Nevada Veteran Owned Business Preferences
 - A local business owned and operated by a Nevada veteran who has a service-connected disability who submits a bid or proposal for a contract with State Public Works for which the estimated cost is \$100,000 or less shall be deemed to be 5 percent lower than the bid or proposal actually submitted. A local business owned and operated by a Nevada veteran who has a service-connected disability which is 50 percent or more who submits a bid or proposal for a contract for which the estimated cost is more than \$100,000 but less than \$250,000, the bid or proposal shall be deemed to be 5 percent lower than the bid or proposal actually submitted. (NRS 338.1384).
 - A local business owned and operated by a Nevada veteran who has a service-connected disability who submits a bid or proposal for a contract with State Purchasing Division Public Works who are bidding on or submitting a proposal to provide a service to the State through the State Purchasing Division for which the estimated cost is more than \$50,000 but not more than \$250,000 shall be deemed to be 5 percent lower than the bid or proposal actually submitted. A local business owned and operated by a Nevada veteran who has a service-connected disability of 50 percent or more who submits a bid or proposal for a contract for which the estimated cost is more than \$250,000 but less than \$500,000, the bid or proposal shall be deemed to be 5 percent lower than the bid or proposal actually submitted. (NRS 336.336).

Convention Center Expansion and Renovation
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~{omitted material}~~ is material to be removed.

OVERVIEW

SECTION 1 amends NRS 244 to increase the room tax by one-half of one percentage point (0.5 percent) in counties with 700,000 people or more. **SECTION 2** specifies allowable uses of the additional room tax revenue created in **SECTION 1**. **SECTION 3** enumerates prohibited uses of the additional room tax revenue created in **SECTION 1**. **SECTION 4** amends NRS 244A to cap the local government collection allowance for the transient lodging tax to an amount not greater than \$25 million per year in counties with a population of 700,000 or more; establishes the allowable uses and prohibited uses for the revenues in excess of the maximum collection allowance in Section 4. **SECTION 5** creates a committee for convention facilities in counties with a population of 700,000 or more. **SECTION 6** establishes the duty of the county fair and recreation board to provide support and information to an oversight committee for convention facilities. **SECTION 7** establishes certain reporting and duties of an oversight committee for convention facilities. **SECTION 8** amends NRS 268 to increase the room tax by one-half of one percentage point (0.5 percent) in all cities in a county with 700,000 people or more. **SECTION 9** specifies the allowable uses of the additional room tax revenue created in **SECTION 8**. **SECTION 10** enumerates prohibited uses for the additional room tax revenue created in **SECTION 8**. **SECTION 11** exempts the imposition of the increases in room tax as set forth in this Act from the business impact statement requirement. **SECTION 12** and **SECTION 13** exempt the Act from the legislative limitation on the imposition of additional transient lodging taxes. **SECTION 14** makes the Act effective upon passage and approval with ninety (90) days to implement the increase in room tax and sunsets the tax when the notes, bonds or other securities issued to fund the cost of the project have been paid in full or thirty-three (33) years, whichever occurs first, unless the state legislature determines it is in the best interest of the state's tourism industry to extend the tax for a longer period of time.

LANGUAGE FOR CONSIDERATION

SECTION 1. *NRS 244.335X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.*

1. The board of county commissioners:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that county upon all persons in the business of providing lodging. This tax must be imposed by the board of county commissioners in each county, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 244.335.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

SECTION 2. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.

1. The proceeds of the tax imposed by Section 1 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 1 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 3. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 1 may not be used:

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 2;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or

7. For any other purpose inconsistent with Section 2.

SECTION 4. NRS 244A.645 Powers of board concerning license taxes assigned or appropriated by cities, towns and counties. In connection with any license taxes assigned or appropriated by any city, town or county, or any combination thereof, for use in connection with NRS 244A.597 to 244A.655, inclusive, the county fair and recreation board of any county, upon behalf of the county, in addition to powers elsewhere conferred, may:

1. Collect the proceeds of such taxes from time to time, receive, control, invest and order the expenditure of all money pertaining thereto, prescribe a procedure therefor, including, but not limited to:

(a) Enforcing the collection of any delinquent taxes and providing penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a transient lodging facility and the closure of a transient lodging facility for failure to pay the tax on transient lodging; and

(b) Creating an office and hiring personnel therefor.

2. Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected, excluding from this limitation and from those gross revenues any costs of collecting any delinquent taxes borne by any delinquent taxpayer.

(a) In a county whose population is 700,000 or more:

(1) The incorporated cities collectively and any county shall enter into an agreement with the board for the payment of collection fees, which may not exceed 10 percent of the proceeds of the license taxes collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed \$25 million in any single fiscal year.

(b) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a) which would have been paid to the collecting entities shall be pledged revenues for the purpose of subsection 3 of NRS 350.020 and accounted for separately and used only:

(1) To expand an existing convention center owned and operated by the county fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve and renovate the facilities of the county fair and recreation board; and

(2) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in Subsection 1.

(c) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a), which would have been paid to the collecting entities shall not be used:

(1) As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

(2) To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

(3) To operate and maintain recreational facilities under the jurisdiction of the county fair and recreation board;

(4) To improve and expand recreational facilities other than those authorized in Section 2;

(5) To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or

(6) For any other purpose inconsistent with Section 2.

SECTION 5. NRS 244A.XXX Oversight panel for convention facilities: Establishment in counties whose population is 700,000 or more; membership; terms of members; meetings.

1. The oversight committee shall be comprised of seven (7) members that live in the county.

2. Oversight committee members shall be nominated by the board of county commissioners, city councils of any incorporated city in the county, the Majority Leader of the Nevada State Senate, the Speaker of the Nevada State Senate, and the association of gaming establishments whose membership in the county collectively paid the most gross revenue fees pursuant to NRS 463.370 in the preceding year, and shall be appointed by the Governor.

3. The seven (7) members appointed by the Governor shall include:

(a) Five members who are executives and/or directors of construction of active commercial hotel resort properties who have experience managing the design, engineering, cost estimating and construction of commercial conference and/or convention facilities; and

(b) Two members who are experienced in the financing of capital projects within the State of Nevada.

4. No two members of the oversight panel for convention facilities shall be representatives of the same company.

5. The initial term for members appointed under Section 5(3)(a) shall end on June 30, 2018, and the initial term for members appointed under Section 5(3)(b) shall end on June 30, 2019. After the initial terms, the term of each member of the oversight panel is two (2) years. Members of the oversight panel are eligible for reappointment.

6. The chair and vice chair of the oversight panel shall be appointed by the Governor.

7. The oversight panel for convention facilities may meet at the call of the chair of the oversight panel, but is not required to hold meetings except for the purposes of carrying out its duties pursuant to this Act, or at the request of the Legislature, the Governor or county fair and recreation board.

8. The oversight panel shall comply with NRS Chapter 239 and will dissolve upon the earlier of ten (10) years after the date of passage of the Act or the completion of the expansion and renovation projects as set forth in Section 2, as certified by an independent public accountant.

SECTION 6. NRS 244A.XXX Oversight panel for convention facilities: Duty of county fair and recreation board to provide support and information. The county fair and recreation board in a county whose population is 700,000 or more shall:

1. Provide administrative support to the oversight panel for convention facilities to ensure its ability to fulfill the duties and responsibilities pursuant to this Act;

2. Comply with all requests by the oversight panel for information;

3. Prepare a 3-year plan for the renovation and expansion of convention facilities and a 5-year plan for the construction of convention facilities funded by this Act for submission to the oversight panel for its review and recommendations on or before June 30 of each even-numbered fiscal year;

4. Provide an annual progress update of all projects undertaken pursuant to Sections 2 and 9 of this Act.

(a) The annual progress update shall have been accepted by the fair and recreation board before being submitted to the oversight panel for convention facilities.

5. Consider each recommendation, approval or disapproval of the oversight panel for convention facilities:

(a) If more than 66 percent of the voting members of the fair and recreation board rejects the recommendation, approval or disapproval of the oversight panel for convention facilities, the fair and recreation board shall:

(1) State in writing the reason for its action and include the statement in the minutes of the Board of Directors; and

(2) Submit those minutes to the Governor and the Director of the Legislative Counsel Bureau within 30 days of the board's action.

(b) If the conditions of subsection 5(a) are not met and more than 50 percent of the voting members of the fair and recreation board rejects the recommendation, approval or disapproval of the oversight panel for convention facilities, the fair and recreation board shall:

(1) State in writing the reason for its action and include the statement in the minutes of the Board of Directors; and

(2) Submit those minutes to the Governor and the Director of the Legislative Counsel Bureau within 30 days of the board's action.

(3) Revise and resubmit the recommendation, approval or disapproval to the oversight panel for convention facilities before taking any further action on that recommendation.

6. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all construction or renovation payments made with the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the immediately preceding fiscal year; and

7. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all bond activity and uses related to the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the preceding fiscal year.

SECTION 7. NRS 244A.XXX Duty to review and submit recommendations for convention facility expansion and renovation plans; oversight panel required to approve or deny request for issuance of certain bonds.

1. The oversight panel for convention facilities shall review and, within 30 days approve or disapprove plans for expansions to or renovation of any convention facilities undertaken pursuant to this Act.

2. In a county whose population is 700,000 or more, the oversight panel for convention facilities shall review and, within 30 days, approve or disapprove a request of the county fair and recreation board for the issuance of bonds or any other form of indebtedness pursuant to this Act.

3. The oversight panel's approval of any issuance of bonds or any other form of indebtedness as set forth in subsection 2 shall be made after the approval, if any, required by any debt management commission and prior to adoption of a resolution of intent pursuant to subsection 3 of NRS 350.020.

SECTION 8. NRS 268.09X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.

1. The city council or other governing body of each incorporated city:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that city upon all persons in the business of providing lodging. This tax must be imposed by the city council or other governing body of each incorporated city, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 268.095.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

SECTION 9. NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.

1. The proceeds of the tax imposed by Section 8 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 8 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 10. NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 8 may not be used:

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any or general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 9;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 9; or

7. For any other purpose inconsistent with Section 9.

SECTION 11. Exemption from Business Impact Statement requirements. Any ordinance or other action of the board of county commissioners or city councils taken pursuant this Act is exempt from the requirements of NRS 237.030 thru 237.150.

SECTION 12. NRS 244.3359 Taxes on rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration; exceptions.

*1. A county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.3351, 244.3352, ~~and~~ 244.33561 **and Section 1 of this Act.***

2. A county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.33561.

3. Except as otherwise provided in subsection 2 and NRS 387.191, the Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for the promotion of tourism or for the construction or operation of tourism facilities by a convention and visitors authority.

SECTION 13. NRS 268.0968 Tax on revenues from rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration.

*1. Except as otherwise provided in NRS 268.096, ~~and~~ 268.801 to 268.808 **and Section 8 of this Act,** inclusive, a city*

This is a preliminary draft document.

It is intended for discussion purposes only.

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located in a county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

2. Except as otherwise provided in NRS 268.7845, a city located in a county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

3. The Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for:

- (a) The promotion of tourism;
- (b) The construction or operation of tourism facilities by a convention and visitors authority; or
- (c) The acquisition, establishment, construction or expansion of one or more railroad grade separation projects.

SECTION 14. 1. *This Act shall become effective upon passage and approval except that Sections 1 and 8 shall be imposed ninety (90) days after passage and approval.*

2. *Transient lodging taxes created in Sections 1 and 8 of this Act shall sunset:*

(a) *When the notes, bonds or other securities issued pursuant to Section 2(b) and Section 9(b) of this Act have been fully paid; or*

(b) *Thirty-three (33) years from the effective date of this Act, whichever occurs first.*

3. *On a date not less than three years prior to the sunset of the transient lodging tax as set forth in subsection 2, the Nevada State Legislature shall consider in a public hearing whether it is in the best interest of the state's tourism industry to extend the imposition of the transient lodging taxes set forth in Sections 1 and 8 for a longer period of time.*

Convention Center Expansion and Renovation
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTION 1 amends NRS 244 to increase the room tax by one-half of one percentage point (0.5 percent) in counties with 700,000 people or more. **SECTION 2** specifies allowable uses of the additional room tax revenue created in **SECTION 1**. **SECTION 3** enumerates prohibited uses of the additional room tax revenue created in **SECTION 1**. **SECTION 4** amends NRS 244A to cap the local government collection allowance for the transient lodging tax to an amount not greater than \$25 million per year in counties with a population of 700,000 or more; establishes the allowable uses and prohibited uses for the revenues in excess of the maximum collection allowance in Section 4. **SECTION 5** creates a committee for convention facilities in counties with a population of 700,000 or more. **SECTION 6** establishes the duty of the county fair and recreation board to provide support and information to an oversight committee for convention facilities. **SECTION 7** establishes certain reporting and duties of an oversight committee for convention facilities. **SECTION 8** amends NRS 268 to increase the room tax by one-half of one percentage point (0.5 percent) in all cities in a county with 700,000 people or more. **SECTION 9** specifies the allowable uses of the additional room tax revenue created in **SECTION 8**. **SECTION 10** enumerates prohibited uses for the additional room tax revenue created in **SECTION 8**. **SECTION 11** exempts the imposition of the increases in room tax as set forth in this Act from the business impact statement requirement. **SECTION 12** and **SECTION 13** exempt the Act from the legislative limitation on the imposition of additional transient lodging taxes. **SECTION 14** makes the Act effective upon passage and approval with ninety (90) days to implement the increase in room tax and sunsets the tax when the notes, bonds or other securities issued to fund the cost of the project have been paid in full or thirty-three (33) years, whichever occurs first, unless the state legislature determines it is in the best interest of the state's tourism industry to extend the tax for a longer period of time.

LANGUAGE FOR CONSIDERATION

SECTION 1. *NRS 244.335X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.*

1. The board of county commissioners:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that county upon all persons in the business of providing lodging. This tax must be imposed by the board of county commissioners in each county, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 244.335.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

SECTION 2. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.

1. The proceeds of the tax imposed by Section 1 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 1 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 3. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 1 may not be used:

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 2;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or

7. For any other purpose inconsistent with Section 2.

SECTION 4. NRS 244A.645 Powers of board concerning license taxes assigned or appropriated by cities, towns and counties. In connection with any license taxes assigned or appropriated by any city, town or county, or any combination thereof, for use in connection with NRS 244A.597 to 244A.655, inclusive, the county fair and recreation board of any county, upon behalf of the county, in addition to powers elsewhere conferred, may:

1. Collect the proceeds of such taxes from time to time, receive, control, invest and order the expenditure of all money pertaining thereto, prescribe a procedure therefor, including, but not limited to:

(a) Enforcing the collection of any delinquent taxes and providing penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a transient lodging facility and the closure of a transient lodging facility for failure to pay the tax on transient lodging; and

(b) Creating an office and hiring personnel therefor.

2. Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected, excluding from this limitation and from those gross revenues any costs of collecting any delinquent taxes borne by any delinquent taxpayer.

(a) In a county whose population is 700,000 or more:

(1) The incorporated cities collectively and any county shall enter into an agreement with the board for the payment of collection fees, which may not exceed 10 percent of the proceeds of the license taxes collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed \$25 million in any single fiscal year.

(b) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a) which would have been paid to the collecting entities shall be pledged revenues for the purpose of subsection 3 of NRS 350.020 and accounted for separately and used only:

(1) To expand an existing convention center owned and operated by the county fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve and renovate the facilities of the county fair and recreation board; and

(2) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in Subsection 1.

(c) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a), which would have been paid to the collecting entities shall not be used:

(1) As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

(2) To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

(3) To operate and maintain recreational facilities under the jurisdiction of the county fair and recreation board;

(4) To improve and expand recreational facilities other than those authorized in Section 2;

(5) To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or

(6) For any other purpose inconsistent with Section 2.

SECTION 5. NRS 244A.XXX Oversight panel for convention facilities: Establishment in counties whose population is 700,000 or more; membership; terms of members; meetings.

1. The oversight committee shall be comprised of seven (7) members that live in the county.

2. Oversight committee members shall be nominated by the board of county commissioners, city councils of any incorporated city in the county, the Majority Leader of the Nevada State Senate, the Speaker of the Nevada State Senate, and the association of gaming establishments whose membership in the county collectively paid the most gross revenue fees pursuant to NRS 463.370 in the preceding year, and shall be appointed by the Governor.

3. The seven (7) members appointed by the Governor shall include:

(a) Five members who are executives and/or directors of construction of active commercial hotel resort properties who have experience managing the design, engineering, cost estimating and construction of commercial conference and/or convention facilities; and

(b) Two members who are experienced in the financing of capital projects within the State of Nevada.

4. No two members of the oversight panel for convention facilities shall be representatives of the same company.

5. The initial term for members appointed under Section 5(3)(a) shall end on June 30, 2018, and the initial term for members appointed under Section 5(3)(b) shall end on June 30, 2019. After the initial terms, the term of each member of the oversight panel is two (2) years. Members of the oversight panel are eligible for reappointment.

6. The chair and vice chair of the oversight panel shall be appointed by the Governor.

7. The oversight panel for convention facilities may meet at the call of the chair of the oversight panel, but is not required to hold meetings except for the purposes of carrying out its duties pursuant to this Act, or at the request of the Legislature, the Governor or county fair and recreation board.

8. The oversight panel shall comply with NRS Chapter 239 and will dissolve upon the earlier of ten (10) years after the date of passage of the Act or the completion of the expansion and renovation projects as set forth in Section 2, as certified by an independent public accountant.

SECTION 6. NRS 244A.XXX Oversight panel for convention facilities: Duty of county fair and recreation board to provide support and information. The county fair and recreation board in a county whose population is 700,000 or more shall:

1. Provide administrative support to the oversight panel for convention facilities to ensure its ability to fulfill the duties and responsibilities pursuant to this Act;

2. Comply with all requests by the oversight panel for information;

3. Prepare a 3-year plan for the renovation and expansion of convention facilities and a 5-year plan for the construction of convention facilities funded by this Act for submission to the oversight panel for its review and recommendations on or before June 30 of each even-numbered fiscal year;

4. Provide an annual progress update of all projects undertaken pursuant to Sections 2 and 9 of this Act.

(a) The annual progress update shall have been accepted by the fair and recreation board before being submitted to the oversight panel for convention facilities.

5. Consider each recommendation, approval or disapproval of the oversight panel for convention facilities.

(a) The fair and recreation board may reject the recommendation, approval or disapproval of the oversight panel for convention facilities. If the recommendation, approval or disapproval of the oversight panel for convention facilities is rejected by less than 67 percent of the voting members of the fair and recreation board, the fair and recreation board shall revise and resubmit the recommendation, approval or disapproval to the oversight panel for convention facilities before taking any further action on that recommendation.

6. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all construction or renovation payments made with the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the immediately preceding fiscal year; and

7. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all bond activity and uses related to the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the preceding fiscal year.

SECTION 7. NRS 244A.XXX Duty to review and submit recommendations for convention facility expansion and renovation plans; oversight panel required to approve or deny request for issuance of certain bonds.

1. The oversight panel for convention facilities shall review and, within 30 days approve or disapprove plans for expansions to or renovation of any convention facilities undertaken pursuant to this Act.

2. In a county whose population is 700,000 or more, the oversight panel for convention facilities shall review and, within 30 days, approve or disapprove a request of the county fair and recreation board for the issuance of bonds or any other form of indebtedness pursuant to this Act.

3. The oversight panel's approval of any issuance of bonds or any other form of indebtedness as set forth in subsection 2 shall be made after the approval, if any, required by any debt management commission and prior to adoption of a resolution of intent pursuant to subsection 3 of NRS 350.020.

SECTION 8. NRS 268.09X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.

1. The city council or other governing body of each incorporated city:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that city upon all persons in the business of providing lodging. This tax must be imposed by the city council or other governing body of each incorporated city, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 268.095.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

SECTION 9. NRS 268.09X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.

1. The proceeds of the tax imposed by Section 8 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 8 shall not be subject to the collection fee set forth in NRS 244A.645 and must be

accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 10. NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 8 may not be used:

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any or general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 9;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 9; or

7. For any other purpose inconsistent with Section 9.

SECTION 11. Exemption from Business Impact Statement requirements. Any ordinance or other action of the board of county commissioners or city councils taken pursuant this Act is exempt from the requirements of NRS 237.030 thru 237.150.

SECTION 12. NRS 244.3359 Taxes on rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration; exceptions.

*1. A county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.3351, 244.3352, ~~and~~ 244.33561 *and Section 1 of this Act.**

2. A county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.33561.

3. Except as otherwise provided in subsection 2 and NRS 387.191, the Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for the promotion of tourism or for the construction or operation of tourism facilities by a convention and visitors authority.

SECTION 13. NRS 268.0968 Tax on revenues from rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration.

*1. Except as otherwise provided in NRS 268.096, ~~and~~ 268.801 to 268.808 *and Section 8 of this Act,* inclusive, a city located in a county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.*

2. Except as otherwise provided in NRS 268.7845, a city located in a county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

3. The Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for:

(a) The promotion of tourism;

(b) The construction or operation of tourism facilities by a convention and visitors authority; or

(c) The acquisition, establishment, construction or expansion of one or more railroad grade separation projects.

This is a preliminary draft document.

It is intended for discussion purposes only.

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SECTION 14. 1. *This Act shall become effective upon passage and approval except that Sections 1 and 8 shall be imposed ninety (90) days after passage and approval.*

2. *Transient lodging taxes created in Sections 1 and 8 of this Act shall sunset:*

(a) When the notes, bonds or other securities issued pursuant to Section 2(b) and Section 9(b) of this Act have been fully paid; or

(b) Thirty-three (33) years from the effective date of this Act, whichever occurs first.

3. *On a date not less than three years prior to the sunset of the transient lodging tax as set forth in subsection 2, the Nevada State Legislature shall consider in a public hearing whether it is in the best interest of the state's tourism industry to extend the imposition of the transient lodging taxes set forth in Sections 1 and 8 for a longer period of time.*

Convention Center Expansion and Renovation
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTION 1 amends NRS 244 to increase the room tax by one-half of one percentage point (0.5 percent) in counties with 700,000 people or more. **SECTION 2** specifies allowable uses of the additional room tax revenue created in **SECTION 1**. **SECTION 3** enumerates prohibited uses of the additional room tax revenue created in **SECTION 1**. **SECTION 4** amends NRS 244A to cap the local government collection allowance for the transient lodging tax to an amount not greater than \$25 million per year in counties with a population of 700,000 or more; establishes the allowable uses and prohibited uses for the revenues in excess of the maximum collection allowance in Section 4. **SECTION 5** creates a committee for convention facilities in counties with a population of 700,000 or more. **SECTION 6** establishes the duty of the county fair and recreation board to provide support and information to an oversight committee for convention facilities. **SECTION 7** establishes certain reporting and duties of an oversight committee for convention facilities. **SECTION 8** amends NRS 268 to increase the room tax by one-half of one percentage point (0.5 percent) in all cities in a county with 700,000 people or more. **SECTION 9** specifies the allowable uses of the additional room tax revenue created in **SECTION 8**. **SECTION 10** enumerates prohibited uses for the additional room tax revenue created in **SECTION 8**. **SECTION 11** exempts the imposition of the increases in room tax as set forth in this Act from the business impact statement requirement. **SECTION 12** and **SECTION 13** exempt the Act from the legislative limitation on the imposition of additional transient lodging taxes. **SECTION 14** makes the Act effective upon passage and approval with ninety (90) days to implement the increase in room tax and sunsets the tax when the notes, bonds or other securities issued to fund the cost of the project have been paid in full or thirty-three (33) years, whichever occurs first, unless the state legislature determines it is in the best interest of the state's tourism industry to extend the tax for a longer period of time.

LANGUAGE FOR CONSIDERATION

SECTION 1. *NRS 244.335X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.*

1. The board of county commissioners:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that county upon all persons in the business of providing lodging. This tax must be imposed by the board of county commissioners in each county, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 244.335.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

SECTION 2. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.

1. The proceeds of the tax imposed by Section 1 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 1 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 3. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 1 may not be used:

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 2;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or

7. For any other purpose inconsistent with Section 2.

SECTION 4. NRS 244A.645 Powers of board concerning license taxes assigned or appropriated by cities, towns and counties. In connection with any license taxes assigned or appropriated by any city, town or county, or any combination thereof, for use in connection with NRS 244A.597 to 244A.655, inclusive, the county fair and recreation board of any county, upon behalf of the county, in addition to powers elsewhere conferred, may:

1. Collect the proceeds of such taxes from time to time, receive, control, invest and order the expenditure of all money pertaining thereto, prescribe a procedure therefor, including, but not limited to:

(a) Enforcing the collection of any delinquent taxes and providing penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a transient lodging facility and the closure of a transient lodging facility for failure to pay the tax on transient lodging; and

(b) Creating an office and hiring personnel therefor.

2. Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected, excluding from this limitation and from those gross revenues any costs of collecting any delinquent taxes borne by any delinquent taxpayer.

(a) In a county whose population is 700,000 or more:

(1) The incorporated cities collectively and any county shall enter into an agreement with the board for the payment of collection fees, which may not exceed 10 percent of the proceeds of the license taxes collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed \$25 million in any single fiscal year.

(b) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a) which would have been paid to the collecting entities shall be pledged revenues for the purpose of subsection 3 of NRS 350.020 and accounted for separately and used only:

(1) To expand an existing convention center owned and operated by the county fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve and renovate the facilities of the county fair and recreation board; and

(2) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in Subsection 1.

(c) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a), which would have been paid to the collecting entities shall not be used:

(1) As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

(2) To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

(3) To operate and maintain recreational facilities under the jurisdiction of the county fair and recreation board;

(4) To improve and expand recreational facilities other than those authorized in Section 2;

(5) To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or

(6) For any other purpose inconsistent with Section 2.

SECTION 5. NRS 244A.XXX Oversight panel for convention facilities: Establishment in counties whose population is 700,000 or more; membership; terms of members; meetings.

1. The oversight committee shall be comprised of seven (7) members that live in the county.

2. Oversight committee members shall be nominated by the board of county commissioners, city councils of any incorporated city in the county, the Majority Leader of the Nevada State Senate, the Speaker of the Nevada State Assembly, and the association of gaming establishments whose membership in the county collectively paid the most gross revenue fees pursuant to NRS 463.370 in the preceding year, and shall be appointed by the Governor.

3. The seven (7) members appointed by the Governor shall include:

(a) Five members who are executives and/or directors of construction of active commercial hotel resort properties who have experience managing the design, engineering, cost estimating and construction of commercial conference and/or convention facilities; and

(b) Two members who are experienced in the financing of capital projects within the State of Nevada.

4. No two members of the oversight panel for convention facilities shall be representatives of the same company.

5. The initial term for members appointed under Section 5(3)(a) shall end on June 30, 2018, and the initial term for members appointed under Section 5(3)(b) shall end on June 30, 2019. After the initial terms, the term of each member of the oversight panel is two (2) years. Members of the oversight panel are eligible for reappointment.

6. The chair and vice chair of the oversight panel shall be appointed by the Governor.

7. The oversight panel for convention facilities may meet at the call of the chair of the oversight panel, but is not required to hold meetings except for the purposes of carrying out its duties pursuant to this Act, or at the request of the Legislature, the Governor or county fair and recreation board.

8. The oversight panel shall comply with NRS Chapter 239 and will dissolve upon the earlier of ten (10) years after the date of passage of the Act or the completion of the expansion and renovation projects as set forth in Section 2, as certified by an independent public accountant.

SECTION 6. NRS 244A.XXX Oversight panel for convention facilities: Duty of county fair and recreation board to provide support and information. The county fair and recreation board in a county whose population is 700,000 or more shall:

1. Provide administrative support to the oversight panel for convention facilities to ensure its ability to fulfill the duties and responsibilities pursuant to this Act;

2. Comply with all requests by the oversight panel for information;

3. Prepare a 3-year plan for the renovation and expansion of convention facilities and a 5-year plan for the construction of convention facilities funded by this Act for submission to the oversight panel for its review and recommendations on or before June 30 of each even-numbered fiscal year;

4. Provide an annual progress update of all projects undertaken pursuant to Sections 2 and 9 of this Act.

(a) The annual progress update shall have been accepted by the fair and recreation board before being submitted to the oversight panel for convention facilities.

5. Consider each recommendation, approval or disapproval of the oversight panel for convention facilities.

(a) The fair and recreation board may reject the recommendation, approval or disapproval of the oversight panel for convention facilities. If the recommendation, approval or disapproval of the oversight panel for convention facilities is rejected by less than 67 percent of the voting members of the fair and recreation board, the fair and recreation board shall revise and resubmit the recommendation, approval or disapproval to the oversight panel for convention facilities before taking any further action on that recommendation.

6. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all construction or renovation payments made with the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the immediately preceding fiscal year; and

7. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all bond activity and uses related to the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the preceding fiscal year.

SECTION 7. NRS 244A.XXX Duty to review and submit recommendations for convention facility expansion and renovation plans; oversight panel required to approve or deny request for issuance of certain bonds.

1. The oversight panel for convention facilities shall review and, within 30 days approve or disapprove plans for expansions to or renovation of any convention facilities undertaken pursuant to this Act.

2. In a county whose population is 700,000 or more, the oversight panel for convention facilities shall review and, within 30 days, approve or disapprove a request of the county fair and recreation board for the issuance of bonds or any other form of indebtedness pursuant to this Act.

3. The oversight panel's approval of any issuance of bonds or any other form of indebtedness as set forth in subsection 2 shall be made after the approval, if any, required by any debt management commission and prior to adoption of a resolution of intent pursuant to subsection 3 of NRS 350.020.

SECTION 8. NRS 268.09X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.

1. The city council or other governing body of each incorporated city:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that city upon all persons in the business of providing lodging. This tax must be imposed by the city council or other governing body of each incorporated city, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 268.095.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

SECTION 9. NRS 268.09X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.

1. The proceeds of the tax imposed by Section 8 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 8 shall not be subject to the collection fee set forth in NRS 244A.645 and must be

accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 10. NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 8 may not be used:

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any or general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 9;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 9; or

7. For any other purpose inconsistent with Section 9.

SECTION 11. Exemption from Business Impact Statement requirements. Any ordinance or other action of the board of county commissioners or city councils taken pursuant this Act is exempt from the requirements of NRS 237.030 thru 237.150.

SECTION 12. NRS 244.3359 Taxes on rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration; exceptions.

*1. A county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.3351, 244.3352, ~~and~~ 244.33561 *and Section 1 of this Act.**

2. A county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.33561.

3. Except as otherwise provided in subsection 2 and NRS 387.191, the Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for the promotion of tourism or for the construction or operation of tourism facilities by a convention and visitors authority.

SECTION 13. NRS 268.0968 Tax on revenues from rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration.

*1. Except as otherwise provided in NRS 268.096, ~~and~~ 268.801 to 268.808 *and Section 8 of this Act,* inclusive, a city located in a county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.*

2. Except as otherwise provided in NRS 268.7845, a city located in a county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

3. The Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for:

(a) The promotion of tourism;

(b) The construction or operation of tourism facilities by a convention and visitors authority; or

(c) The acquisition, establishment, construction or expansion of one or more railroad grade separation projects.

This is a preliminary draft document.

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It is intended for discussion purposes only.

SECTION 14. 1. *This Act shall become effective upon passage and approval except that Sections 1 and 8 shall be imposed ninety (90) days after passage and approval.*

2. *Transient lodging taxes created in Sections 1 and 8 of this Act shall sunset:*

(a) When the notes, bonds or other securities issued pursuant to Section 2(b) and Section 9(b) of this Act have been fully paid; or

(b) Thirty-three (33) years from the effective date of this Act, whichever occurs first.

3. *On a date not less than three years prior to the sunset of the transient lodging tax as set forth in subsection 2, the Nevada State Legislature shall consider in a public hearing whether it is in the best interest of the state's tourism industry to extend the imposition of the transient lodging taxes set forth in Sections 1 and 8 for a longer period of time.*

Stadium Construction Funding and Oversight
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTIONS 1 to 21 of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a large events center or a college football stadium in a county whose population is 700,000 or more (currently Clark County). **SECTION 10** of this bill creates a district to finance a large events center in such a county and provides that the district consists of all property that is located within the county and each city within the county and that is within 25 miles of the center of the site of the large events center. **SECTIONS 10 and 19** of this bill provide for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the district at a specified rate of the gross receipts from the rental of transient lodging in the district. **SECTION 11** of this bill requires the stadium authority for the county in which the district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain: (1) if the National Football League commits to allow a professional football team to locate or relocate to the district, a large events center in the district; or (2) if a commitment from the National Football League to allow a professional football team to locate or relocate to the district is not obtained but a university within the district obtains a commitment of at least \$200,000,000 in private funding for a football stadium, a college football stadium within the boundaries of the district. If the conditions for the use of the proceeds of the tax for a large events center or a college football stadium are not satisfied, the proceeds of the tax must be distributed to the county fair and recreation board for use to pay debts incurred for the facilities of that board. **SECTION 12** of this bill defines the allocations of revenue collected by the Stadium Authority Board. **SECTION 13** of this bill requires the equal distribution of stadium operating net revenues to the Stadium Authority Board and stadium developer once the developer has received the preferred annual rate of return. **SECTION 14** of this bill creates a Tax Increment Area to include a football stadium and related practice facilities, defines the tax sources that apply to the Tax Increment Area, and assigns all revenue collected under the Tax Increment Area to the stadium developers. **SECTION 15** of this bill requires the county in which the district is located to issue special obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a large events center if the National Football League commits to allow a professional football team to locate or relocate to the district. If such a commitment is not obtained and a university in the district secures a commitment of \$200,000,000 in private funding for a football stadium within the boundaries of the district. **SECTION 15** also provides for the issuance of special obligations of the State of Nevada to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a football stadium within the boundaries of the district. **SECTION 16** defines a large events center project. **SECTION 17** amends NRS 278C.140 to include a large events center project as a qualified undertaking. **SECTION 18** defines "Authority" to include a stadium authority. **SECTION 19** provides for alternative, lower transient lodging tax rates to apply in the event that a large event center project is unable to meet the requirements set forth in the act and lower rates are put in place to fund a collegiate stadium. **SECTION 20** establishes the terms of stadium authority board members. **SECTION 21** establishes effective dates for the each section of the act.

LANGUAGE FOR CONSIDERATION

- SECTION 1.** *As used in sections 1 to 21, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 and 3 of this act have the meanings ascribed to them in those sections.*
- SECTION 2.** *"District" means the district to finance a large events center that is created by subsection 1 of section 4 of this act.*
- SECTION 3.** *"Stadium authority" means the stadium authority for the county in which a district is located.*

SECTION 4. *1. In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:*

(a) Three members appointed by the Governor;
(b) Two members appointed by the board of county commissioners of the county in which the district created by section 10 of this act is located; and

(c) Two members appointed by the development partners.

2. The stadium authority constitutes:

(a) A body corporate and politic;

(b) A political subdivision of the county in which the district created by section 10 is located; and

(c) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the district created by Section 10 of this Act.

3. A vacancy on the stadium authority occurs when a member:

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the person or entity who appointed that member.

4. A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.

5. A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.

6. The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.

SECTION 5. *1. The Governor shall appoint one of its members as Chair.*

2. The stadium authority shall appoint:

(b) One of its members as Vice Chair; and

(c) A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.

2. The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.

3. The stadium authority shall meet regularly in the district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.

4. Except as otherwise provided in subsection 5 of NRS 281A.420:

(a) Four of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.

(b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least four members of the stadium authority.

5. The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.

SECTION 6. *1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:*

(a) Hire the members of its staff as employees;

(b) Contract with any governmental entity or other person to provide the persons to serve as its staff; or

(c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).

2. The stadium authority shall specify:

(a) The powers and duties of the members of its staff; and

(b) The amount and basis of compensation for the members of its staff.

SECTION 7. *The stadium authority:*

1. May adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of sections 11 to 22, of this act, for carrying out its business and affairs; and

3. Shall create a tax increment account, a stadium capital projects fund and a stadium operating account to carry out the provisions of sections 1 to 21, of this act.

SECTION 8. *1. Except as otherwise provided in section 9, the stadium authority may:*

(a) Enter into any contracts and other agreements with any person or other entity that the Board determines to be necessary or desirable to conduct the business of the Authority.

- (b) Sue and be sued.*
- (c) Acquire and own land and the improvements upon that land.*
- (d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable. The contracts and other agreements authorized by this subsection:
(1) May include, without limitation, contracts or other agreements relating to the design, planning, construction, acquisition, lease, lease-purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and
(2) Are not subject to the limitations of subsection 1 of NRS 354.626.*
- (e) Enter into a lease, ground lease or management agreement with any party authorizing the stadium authority to lease any portion of the land in the tax increment area owned by any party and any improvements thereon or, in the case of land that is owned or controlled by the Nevada System of Higher Education, to manage such land or improvements for the Nevada System of Higher Education on such terms as may be acceptable to the stadium authority and the Board of Regents and which do not violate any covenants concerning any securities issued by the Board of Regents.*
- (f) Receive any public and private resources necessary to fund, finance and develop the undertaking.*
- (g) Approve, in consultation with the development partners, the site selected for the undertaking.*
- (h) Approve, in consultation with the development partners, the overall design, scope and specifications of the undertaking.*
- (i) Enter into a development agreement with the development partners.*
- (j) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of the Legislature.*
- (k) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.*

2. If the stadium authority enters into a development agreement with development partners, the stadium authority shall ensure that the development partners will provide suitable financial security for their funding obligations as a part of the project financing.

SECTION 9. *1. The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:*

- (a) Expend or authorize the expenditure of any money in the tax increment account unless the stadium authority has entered into a lease, ground lease or management agreement pursuant to paragraph (d) of subsection 1 of section 8 of this act which authorizes a specific undertaking.*
- (b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a lease, ground lease or management agreement pursuant to paragraph (d) of subsection 1 of section 8 of this act which authorizes that undertaking.*

2. The stadium authority may own land and the improvements upon that land in its name.

SECTION 10. *1. In each county whose population is 700,000 or more, there is hereby created a district to finance a large events center. The district consists of all property that is within the county and within each city in the county and that is located within a radius of 25 miles from the center of the location or proposed location of a large events center constructed or to be constructed in the county.*

2. There is hereby imposed upon all persons in the business of providing lodging in the district a tax at the rate of:

(a) Seven tenths of one percent of the gross receipts from the rental of transient lodging in a gaming corridor within the district.

(b) One half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of a gaming corridor.

3. The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the district is located for the tax whether or not it is actually collected from a paying guest.

4. The taxes imposed by subsection 2 must:

(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;

(b) Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and

(c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 11 of this act.

5. As used in this section:

(a) "Gaming corridor" (define boundaries of area in which 0.7% rate will be imposed).

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

SECTION 11. 1. *The stadium authority shall create an account and deposit into the account any proceeds of the taxes imposed by subsection 2 of section 10 of this act received by the stadium authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 15 of this Act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 10 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district a large events center or to establish a bond reserve fund and other reserves to secure any bonds issued pursuant to section 15 of this act, or any combination thereof, as directed by the board of directors of the stadium authority.

3. Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection 2 of section 10 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a large events center unless, within the period prescribed by section // of this act, the National Football League has committed to allow the location or relocation of a professional football team within the boundaries of the district.

4. If, within the period prescribed by section // of this act, the National Football League has not committed to allow the location or relocation of a professional football team within the boundaries of the district or that professional football team has not entered into a contract for the location or relocation of the team within boundaries of the district, the stadium authority shall:

(a) If, within 24 months after the end of the period prescribed by section // of this act, a university within the boundaries of the district has secured a commitment of at least \$200,000,000 in private funding for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district, use the proceeds of the taxes imposed by subsection 2 of section 10 of this act to acquire, construct, lease, improve, equip, operate or maintain a football stadium within the boundaries of the district.

(b) If, within the period prescribed by paragraph (a), a university within the boundaries of the district has not raised the private funding described in paragraph (a), distribute the proceeds of the taxes imposed by subsection 2 of section 10 of this act to the county fair and recreation board for the payment of securities issued to finance the renovation and expansion of the facilities of that board.

5. After the issuance of securities pursuant to:

(a) Subsection 1 of section 15 of this act, the proceeds of the taxes imposed by subsection 2 of section 10 of this act and any applicable penalty or interest must be used by the stadium authority to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the county to finance or refinance, in whole or in part, a large events center within the boundaries of the district.

(b) Subsection 2 of section 15 of this act, the proceeds of the taxes imposed by subsection 2 of section 10 of this act and any applicable penalty or interest must be used by the stadium authority to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the State of Nevada to finance or refinance, in whole or in part, a football stadium within the boundaries of the district.

SECTION 12. 1. *Stadium Authority allocations of collected revenue to include:*

(a) Bond repayment;

(b) Stadium Authority operations;

(c) Stadium capital improvement fund;

(d) UNLV/Sam Boyd payment;

(e) Las Vegas Metropolitan Police Department Resort Corridor funding; and

(f) Clark County event fund.

SECTION 13. 1. Stadium Operations Revenue Sharing. *Any and all annual stadium operations net revenues in excess of developer preferred return amount shall be distributed equally between the Stadium Authority Board and the developer.*

SECTION 14. 1. A Tax Increment Area shall be created to include the property of the large events center and affiliated practice facilities.

2. Tax Increment Area will apply to all revenue generated from the following sources:

(a) Sales and Use Tax

(b) Live Entertainment Tax

(c) Modified Business Tax

3. All revenue generated under subsection 2 will inure to the stadium developers.

SECTION 15. 1. If:

(a) The National Football League has committed to allow the location or relocation of a professional football team within the boundaries of the district;

(b) That football team has entered into a contract to locate or relocate the team within the boundaries of the district; and

(c) The board of directors of the stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 10 of this act are sufficient to establish a debt service coverage ratio of at least X.X, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a large events center, the county in which the district is located, acting by and through the stadium authority, shall issue special obligations of the county in an amount not to exceed \$XXXX payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 10 of this act. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.

2. If:

(a) Special obligations of the county are not issued pursuant to subsection 1;

(b) Within 24 months after the end of the period prescribed by section // of this act, a university located within the district has secured a commitment of at least \$200,000,000 in private funding for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district; and

(c) The stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 10 of this act are sufficient to establish a debt service coverage ratio of at least X.X, the stadium authority shall notify the State Board of Finance of those facts, and the stadium authority and the State Board of Finance shall determine the amount of financing necessary to acquire, construct, lease, improve, equip, operate or maintain a football stadium on the campus of the university. Upon a determination of the amount of such financing, to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a football stadium on the campus of the university, the State Board of Finance shall issue special obligations of the State of Nevada in an amount not to exceed the amount of the determined to be necessary by the State Board of Finance and the stadium authority, payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 10 of this act. The provisions of the State Securities Law contained in chapter 349 of NRS apply to the issuance of securities pursuant to this subsection. The proceeds of any bonds issued pursuant to this subsection must be allocated to the stadium authority in such a manner as agreed to by the stadium authority and the State Board of Finance.

SECTION 16. Chapter 278C of NRS is hereby amended by adding thereto a new section to read as follows:

“Large events center project” means a project undertaken pursuant to sections 1 to 21, inclusive, of this act.

SECTION 17. NRS 278C.140 is hereby amended to read as follows:

278C.140 “Undertaking” means any enterprise to acquire, improve or equip, or any combination thereof:

1. In the case of counties:

(a) A drainage and flood control project, as defined in NRS 244A.027;

(b) An overpass project, as defined in NRS 244A.037;

(c) A sewerage project, as defined in NRS 244A.0505;

(d) A street project, as defined in NRS 244A.053;

(e) An underpass project, as defined in NRS 244A.055; ~~or~~

(f) A water project, as defined in NRS 244A.056 ~~or~~

(g) A large events center project, as defined in section 16 of this act.

2. In the case of cities:

(a) A drainage project or flood control project, as defined in NRS 268.682;

(b) An overpass project, as defined in NRS 268.700;

(c) A sewerage project, as defined in NRS 268.714;

(d) A street project, as defined in NRS 268.722;

(e) An underpass project, as defined in NRS 268.726; ~~or~~

(f) A water project, as defined in NRS 268.728 ~~or~~

(g) A large events center project, as defined in section 16 of this act.

3. In the case of a city with respect to any tax increment area created pursuant to a cooperative agreement between the city and the Nevada System of Higher Education pursuant to NRS 278C.155, in addition to the projects described in subsection 2:

(a) A project for any other infrastructure necessary or desirable for the principal campus of the Nevada State College that is approved by the Board of Regents of the University of Nevada; or

(b) An educational facility or other capital project for the principal campus of the Nevada State College that is owned by the Nevada System of Higher Education and approved by the Board of Regents of the University of Nevada.

4. In the case of a county or city with respect to any tax increment area created by an ordinance adopted pursuant to NRS 278C.157, in addition to the projects described in subsections 1 and 2:

(a) A natural resources project; or

(b) A rail project.

SECTION 18. Section 1 of chapter 582, Statutes of Nevada 1977, at page 1531, is hereby amended to read as follows:

Section 1. Definitions. As used in this act, unless the context otherwise requires:

1. "Authority" means the Clark County Fair and Recreation Board, designated by resolution pursuant to NRS 244.654 as the Las Vegas Convention and Visitors Authority ~~or~~ *or the Stadium Authority, appointed pursuant to section 18 of this act.*

2. "County" means Clark County, Nevada.

3. Other words and terms defined in the Local Government Securities Law have the meanings ascribed to them in that law.

SECTION 19. Section 10 of this act is hereby amended to read as follows:

1. In each county whose population is 700,000 or more, there is hereby created a district for the promotion of a large events center consisting of all property that is within the county and within each city in the county and that is located within a radius of 25 miles from the *center of the* location or proposed location of a large events center built or to be built in the county.

2. There is hereby imposed a tax at the rate of:

(a) Three ~~fourths~~ *eighths* of one percent of the gross receipts from the rental of transient lodging in a gaming corridor within the district.

(b) One ~~half~~ *quarter* of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of a gaming corridor.

3. The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the district is located for the tax whether or not it is actually collected from a paying guest.

4. The taxes imposed by subsection 2 must:

(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the district;

(b) Be collected and enforced in the same manner as any other tax imposed in the county on the gross receipts from the rental of transient lodging; and

(c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 11 of this act.

5. As used in this section:

- (a) "Gaming corridor" (define boundaries of area in which 0.375% rate will be imposed).
- (b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

SECTION 20. 1. For the district created by section by section 10 of this act for Clark County:

- (a) The Governor shall, on or before September 1, 2016, appoint the three members of the Stadium Authority pursuant to paragraph (a) of subsection 1 of section 4 of this act to initial terms that, for two of the appointees, commence on September 1, 2016, and expire on September 30, 2018, and for the third appointee commences on September 1, 2016, and expires on September 30, 2017; and
- (b) The Board of County Commissioners of Clark County shall, on or before September 1, 2016, appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of section 4 of this act to an initial term that, for one appointee commences on September 1, 2016, and expires on September 30, 2018, and for the second appointee commences on September 1, 2016, and expires on September 30, 2017; and
- (c) The development partners shall on or before September 1, 2016 appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 4 of this act to an initial term that, for one appointee commences on September 1, 2016, and expires on September 30, 2018, and for the second appointee commences on September 1, 2016, and expires on September 30, 2017.

2. The stadium authority appointed pursuant to this section shall hold an organizational meeting during September of 2016. At that meeting, the stadium authority shall elect:

- (b) One of its members as Vice Chair; and
- (c) A Secretary and Treasurer.

SECTION 21. 1. Sections 1 to 15, inclusive, of this act become effective on January 1, 2017, and expire by limitation:

- (a) If special obligations of the county or the State of Nevada are issued pursuant to section 15 of this act, on the date on which those obligations are fully paid.
- (b) If special obligations of the county or the State of Nevada are not issued pursuant to section 15 of this act, on the date which is 24 months after the end of the period prescribed by section // of this act.

2. Section 19 of this act:

- (a) Becomes effective on the date on which the board of directors of the stadium authority determines that, within the period prescribed pursuant to section // of this act, the National Football League has not committed to allow the location or relocation of a professional football team within the boundaries of the district or that football team has not entered into a contract to locate or relocate the team within the boundaries of the district; and
- (b) Expires by limitation on the date which is 24 months after the end of the period prescribed by section // of this act.

WELCOME

SOUTHERN *Nevada*

TOURISM INFRASTRUCTURE

COMMITTEE



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L A S V E G A S S T A D I U M

Stadium Site &
Program Elements



STADIUM SITE & PROGRAM ELEMENTS

Stadium	
Seating Capacity	65,000
Private Suites	75 - 100
Club Seats	6 - 8,000
Loge Boxes	25 - 50
Standing Room Only	5 - 10,000
Total Square Footage	1,800,000,000
Roof Configuration	retractable

Site	
Minimum Acres	
- Stadium	14 - 16
- Plaza	10 - 12
- On-Site/Adjacent Parking	20 - 30 *
- Circulation	6
Total Acres Needed	50 - 64
*Varies widely based on surface vs structured parking program.	

U.S. BANK STADIUM



**Plaza
22 acres**

**Total Site
36 acres**

**Stadium
14 acres**

UNIVERSITY OF PHOENIX STADIUM

**Total Site
160 acres**

**Stadium
14 acres**

University of
Phoenix Stadium
Hosts NFL Cardinals...

The Great
Lawn

**Plaza & Great Lawn
25 acres**

AT&T STADIUM

Total Site
72 acres

Stadium
16 acres

Dallas Cowboys

Red Zone Games

AT&T Stadium
Home turf of the
Dallas Cowboys

Plaza
12 acres

Cowboys Way

Cowboys Way

Dr. Robert
Cluck
Linear Pa
Way

LUCAS OIL STADIUM





L A S V E G A S S T A D I U M

Stadium Estimated Development Cost



STADIUM ESTIMATED DEVELOPMENT COST

PUBLIC CONTRIBUTION PERCENTAGE



\$750/2,115



\$750/1,710

Cost	
Hard Construction Cost with Roof	\$1,100,000,000
Soft Costs	230,000,000 - 350,000,000
Retractable Roof Upgrade	50,000,000
Land Acquisition	0 - 250,000,000
Parking & Off Site Infrastructure	115,000,000 - 150,000,000
Practice Facility Total Cost	100,000,000
Contingency @ 10%	115,000,000
Total Potential Development Cost	\$1,710,000,000 - \$2,115,000,000

Note: The \$750 does not include TIF increment as it is unknown and uncertain at this time.

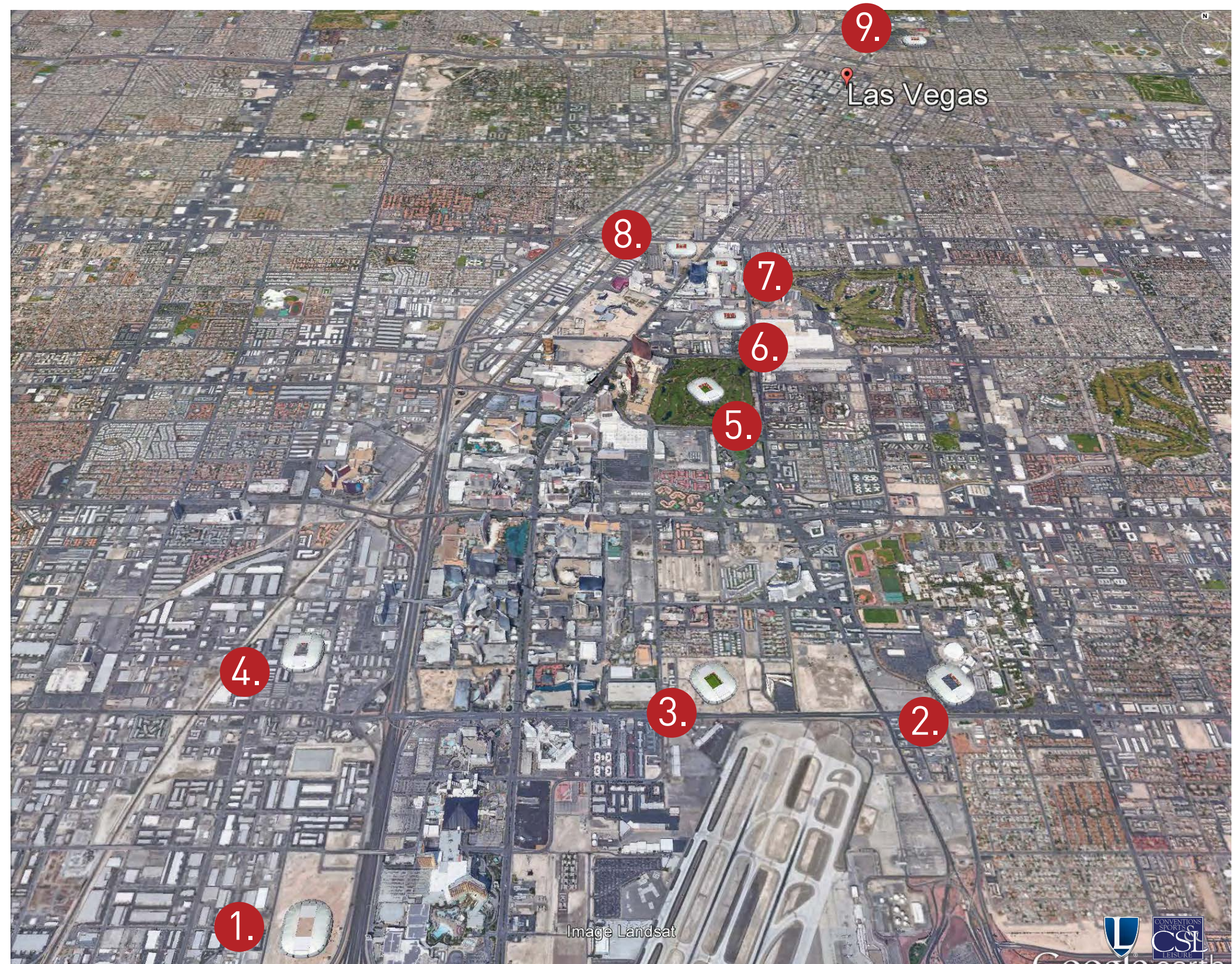


LAS VEGAS STADIUM

Map of Potential Locations



POTENTIAL STADIUM LOCATIONS



RUSSELL ROAD

1.



UNLV TMC SITE



Note: Anticipate working with the County to resolve existing traffic issues at Tropicana/Swenson, including realignment of Swenson to the West, possible Swenson Flyover @ Tropicana, etc.
*Plus additional 50 acres +/- available for parking/tailgating not shown (excluding County MOU Land).

UNLV TROPICANA SITE

3.



*Plus additional 60 acres +/- available for parking/tailgating not shown (excluding County MOU Land).

FERTITTA SITE

4.



Image Landsat

*Need to meet with representatives from Fertitta to determine how much acreage is available for stadium development.

WYNN GOLF COURSE SITE

5.



*Need to meet with representatives from Wynn to determine how much acreage is available for stadium development.

RIVIERA / LVCVA SITE

6.



OLD WET-N-WILD SITE

7.



MGM ROCK N RIO SITE

8.



CITY OF LAS VEGAS - CASHMAN SITE

9.



50+- acres

Image Landsat

Google earth

2002

36°10'44.74" N 115°07'47.15" W elev 1938 ft eye alt 5057 ft





LAS VEGAS STADIUM

Preliminary Evaluation of Sites



PRELIMINARY STADIUM SITE EVALUATION MATRIX

Site Criteria	Russell Road	UNLV - TMC	UNLV - Tropicana	Fertitta	Wynn GC	Riviera / LVCVA	Old Wet-n-Wild	MGM - RNR	Cashman
Ownership									
Site Capacity									
Land Costs									
Access & Egress									
Parking Availability									
Game Day Atmosphere									
Ability to Maximize Revenues									
<p>* The above evaluation criteria will be utilized to evaluate each of the potential sites. It is intended that meetings will be conducted with each of the Ownership Groups to review and discuss the particulars of their site, including acreage that can be committed to the Stadium Development and the associated cost of that Land.</p>									



MEETING AGENDA

**July 28, 2016
8:00 a.m.**

**Main Location:
University of Nevada, Las Vegas
Stan Fulton Building
4505 S. Maryland Pkwy.
Las Vegas, NV 89154**

**For Possible
Action**

- 1. Call to Order, Roll Call and Establish Quorum**
- 2. Public Comment**
- 3. Acceptance of Minutes from July 11, 2016**
- 4. Chairman/Committee Comments**
- 5. Research Staff Report**
- 6. Committee Workshop**
 - a. Las Vegas Stadium Proposal
 - Update by Las Vegas Sands and Majestic Realty regarding NFL-ready stadium proposal
 - Review and discussion of potential stadium funding and legislative options
 - b. Las Vegas Metropolitan Police Department
 - Review and discussion of potential funding methods to fund additional police officers in the resort corridor
- 7. August 25th Meeting Preview**
- 8. Committee Member Comments**
- 9. Public Comment**
- 10. Adjournment**

**For Possible
Action**

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 Melanie Sheldon, 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 Melanie Sheldon, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101, (702) 486-2700, msheldon@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
July 11, 2016**

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

1. ROLL CALL/CALL TO ORDER/ESTABLISH QUOROM

BOARD MEMBERS PRESENT

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

ADVISORY COMMITTEE MEMBERS PRESENT

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

STAFF MEMBERS PRESENT

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

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

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

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

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

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

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

Chairman Hill closes Agenda Item 2.

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

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

Chairman Hill closes Agenda Item 3.

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

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

Chairman Hill closes Agenda Item 4.

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

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

Chairman Hill closes Agenda Item 5.

6. COMMITTEE RECOMMENDATIONS

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

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

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

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

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

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

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

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

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

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

Chairman Hill closes Agenda Item 6a.

7. COMMITTEE WORKSHOP: 9:31 A.M

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

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

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

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

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

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

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

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

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

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

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

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

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

Chairman Hill closes Agenda Item 7.

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

There are no needed comments for the next meeting.

Chairman Hill closes Agenda Item 8.

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

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

Chairman Hill closes Agenda item 9.

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

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

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

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

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

11. ADJOURNMENT: 10:44 A.M.

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

James Nagourney statement, July 11, 2016 SNTIC

My name is James Nagourney. These 3 minutes will be the first time you have heard an opinion from anyone with professional sports experience who is not being paid to have an opinion.

In their 3 hour rebuttal you'll probably be told I'm out of date and don't know anything about today's game. Well, I know this: 2 and 2 is still 4 unless Sands Majestic is doing the math -then it becomes 8,000 jobs that will never exist.

Nearly 40 years ago, as a county official, I had to re-negotiate a new lease with the New York Islanders for Nassau Coliseum. I recruited as special counsel the smartest, toughest lawyer I knew. "Jim, first thing we do is gather intelligence; assume what the other side gives you is misinformation." That man was William Casey, who ONE year later was Director of the CIA, giving his advice added cachet.

Was Bill ever right. From day one, this committee has been skillfully fed projections and assumptions that no one who has ever run a major league venue would take seriously.

Page 1 in the binder should be enough to require an adjournment: did you know that the only sports economist providing data on this project believes there is NO ECONOMIC BENEFIT from having an NFL team?

Your binders also contain an email to me from a prominent sports economist from West Virginia University, Dr. Brad Humphries. His email pulls no punches in describing Dr. Rosentraub's reputation among colleagues...in simple terms, Rosentraub believes whatever the client pays him to believe. When not on the payroll, he believes what virtually every other sports economist believes --- no economic benefits from an NFL team. I had to dig deep to catch him telling the truth 7 months ago in Cleveland. Thank you Bill Casey.

Next, you have all those rosie projections from CSL. What do you expect? Sands Majestic signs their paychecks. Here's what Andrew Zimberlist, the reigning rock star among sports economists, said about CSL in an email to me on June 28:

"CSL has a long history of saying whatever its client wants it to say".

A copy is the last page in the binder...I have redacted some other comments that were off the record---the comments on CSL are unedited.

Mr. Carey, the little guy's friend from Goldman Sachs, makes circles in the air and invents something he calls Velocity, velocity where money circulates and multiplies. Bull. There's no velocity. What there is a Vortex, where the money you spend on a Raiders ticket gets sucked out of town. Economists call it leakage, and if you don't thoroughly understand it then you can't understand this deal. I have read the minutes. It has not been explained to you and I am not allowed enough time.

The father of sports economics, the ultimate authority is Professor Roger Noll, of Stanford. Much of his pioneering work is included in the binders. Over the past two weeks, Professor Noll and I have engaged in extensive communication. Dr. Noll has raised many questions and offered many comments, more than I can cover. However, Mr. Chairman, I have placed copies of his emails in your binder. The best consulting advice in the world, free.

Ladies and gentlemen, I offer you Zimbalist and Noll, the two titans. They over you Rosentraub, the chameleon. What are you gonna do?

John J. Knott
Executive Vice President

CBRE, Inc.
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Global Gaming Group

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John.Knott@cbre.com
www.cbre.com

July 11, 2016

RE: Tourism Infrastructure Committee

Dear Mr. Mike Sloan:

Thank you for serving our community by being on the Tourism Infrastructure Committee. This is a very important issue for our community.

I was pleased to attend this morning's meeting. Having lived in Las Vegas for more than 50 years and heading up the Global Gaming Group at CBRE for the last 14 years, I believe there is some credibility to my opinions while fully understanding that I don't have a vote and it's not my money.

I was surprised that the identified sites are predominately on the east side of I-15. I believe that the neighbors who live on the east side of the Strip, and there are many, will all object to having stadium traffic impact their lives. Stadiums of this size work best when they have direct freeway access. The two identified sites on the west side of I-15 offer the best freeway access.

I was surprised that the budgeted traffic mitigation improvements ranged from \$110 million to the \$200 million that was mentioned during the meeting. I suspect that the site at Russell and I-15 would require the least improvements and does not have any adjacent residents. The VIVA property has high-end residential towers next to it. I don't know how the impact on adjacent residents enters the evaluation, but I am sure that you and the fellow committee members will take that into consideration.

From a cost perspective there is a \$100 million asking price for the 63 acres. As the expert on Resort Corridor properties this per acre price is lower than all other sites being considered except for the two UNLV properties which have substantially different property dynamics. This price is well within the \$0 - \$250 million land purchase amount that was identified in the presentation. Obviously if a landowner were to contribute their property, which I assume where the \$0 comes from, then that will likely impact how sites are considered and one is chosen. The price of land should not be the most important issue in the decision making process.

We are making a decision on a landmark project that will become an integral part of our community for the next 50 to 100 years. Think how much Las Vegas has changed since 1966. I encourage you to think about what Las Vegas will look like in 2066. What will traffic be like in 2035. That is why I believe the site must be on the freeway. I think the site should be able to accommodate slip ramps and flyovers directly onto it so the traffic impact is minimized for the 97% of the people that live here that are not attending a stadium event.

Thank you for your consideration and please feel free to call me if you have any questions or I can provide any market information.

Sincerely,



John J. Knott
Executive Vice President

Jerry Fox
9935 Masterful Drive
Las Vegas NV 89148
702-743-6420

Mr. Steve Hill
Governor's Office of Economic Development
555 E. Washington Ave
Las Vegas, NV 89101

copies:
Mr. Steve Hill
Mr. Steve Sisolak
Mr. Mike Sloan

Greetings:

Regarding the proposed Las Vegas stadium, as an observant citizen I am very concerned with the amount of proposed public funding for this stadium. While I appreciate Mr. Hill's efforts to reduce the public portion from \$750 million, I remain concerned.

Why is there no private local funding other than that from LVS and Majestic? Where is the effort to raise funds from the local business community and its leaders to mitigate the need for taxes on the public? There are billions of dollars in Las Vegas (we all know who the corporations and individuals are) and it seems that nobody has asked for any of it.

The room tax proposal seems unfair. As it stands now, through their payment of room taxes, a truck driver staying one night at the Wild Wild West hotel would pay more towards stadium construction than all of Station Casinos Corporation or the Fertittas. A school teacher staying at Encore for a bachelorette party (and having to run up her credit card) would pay more towards the stadium than the entirety of Wynn Resorts Corporation or the Wynns. I just don't think that is fair, and although I don't know him, I actually think that Mr. Wynn would feel the same way.

A key role of this committee is to protect the public interest. Is anybody on this committee going to stand up for the truck driver and the schoolteacher? They can neither afford to fund a stadium nor may never set foot inside it. Again: as to the business community which stands to benefit directly from the stadium: is anybody going to ask them to invest?

I am also concerned about the comments made by the Raiders representative at the last meeting. Mr. Hill did not suggest any change in investment by the Raiders or NFL. So why would the Raiders representative express an objection? Perhaps it is because the NFL simply loves the idea of public funding, especially if it sets a precedent for future deals. Las Vegas should not feed into this addiction.

It might also be noted that a stadium proposal with such a large public subsidy may run into opposition when it reaches the legislature in Northern Nevada. I have attached an article from Chris Murray of the Reno Gazette Journal which loudly objects to the financing scheme, calling it "unconscionable." He suggests a much more modest public investment of around \$100 million. This view could gain traction in wider political circles.

From an individual standpoint, I want this project to succeed. I am a sports fan and a UNLV graduate. I support Rebel athletics financially, and am a season ticket holder. I want to see the Rebels and the Raiders play in the new stadium. I want to see UNLV join a power conference. And I want to see our stadium support thousands of jobs.

I just want to see it funded properly. And a huge amount of public funding is simply not proper. Thank you.

Jf

Article from the Reno Gazette Journal:

Week in 1,000 Words: Las Vegas' worst idea ever



[Chris Murray, cmurray@rgj.com](mailto:cmurray@rgj.com) · 26 p.m. PDT June 4, 2016

(Photo: Kirby Lee/USA TODAY Sports)

Reno Gazette-Journal columnist Chris Murray has been known to be a bit wordy, so we're giving him 1,000 words (no more than that) to share his thoughts from the week that was in the world of sports.

*** I WAS WATCHING SPORTSCENTER** on Tuesday when Las Vegas mayor Carolyn Goodman popped on the screen to tell everybody how great of an idea it is for the Oakland Raiders to move to Las Vegas. She did a solid job of selling the idea, her final pronouncement being "the Las Vegas Raiders sounds real good to me." It sounds like a disaster to me. Not because I don't think an NFL team coming to the Silver State would be a bad idea *prima facie*. I'd love to have a big-four pro sports team in Las Vegas. But only if the circumstances are right. And the deal Las Vegas is trying to give the Raiders does not meet that criteria. Not even close. The deal being offered is not only idiotic, it's unconscionable. Las Vegas a city built on the mistakes of millions – even I've lost my share of money at the tables – but giving away \$750 million in taxpayer money to build a stadium for one of the world's richest men would rank as the city's largest mistakes ever.

*** HERE'S THE BREAKDOWN**, which only became public because of Steve Hill, the state's director of economic development (it was previously and nebulously called a "private-public partnership"): Of the \$1.4 billion estimated cost, Raiders owner Mark Davis would kick in \$500 million, with \$200 coming via an NFL loan; \$150 million would come from Sheldon Adelson's Sands Corp. (a reminder than Forbes lists Adelson as the world's 18th richest person at \$28 billion); and the taxpayers would be on the hook for \$750 million, nearly 55 percent of the cost. But get this: The proposed investments by Davis and Adelson would come via tax-increment financing, meaning they'd get taxpayer kickbacks down the road, meaning the public could eventually be on the hook for the stadium's entire \$1.4 billion price tag.

*** NOW, BILLIONAIRES ARE USED** to ripping off the public – that's how they become billionaires, after all – but this would be a historic heist. No league relies more heavily on public subsidies than the NFL. Of the league's 31 stadiums, 29 received public funds. However, the average subsidy on those deals is \$262 million. Las Vegas would be offering more than three times as much. The \$750 million would be among the largest subsidies ever handed out to build a stadium (the Yankees hold that distinction, getting \$1.2 billion for its \$2.3 billion stadium, which opened in 2009 and is rarely full). Not only would the \$750 million in public money be a record for an NFL stadium, it bucks the recent trend. Los Angeles' new stadium will be 100 percent privately funded. Atlanta's new stadium is 84 percent private; the 49ers' was 88 percent private; Minnesota's is 53 percent private. It's not a good time to go against the trend.

*** WHILE ON SPORTSCENTER, MAYOR GOODMAN** had the audacity to say "the economic boon to the entire community will far outweigh any cost." She's either ignorant or disingenuous. Economists have a "strong consensus" using public money on sports stadium is a bad idea, saying they generate little to no new spending. This stadium certainly wouldn't generate \$750 million in new spending. One study linked subsidization of new stadiums to higher poverty rates and lower median incomes in those cities. While it's impossible to determine a stadium's direct impact on wages and poverty, the consensus agrees it's a horrible gamble. Neil deMause, co-author of "Field of Schemes: How the Great Stadium Swindle Turns Public Money into Private Profit," put it well to the Las Vegas Sun a couple months back: "The question for me is not whether this is a bad deal for Nevada — it's how bad of a deal." History shows it could be a disaster. St. Louis still owes \$144 million in debt on a stadium it built in 1995 for the Rams, which just left town for Los Angeles.

*** IT IS, IN PART, ON THE FOURTH ESTATE** to drive the point home on how bad of an investment this really is. There's one problem there. Adelson, who is trying to get his stadium bankrolled with public money, bought the Las Vegas Review-Journal last December for well over market value – he tried to do so secretly before being outed as the

purchaser – perhaps in a setup for this exact moment. So, it's not a shock the Review-Journal wrote a glowing editorial titled "[No place like dome: Stadium proposal a must-do](#)" in January after the stadium plan leaked out. Coverage following that has been equally rosy. Nothing like using your money to shape public opinion, although Adelson has been doing that long before this stadium plan.

* **PROPONENTS OF THIS FINANCING PLAN** like to say "tourist taxes" are paying for the stadium but that's deception. The money belongs to Vegas citizens, not to the Raiders. As Goodman said on SportsCenter, Nevada doesn't have an income, corporate or estate tax, adding that's why it's great to live in our state. That's also part of the reason why our education system is in shambles. We don't have the money to fund it. We need the tax money derived from tourists to fund education. Nevada consistently ranks among the worst states to get an education, with Las Vegas among the worst cities. Graduation rates are bad. Teachers shortages are counted in the thousands. Some Vegas-based teachers literally drive to California every day to teach because the conditions there are better. Some Nevada classrooms have curtains that cut them down the middle to create two rooms because they're so overcrowded. Throw in Las Vegas' traffic, housing, social services and unemployment issues and spending \$750 million on a stadium is insane. UNLV is building a medical school. Throw the money there. If one must choose between giving kids a shot at a good education or building a sports stadium for a billionaire, it's an easy call.

* **THERE ARE PLENTY OF HURDLES** left to make this dream a reality. The NFL owners would still have to approve the deal and given the league's aversion to gambling – unless it's daily fantasy football, which the NFL hypocritically supports – that's no sure bet. Let's hope one of those hurdles trips up this idea before the finish line. I'd be all for the Raiders calling Las Vegas home if the public cost wasn't so prohibitive – I'd be fine with a \$100 million subsidy. There's clearly some economic boost, but it's moderate at best. Goodman seems hell-bent on getting this done, telling SportsCenter: "It's going to happen as long as the numbers work out." The numbers don't work out, Mayor Goodman. Not even close. Find new numbers. Better yet, here's an idea: Maybe there's an 82-year-old Las Vegas with \$28 billion who can build the stadium.

Columnist Chris Murray provides insight on Northern Nevada sports. Contact him at cmurray@rgj.com or follow him on Twitter [@MurrayRGJ](#).

Walter F. Spargo and Family
2810 Caballo Dr
Reno, NV 89502

Mr. Steve Hill, Chair
Southern Nevada Tourism Infrastructure Committee
Governor's office of Economic Development
555 E. Washington Ave., Ste. 5400
Las Vegas, NV 89101

Dear Chairman Hill:

I respectfully request that this letter be entered under public comment at the July 23 2016 meeting of the SNTIC as I live in Reno and am unable to attend in person.

I am a retired United States Air Force and Nevada Air National Guard veteran. I have been a resident of Nevada since 1985. I have lived in both Clark and Washoe Counties. My extended family, which includes well over 200 relatives by blood as well as marriage, resides in Nevada and represents several small communities within the state as well as Clark County. There are ancestors of mine buried in cemeteries throughout Nevada. I make the following comments on behalf of us all.

I would like to state that I support and agree with Commissioner Chris Guinchigliani's comments regarding the proposed NFL team and stadium in his June 20, 2016 letter to the commission where he states in part: *"Room taxes are public and if someone wishes to build a stadium they should use their private dollars to build it – no public taxes should be utilized in any format."* I also agree with his interpretation of Sections 2 and 3. I applaud Commissioner Guinchigliani for his stance on this issue. I view the use of public funds for billionaires and their businesses as inappropriate. The fact that visiting tourists largely pay the taxes you propose to use for the stadium is irrelevant. Las Vegas' legendary tourism is a commodity of this state as well as Clark County and the money it brings in belongs to all of us. The benefits should go to improve life for every resident of Clark County and the State of Nevada, not to fund a group of multi-billionaires who are fully capable of paying for their own stadium several times over.

According to national statistics from as recently as 2015, Nevada ranks near the bottom nationally in quality of education and has one of the highest rates of homeless per 100,000 residents. There is a shortage of teachers and we can always use more firefighters, police officers, doctors, etc. There are also many roads that need improvement throughout the entire state. I feel that it is an embarrassment to even consider using public funding for multi-billionaires and their \$1.7B - \$2.1B football palace instead of using it to address these problems. There is a statistic which shows that public investment in education has a greater ROI than for a sports stadium.

Before this stadium proposal is recommended to Governor Sandoval, I challenge each and every person on the committee and anyone who has any role whatsoever in recommending or approving the funding of a stadium to consider how you would look every Nevada resident; student, homeless person, police officer, etc in the eye and tell them that the money which could have benefited them went to multi-billionaires; who combined are worth over 20 times the amount they are asking for from us. I ask that you at least consider what their reaction would be prior to recommending what essentially amounts to public welfare for the wealthy.

I thank each and every member of the committee for your time, your consideration, and your service to the community and I sincerely hope that you cease consideration of this proposed stadium for public funding.

Sincerely,
Walter F. Spargo
Retired Veteran and Concerned Resident of Nevada

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

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

1. ROLL CALL/CALL TO ORDER/ESTABLISH QUOROM

BOARD MEMBERS PRESENT

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

ADVISORY COMMITTEE MEMBERS PRESENT

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

STAFF MEMBERS PRESENT

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

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

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

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

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

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

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

Chairman Hill closes Agenda Item 2.

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

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

Chairman Hill closes Agenda Item 3.

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

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

Chairman Hill closes Agenda Item 4.

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

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

Chairman Hill closes Agenda Item 5.

6. COMMITTEE RECOMMENDATIONS

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

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

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

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

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

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

Chairman Hill closes Agenda Item 6a.

7. COMMITTEE WORKSHOP: 9:31 A.M

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

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

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

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

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

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

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

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

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

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

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

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

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

Chairman Hill closes Agenda Item 7.

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

There are no needed comments for the next meeting.

Chairman Hill closes Agenda Item 8.

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

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

Chairman Hill closes Agenda item 9.

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

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

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

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

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

11. ADJOURNMENT: 10:44 A.M.

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



**LAS VEGAS
CITY COUNCIL**

CAROLYN G. GOODMAN
MAYOR

STEVEN D. ROSS
MAYOR PRO TEM

LOIS TARKANIAN
RICKI Y. BARLOW
STAVROS S. ANTHONY
BOB COFFIN
BOB BEERS

ELIZABETH N. FRETWELL
CITY MANAGER

July 28, 2016

Steve Hill, Executive Director
Governor's Office of Economic Development
State of Nevada
555 E. Washington Avenue, Suite 5400
Las Vegas, NV 89101

Dear Mr. Hill:

On July 20, 2016, the Las Vegas City Council received a report from city staff regarding the status of discussions held by the Southern Nevada Tourism Infrastructure Committee (SNTIC). The Las Vegas City Council approved a motion unanimously to direct staff to pursue discussions with Las Vegas Sands Corp. and with the SNTIC, and to formally provide material regarding Cashman Center as appropriate. Las Vegas Sands Corp. and Majestic Realty have publicly identified Cashman as one of nine sites being evaluated for this project. Of these nine sites, the Cashman site is the only publicly owned, neutral site.

The City of Las Vegas has site control today of the 51 acre Cashman site and up to an additional 22 acres of land controlled by the City of Las Vegas, for a total of 73 acres, in immediate proximity to Cashman. The Cashman site currently provides great access to both regional interstates (I-15 and U.S. 515) and proximity to the entire region and the resort corridor on the Las Vegas Strip. Project NEON when completed will further enhance access as will the light rail corridor along Maryland (under environmental review) and the proposed Las Vegas Blvd. alignment. Finally, there are over 25,000 parking spaces available within walking distance to Cashman field. This site has low infrastructure costs and has served as the regional professional sporting hub for the region for over 30 years.

Given that Cashman is the only public site being considered, we request that the City of Las Vegas be afforded an opportunity at an upcoming SNTIC Board meeting to present Cashman and its unique benefits to help advance this important project for the benefit of our entire Las Vegas community.

Sincerely,

Elizabeth N. Fretwell
City Manager

c: SNTIC Board
Mayor Carolyn Goodman
Las Vegas City Council
Scott D. Adams, Deputy City Manager
William Arent, Economic and Urban Development Director
Robert G. Goldstein, Las Vegas Sands Corp.

CITY OF LAS VEGAS
495 S. MAIN STREET
LAS VEGAS, NEVADA 89101

VOICE 702.229.6011
TTY 7-1-1
www.lasvegasnevada.gov



/city of las vegas



Executive Order 2016-21

**ORDER AMENDING
THE SOUTHERN NEVADA TOURISM INFRASTRUCTURE COMMITTEE**

WHEREAS, I, as Governor of the State of Nevada, established the Southern Nevada Tourism Infrastructure Committee by issuing Executive Order 2015-09 on July 6, 2015;

WHEREAS, Executive Order 2015-09 directed that the Committee shall expire after it delivers its report to the Governor and the Interim Finance Committee of the Nevada State Legislature on or before July 31, 2016, unless further directed by the Governor; and

WHEREAS, the tourism industry of Southern Nevada, including existing infrastructure and proposed improvement projects, are best served by an adequate law enforcement presence;

WHEREAS, since 2013 the State of Nevada and the local governments of Clark County have sought to address the needs of area law enforcement pursuant to enabling legislation enacted during the 27th Special Session of the Nevada State Legislature;

WHEREAS, the enabling legislation that would have allowed additional funding of law enforcement expired on July 1, 2016;

WHEREAS, maintaining an ever-present vigilance to ensure the continued safety of all tourists and residents within Southern Nevada is an essential function of government;

WHEREAS, increased law enforcement funding is a fundamental component of analyzing any infrastructure investment in Southern Nevada, especially where improvement projects contemplate attracting new visitors and growing business opportunities; and

WHEREAS, Article 5, Section 1 of the Nevada Constitution provides: "The supreme executive power of this State, shall be vested in a Chief Magistrate who shall be Governor of the State of Nevada."

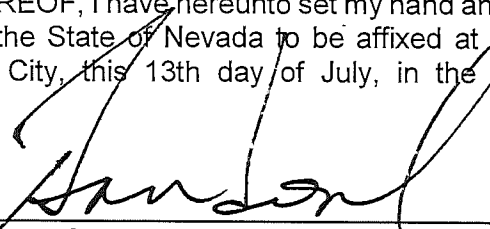
NOW, THEREFORE, by the authority vested in me as the Governor by the Constitution and laws of the State of Nevada, it is hereby ordered as follows:

1. Executive Order 2015-09 shall be amended to extend the existence of the Committee and the time period for filing its report to the Governor and the Interim Finance Committee of the Nevada State Legislature from July 31, 2016, until September 30, 2016;
2. Executive Order 2015-09 shall be amended to allow for the Committee to make recommendations regarding funding from appropriate sources to adequately address increased law enforcement and policing needs to support and protect Southern Nevada's vital tourism infrastructure, visitors, and residents; and

3. Executive Order 2015-09 shall remain in force and effect in all other respects.

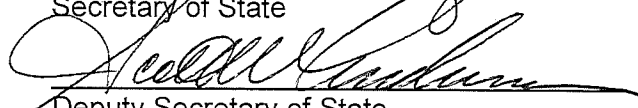
IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 13th day of July, in the year two thousand sixteen.




Governor of the State of Nevada

By the Governor:


Secretary of State


Deputy Secretary of State



Nevada Governor Brian Sandoval

For Immediate Release:

July 13, 2016

Contact:

Mari St. Martin

Sandoval Extends Deadline for Southern Nevada Stadium Discussions

CARSON CITY, NV – Governor Brian Sandoval today signed Executive Order 2016 – 21 amending Executive Order 2015 – 09 which created the Southern Nevada Tourism Infrastructure Committee (SNTIC). This action was originally requested by SNTIC Chairman and Executive Director of the Governor’s Office of Economic Development, Steve Hill.

The order extends the deadline for SNTIC to submit its final recommendations to Governor to September 30, 2016, giving the committee an extension of 60 days. The order also provides that the Committee may submit recommendations related to law enforcement needs associated with tourism infrastructure projects. The Governor released the following statement announcing the extended deadline:

“I created this body one year ago to bring community leaders together with many of the brightest minds in the gaming and hospitality industry to explore and prioritize projects and funding mechanisms to enhance Southern Nevada’s ability to compete in an increasingly competitive market. The Committee has done an outstanding job in managing and pursuing a robust and complex agenda but its work is not complete. The additional time will allow the Committee to thoroughly evaluate sites for a potential stadium and work with private partners to finalize any recommendations for legislative action, and provides the opportunity for recommendations concerning the law enforcement needs of Southern Nevada. I would like to thank all of the members and the Southern Nevada community for hosting an open dialogue focused on maintaining Nevada’s rightful place as the international standard bearer for global tourism, gaming, and conventions.”

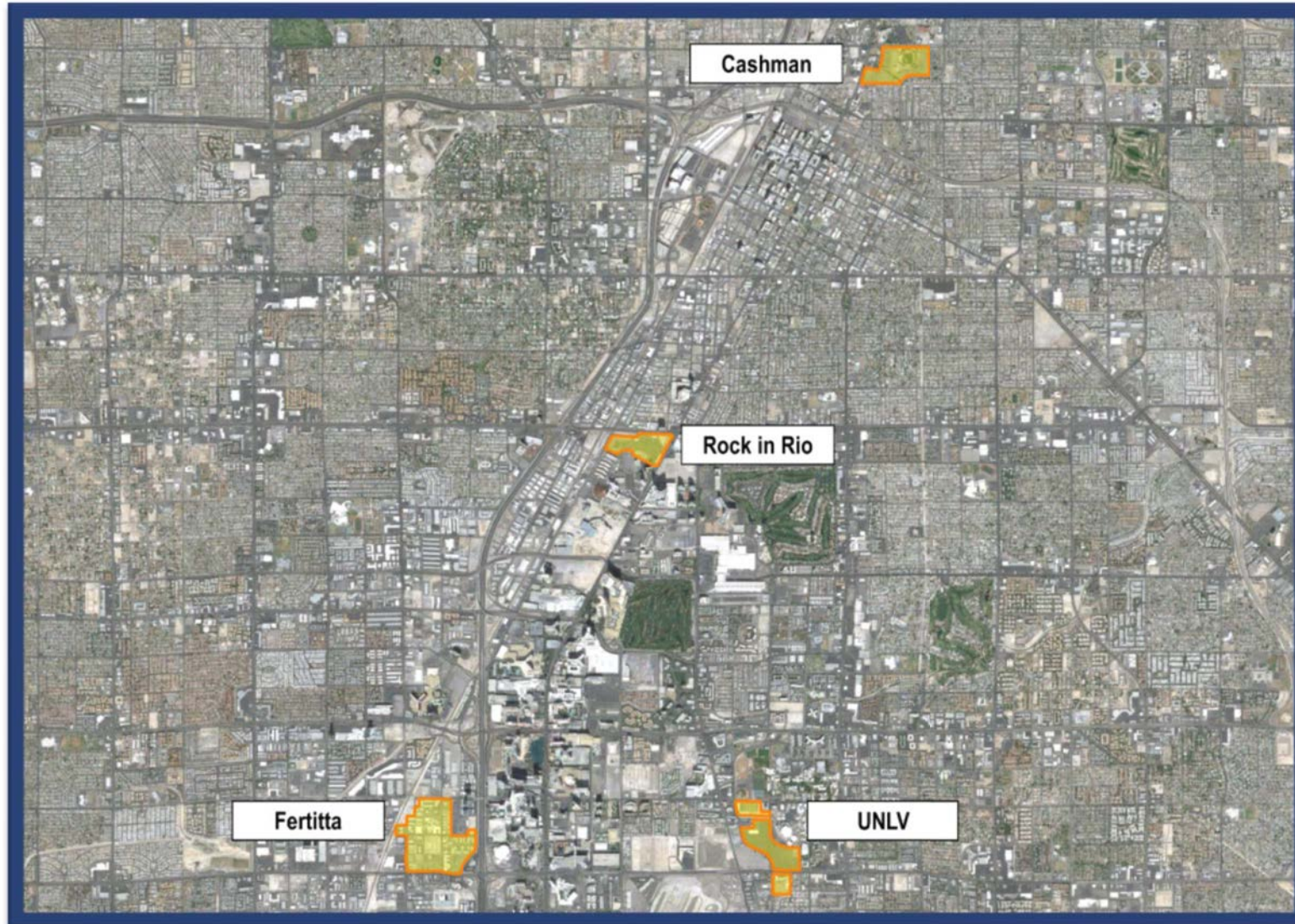
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SOUTHERN NEVADA _____
Tourism Infrastructure Committee

Las Vegas Stadium Site Analysis of Tax Increment Potential

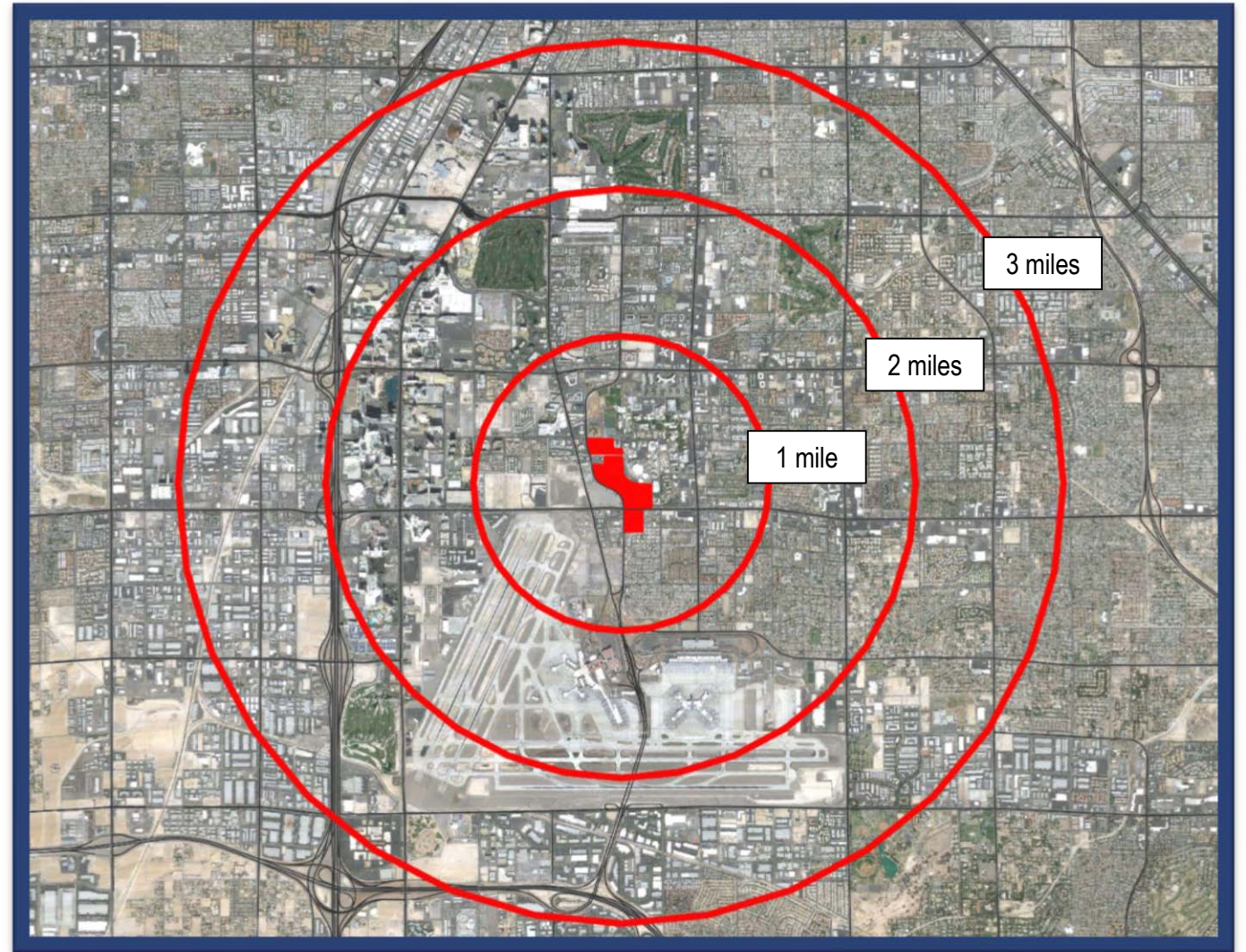
Potential Stadium Sites of Focus



UNLV Thomas & Mack Center Site

Property Summary

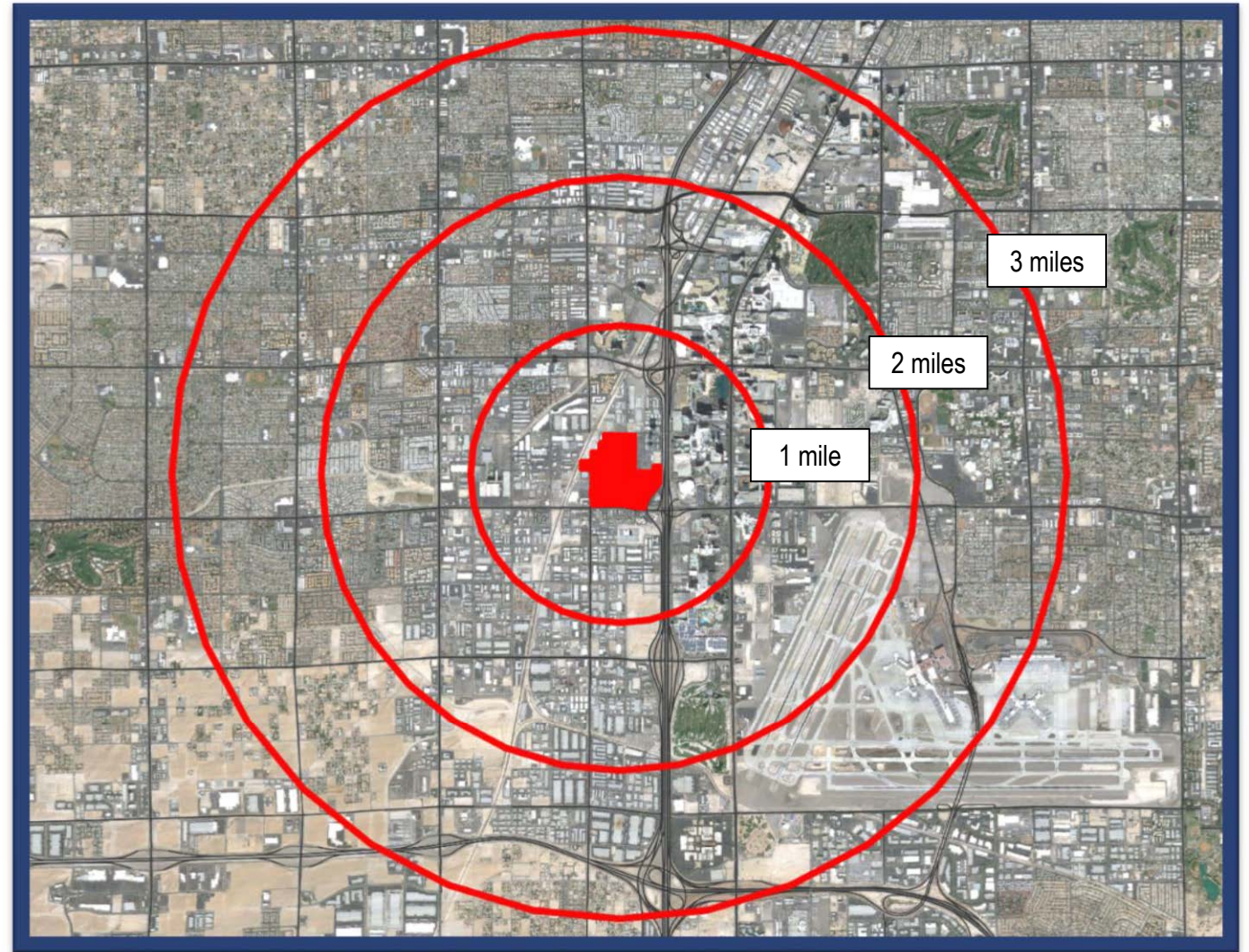
Acres	61
Land Value	\$30,406,100
Improvements Value	\$736,400
Total Taxable Value	\$31,142,500
Value Per Acre	\$510,500
Unit Capacity	-



Fertitta Site

Property Summary

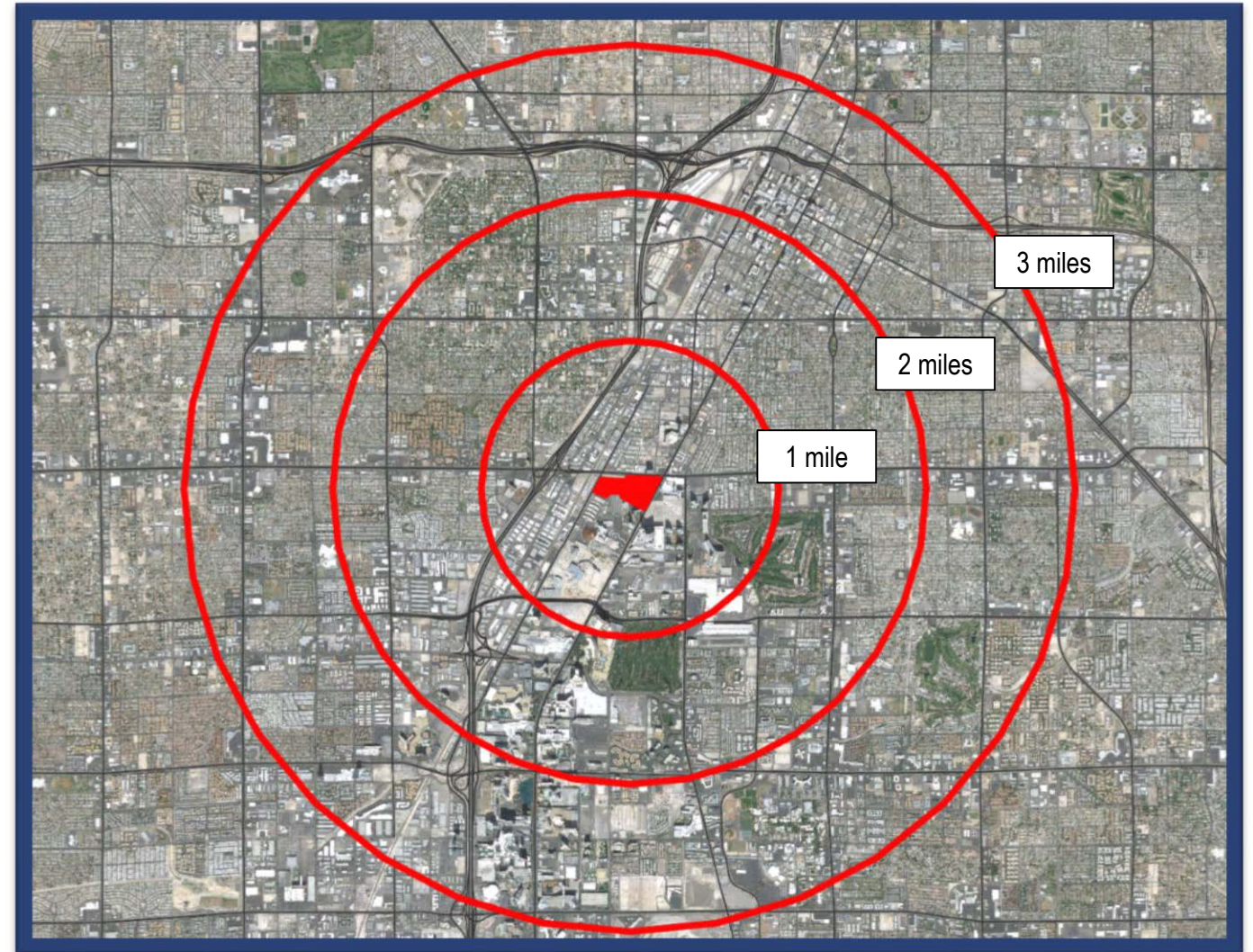
Acres	105
Land Value	\$35,401,100
Improvements Value	\$49,292,700
Total Taxable Value	\$84,693,800
Value Per Acre	\$806,600
Unit Capacity	318 Deluxe Motel 1,129 Mini-Warehouse



Rock in Rio Site

Property Summary

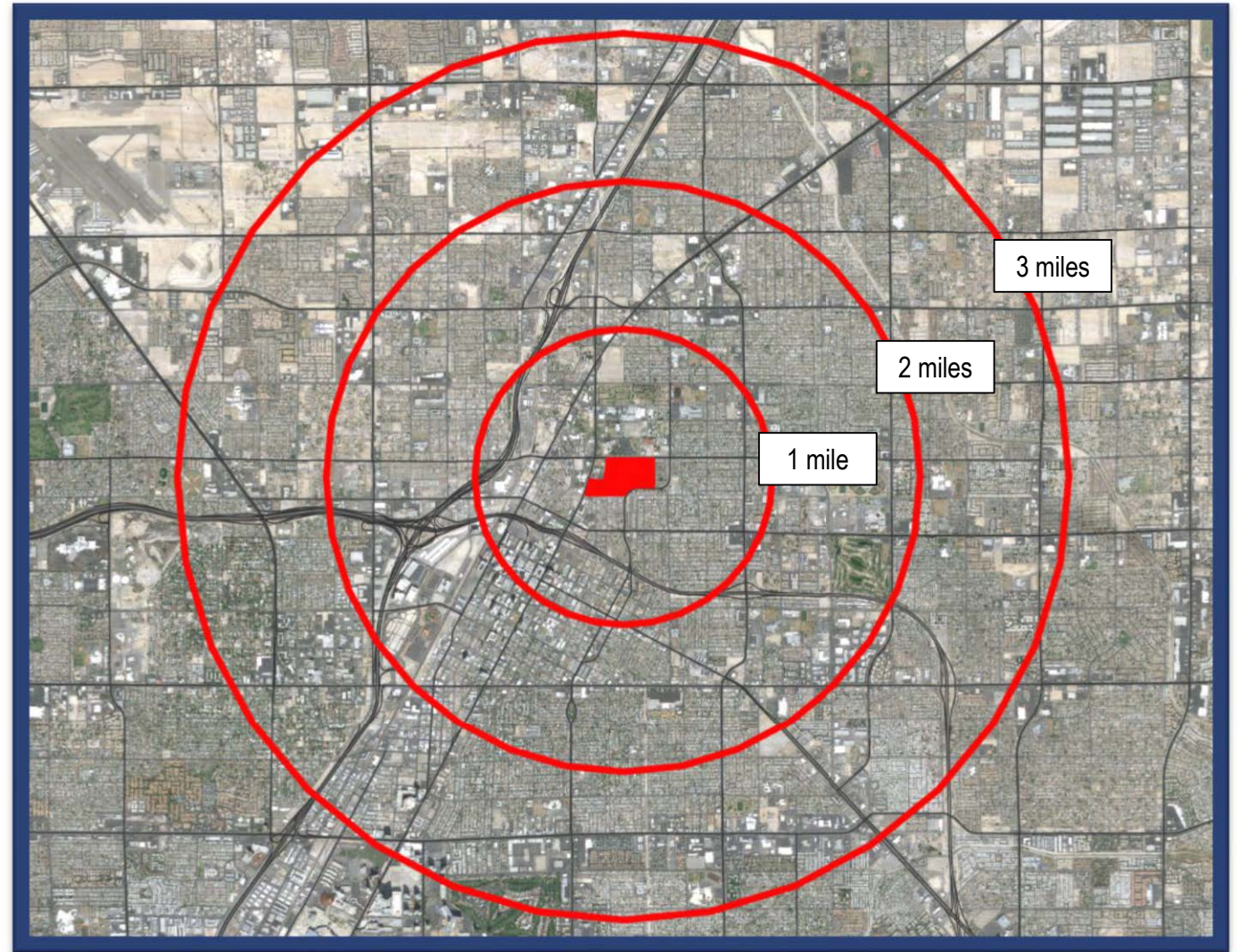
Acres	36
Land Value	\$128,588,800
Improvements Value	\$5,760,900
Total Taxable Value	\$134,349,700
Value Per Acre	\$3,731,900
Unit Capacity	1,998 Deluxe Motel



Cashman Site

Property Summary

Acres	50
Land Value	\$5,332,300
Improvements Value	\$27,422,300
Total Taxable Value	\$32,754,600
Value Per Acre	\$655,100
Unit Capacity	-



Stadium Site Comparison

	UNLV	Fertitta	Rock in Rio	Cashman
Acres	61	105	36	50
Land Value	\$30,406,100	\$35,401,100	\$128,588,800	\$5,332,300
Improvements Value	\$736,400	\$49,292,700	\$5,760,900	\$27,422,300
Total Taxable Value	\$31,142,500	\$84,693,800	\$134,349,700	\$32,754,600
Value Per Acre	\$510,500	\$806,600	\$3,731,900	\$655,100
Unit Capacity	-	318 Deluxe Motel 1,129 Mini- Warehouse	1,998 Deluxe Motel	-

Average Taxable Value Per Acre for Las Vegas Valley is \$604,800



Stadium Site Potential Usage



UNLV Thomas & Mack Site



61 Acres

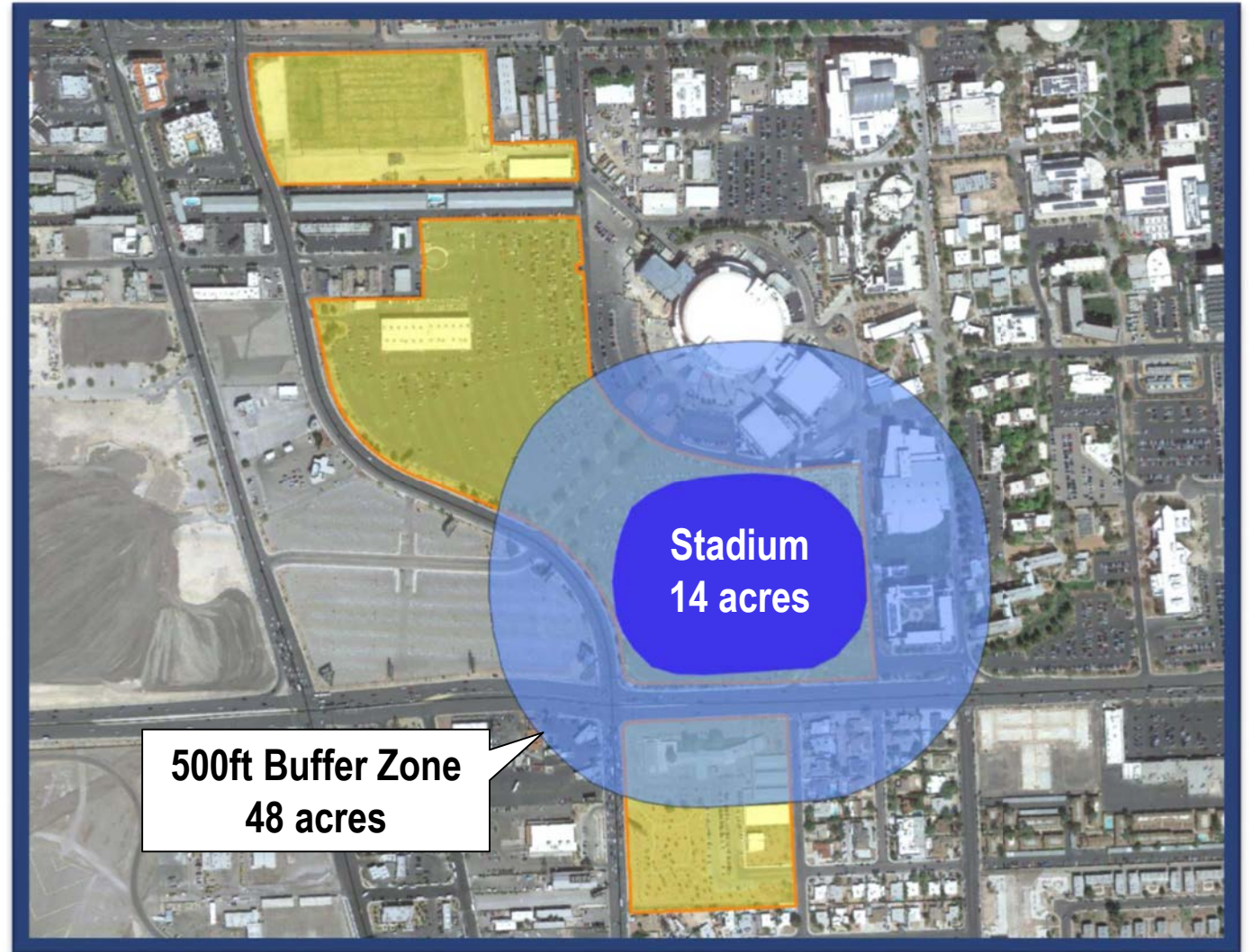
Google Earth



UNLV Thomas & Mack Site

Potential Usage 61 Acres

Usage	Acres
Stadium	14
Plaza	10
On-Site Parking	20
Circulation	6
Remaining Acreage for Development	11



Fertitta Site



113 Acres (including streets)

Google Earth

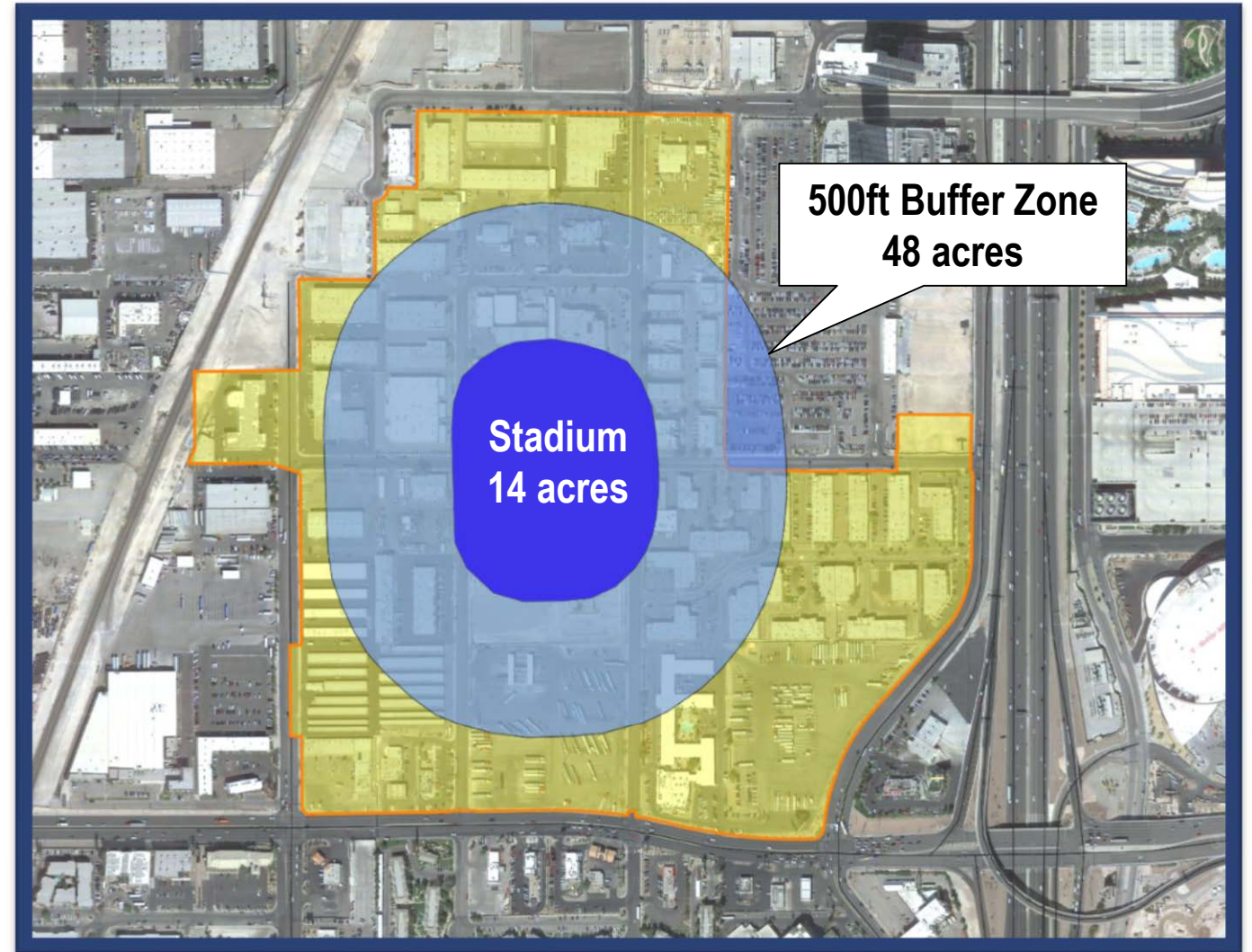


Fertitta Site

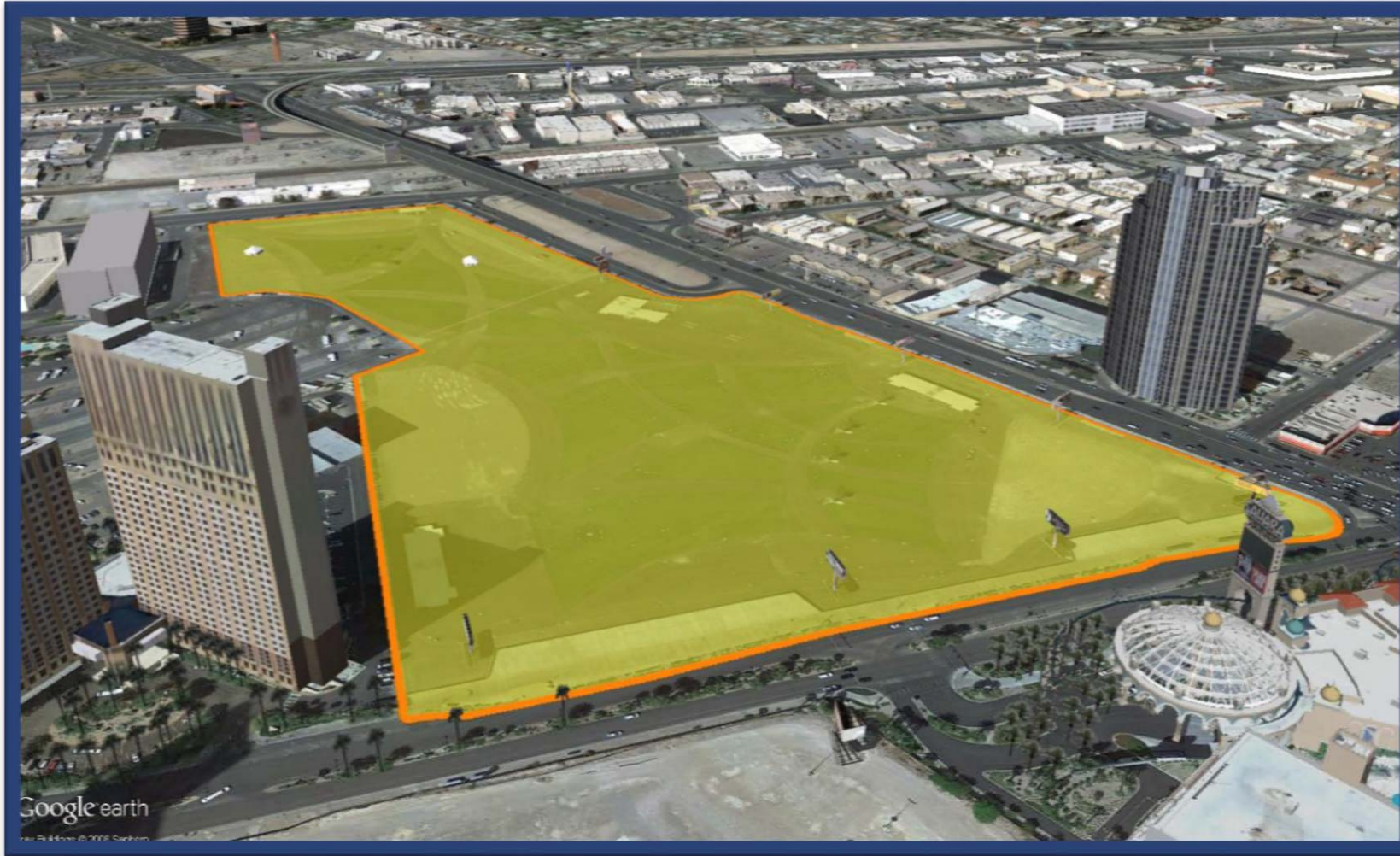
Potential Usage

113 Acres (including streets)

Usage	Acres
Stadium	14
Plaza	10
On-Site Parking	20
Circulation	6
Remaining Acreage for Development	55



Rock in Rio Site

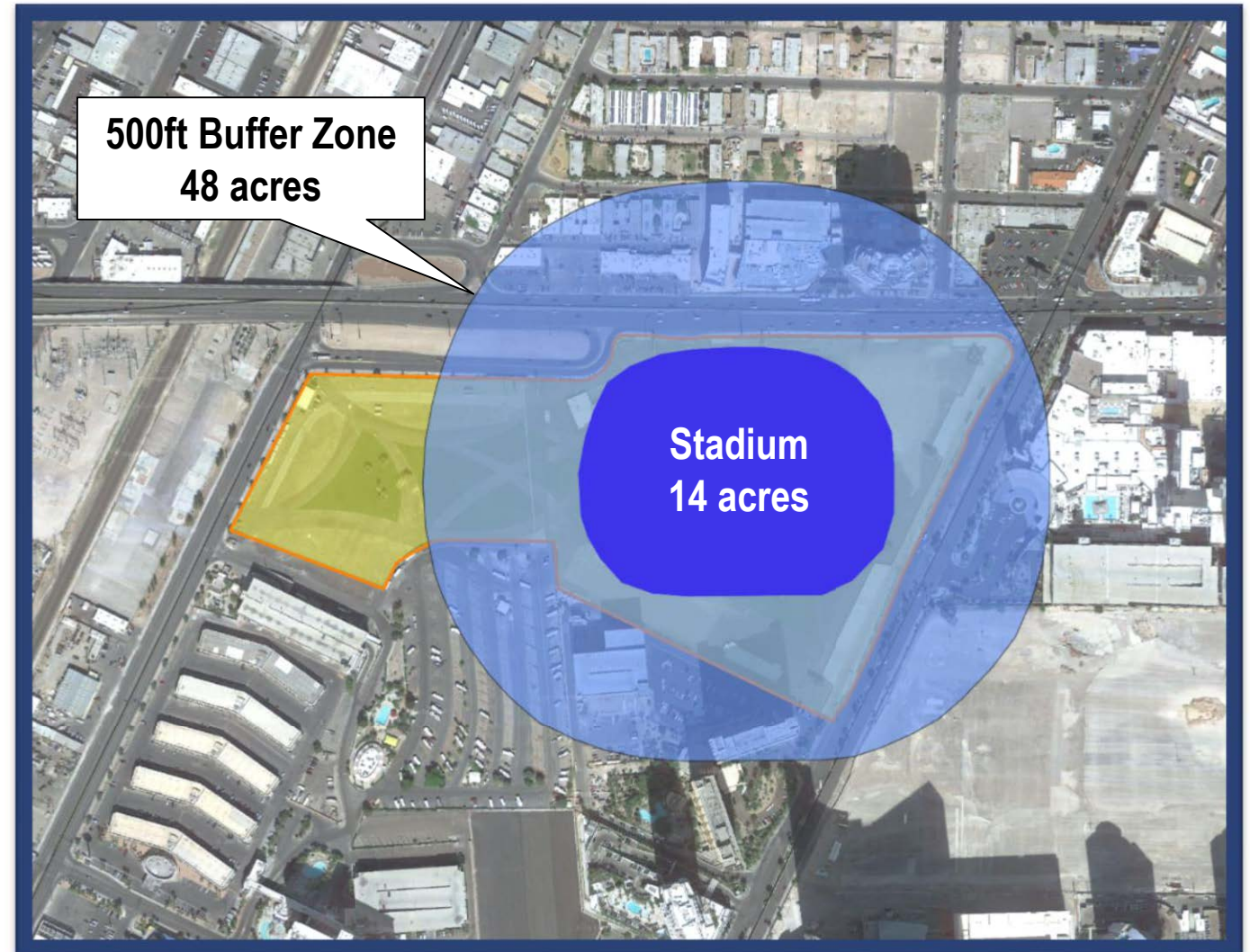


36 Acres

Rock in Rio Site

Potential Usage 36 Acres

Usage	Acres
Stadium	14
Plaza	10
On-Site Parking	-
Circulation	6
Remaining Acreage for Development	6



Cashman Site

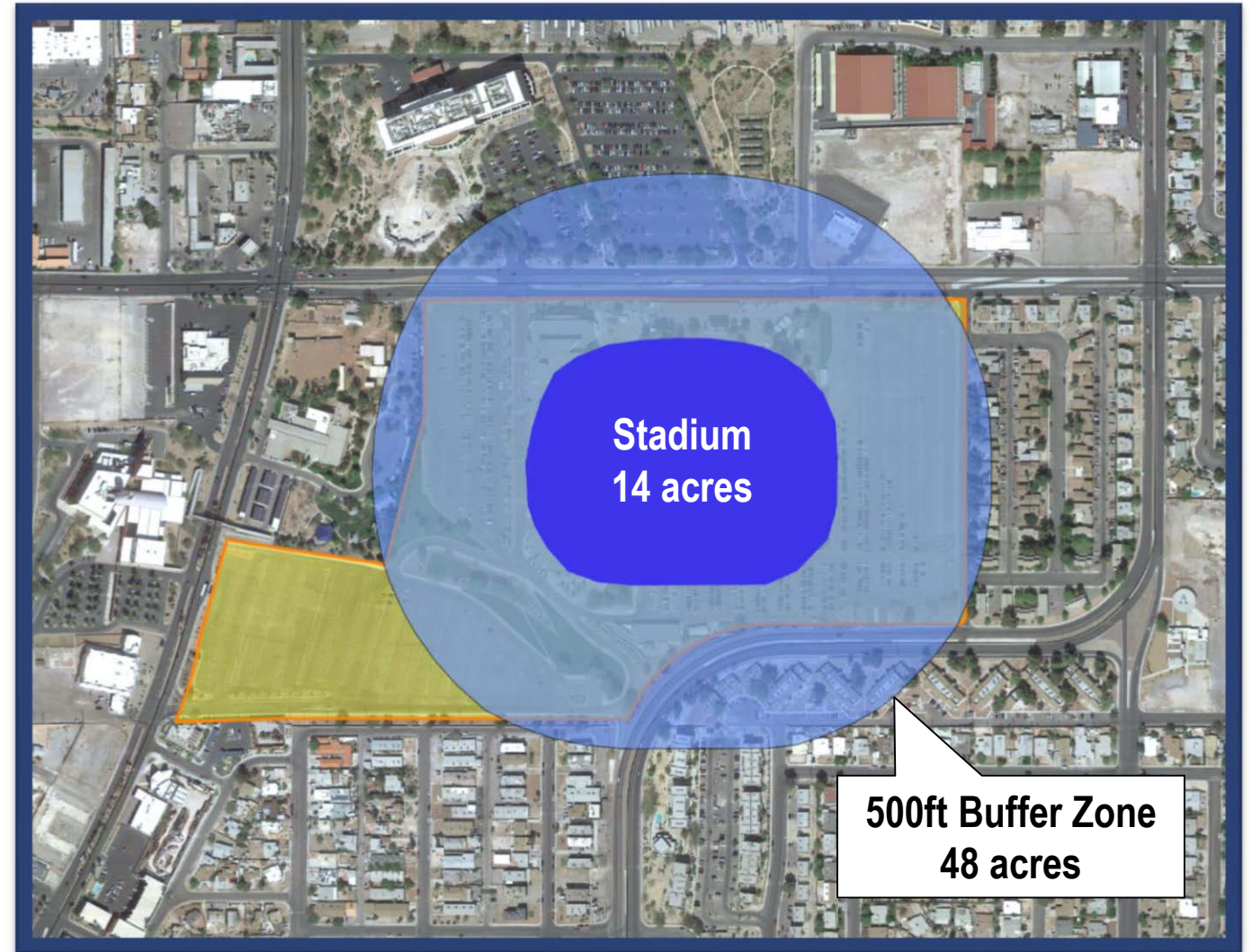


50 Acres

Cashman Site

Potential Usage 50 Acres

Usage	Acres
Stadium	14
Plaza	10
On-Site Parking	20
Circulation	6
Remaining Acreage for Development	0



Retail and Entertainment Districts



Downtown Disney

Anaheim, CA



Downtown DISNEY Anaheim

Property Details

Acreage	11
Gross Leasable Space	311,000 SF
Establishments	49
Leasable Space/Acre	28,300 SF/Acre



Disney Springs

Orlando, FL



DISNEY SPRINGS

Orlando

Property Details

Acreage 47

Gross Leasable Space 1.1 million SF

Establishments 170

Leasable Space/Acre 23,400 SF/Acre



Westgate Entertainment District

Glendale, AZ



WESTGATE

ENTERTAINMENT DISTRICT

Glendale, AZ

Property Details

Acreage 14

Gross Leasable Space 555,700 SF

Establishments 39

Leasable Space/Acre 39,700 SF/Acre



LA Live

Los Angeles, CA





Los Angeles

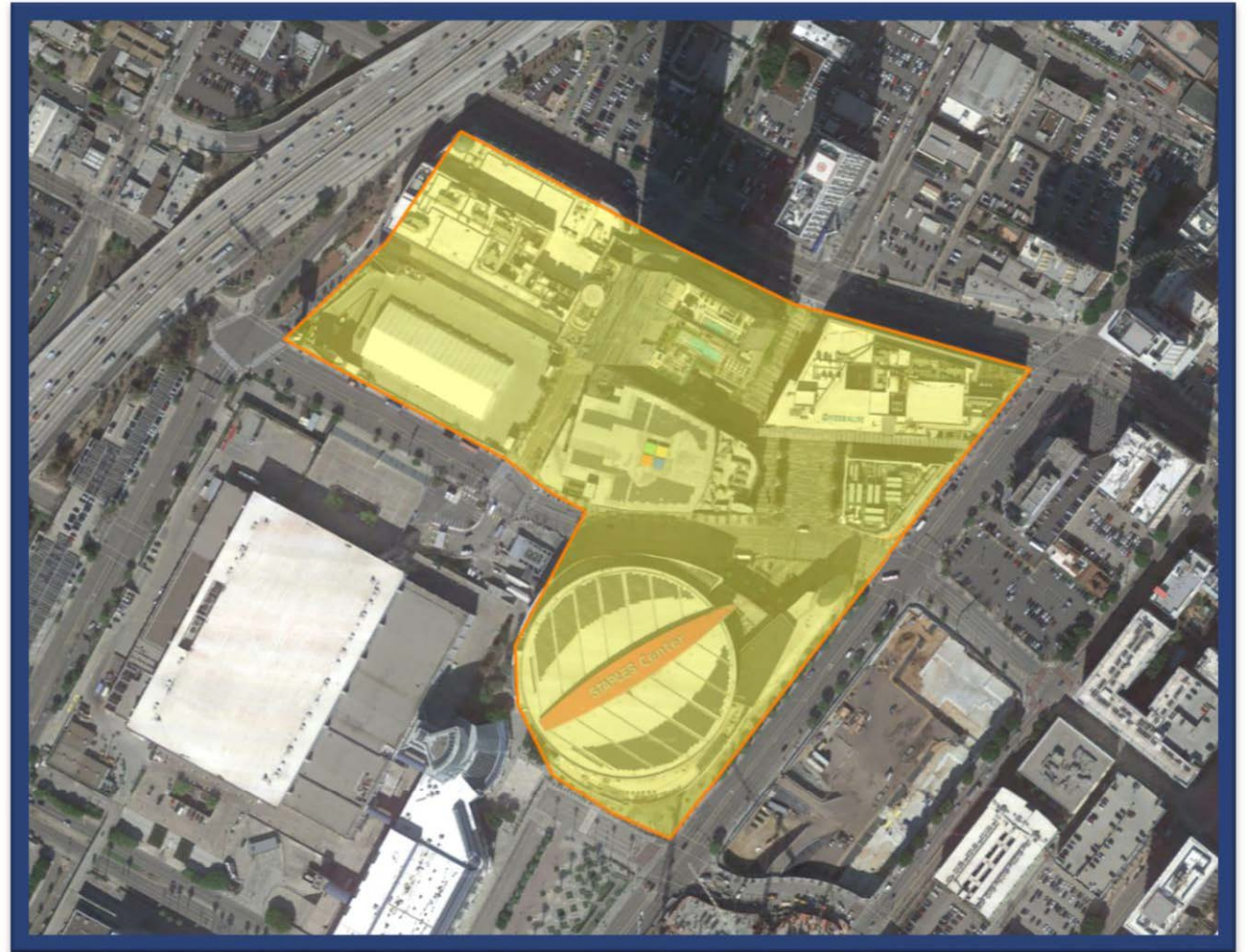
Property Details

Acreage

Gross Leasable Space

Establishments

Leasable Space/Acre



Retail Sales and Incremental Tax Potential



Top 10 Malls By Sales Per Square Foot

Shopping Center	Sales Per SF	Shopping Center	Sales Per SF
1. Bal Harbour Shops Bal Harbour, FL	\$3,185	5. Pheasant Lane Mall Nashua, NH	\$1,595
2. The Grove Los Angeles, CA	\$2,200	7. Woodbury Common Premium Outlets Central Valley, NY	\$1,550
3. The Mall at Rockingham Park Salem, NH	\$2,170	8. The Village at Corte Madera Corte Madera, CA	\$1,475
4. Forum Shops at Caesars Las Vegas, NV	\$1,615	9. Century City Los Angeles, CA	\$1,457
5. Aventura Mall Aventura, FL	\$1,595	10. Ala Moana Center Honolulu, HI	\$1,440

Source: Green Street, 2016



Sales Tax Increment District Scenario

Scenario involves a 300,000-square-foot retail and entertainment district in proximity to the stadium. Tax revenues based on current sales tax rate of 8.15%.

Sales and Revenue Scenarios

Sales Per SF	\$400	\$500	\$600	\$700	\$800
Annual Sales	\$120,000,000	\$150,000,000	\$180,000,000	\$210,000,000	\$240,000,000

% of Current Sales Tax Rate

Incremental Sales Tax Revenue

10%	\$978,000	\$1,222,500	\$1,467,000	\$1,711,500	\$1,956,000
25%	\$2,445,000	\$3,056,250	\$3,667,500	\$4,278,750	\$4,890,000
50%	\$4,890,000	\$6,112,500	\$7,335,000	\$8,557,500	\$9,780,000
100%	\$9,780,000	\$12,225,000	\$14,670,000	\$17,115,000	\$19,560,000





SOUTHERN NEVADA _____
Tourism Infrastructure Committee _____

Las Vegas Stadium Site Analysis of Tax Increment Potential

W E L C O M E

SOUTHERN *Nevada*

TOURISM INFRASTRUCTURE

COMMITTEE



Sands

LAS VEGAS SANDS CORP.



MAJESTIC REALTY CO.

CONTENTS

Stadium Program.....	3
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Potential Stadium Locations.....	5
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STADIUM PROGRAM

Seating Capacity:	65,000
Expandable Capacity for Super Bowls and National Events:	Up to 75,000
Private Suites:	75-100
Club Seats:	6,000-8,000
Loge Boxes:	25-50
Total SF:	1,800,000
Roof Configuration:	Retractable

SITE REQUIREMENTS

- Site Area Requirements
 - Desired: 100+ acres
 - Minimum: 60 acres
- Site configuration allows acceptable building configuration and field orientation.
- 10-12 acres for plaza / festival program and Super Bowl perimeter requirements.
- Ability to build or lease 3,000+ contiguous parking spaces for premium customers adjacent to stadium.
- Proximity to adequate parking and transit within 3/4 mile or 15-minute walk.

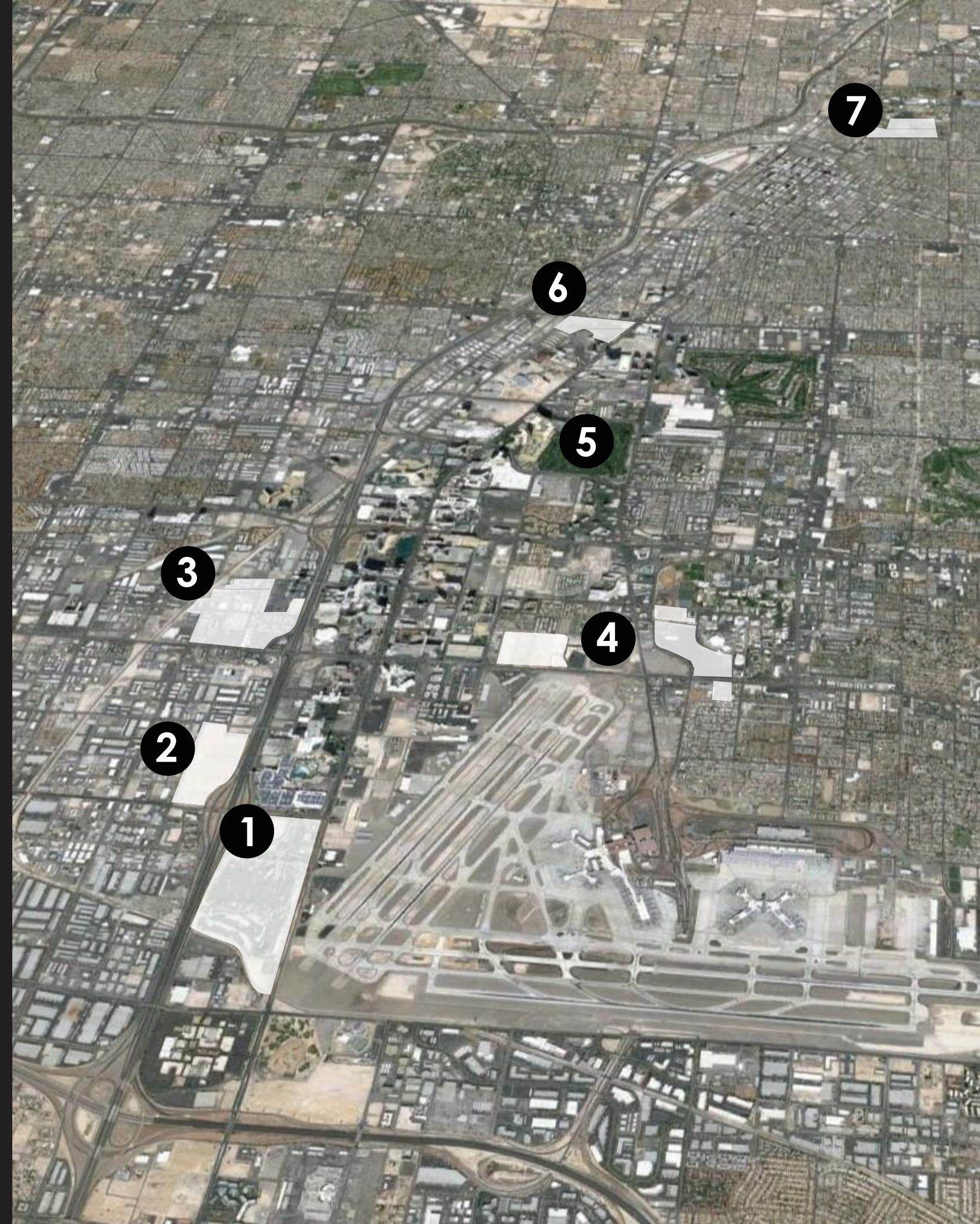
POTENTIAL STADIUM LOCATIONS

- Primary

- (1) Bali Hai GC
- (2) Russell Road
- (3) Fertitta Site
- (4) UNLV Campus

- Secondary

- (5) Wynn GC
- (6) MGM Rock in Rio
- (7) Cashman Field



SITE SELECTION PROCESS UNDER WAY

- Design
- Transportation / Parking
- Site Factors
- Cost
- Timing

DESIGN

- Adjacent Land Uses / Architectural Context
- Facility Image / Visibility
- Game Day Experience
- Proximity to Hotels and Amenities
- Encourages Investment in Surrounding Neighborhood
- Ability to Maximize Revenues
- TIF Potential On- and Off-Site
- Super Bowl Capable
- Natural Grass

TRANSPORTATION / PARKING

Transportation Evaluation Criteria:

- Interstate Proximity / Access
- Local Street Network
- Public Transit / Cab / Limo / Shuttle / Bus / Monorail Access
- Proximity to Available Parking
- Pedestrian Experience
- Directional Lane Management

Parking Evaluation Criteria:

- On-Site Parking
- Proximity to Off-Site Parking
- Tailgating Experience
- Distributed Ingress & Egress

TRANSPORTATION / PARKING

Transportation Evaluation Criteria:

- Interstate Proximity / Access
- Local Street Network
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- Pedestrian Experience
- Directional Lane Management

Parking Evaluation Criteria:

- On-Site Parking
- Proximity to Off-Site Parking
- Tailgating Experience
- Distributed Ingress & Egress

SITE FACTORS

- Site Size
- Site Configuration
- Hydrology and Water Table
- Utilities - Adequacy, Relocation & Improvements
- Geotechnical
- Demolition - Extent
- Environmental Issues / Remediation
- Zoning and Regulatory Factors
- FAA Approvals
- Clark County Department of Aviation Issues
- Site Security

COST

- Land Acquisition
- Transportation and Access
- Parking
- Site Development
- Infrastructure
- Site Building Premium
- Roof Upgrade

TIMING

- Ability to Meet Schedule
- Land Acquisition Timing
- Existing Lease(s) Expiration Terms
- Regulatory Approvals
- Site Demolition & Clear / Utility Relocations
- Utility Infrastructure / Service to Site
- Off-site Traffic Mitigation / Roadway Improvements
- Site Construction Constraints
- NFL Relocation Requirements

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:

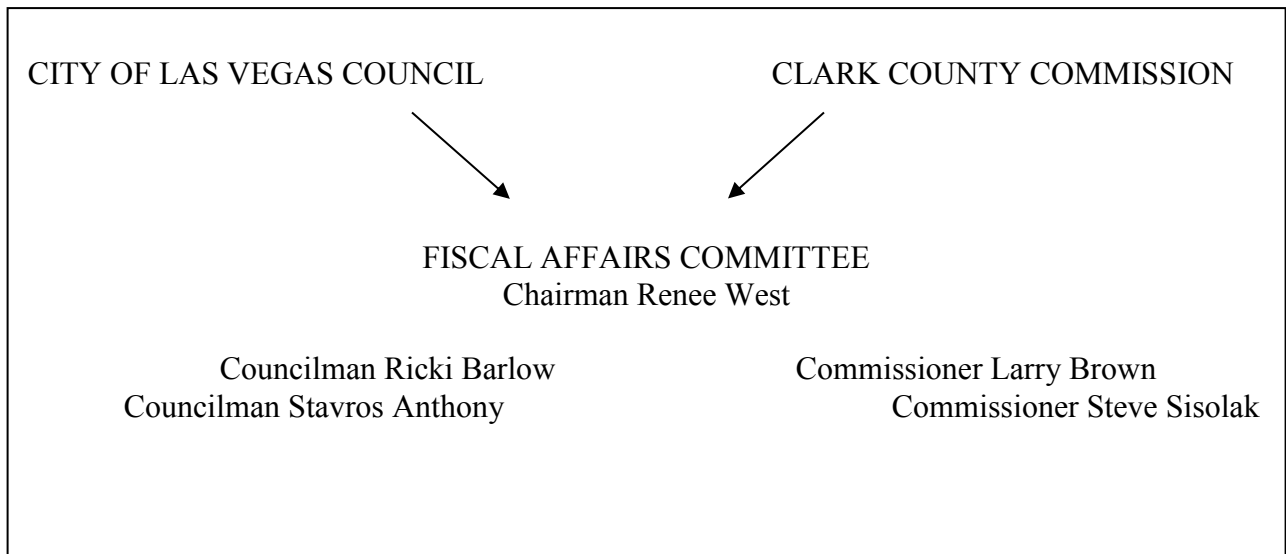
**Integrity
Courage
Accountability
Respect for People
Excellence**

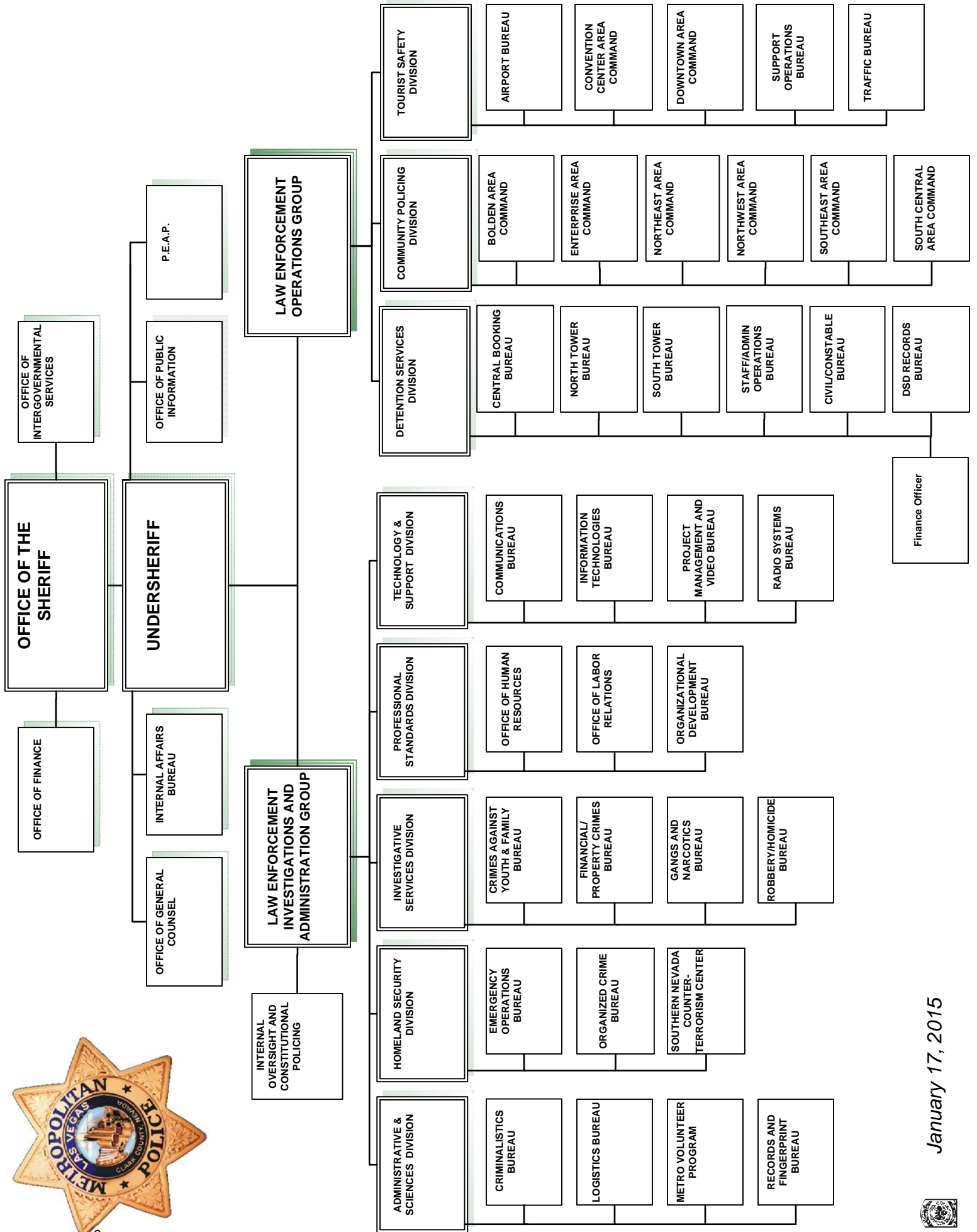
☆ The **Mission** of the Las Vegas Metropolitan Police Department is to partner with the community to provide outstanding service and protection through prevention, innovation and leadership.

☆ 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**





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.

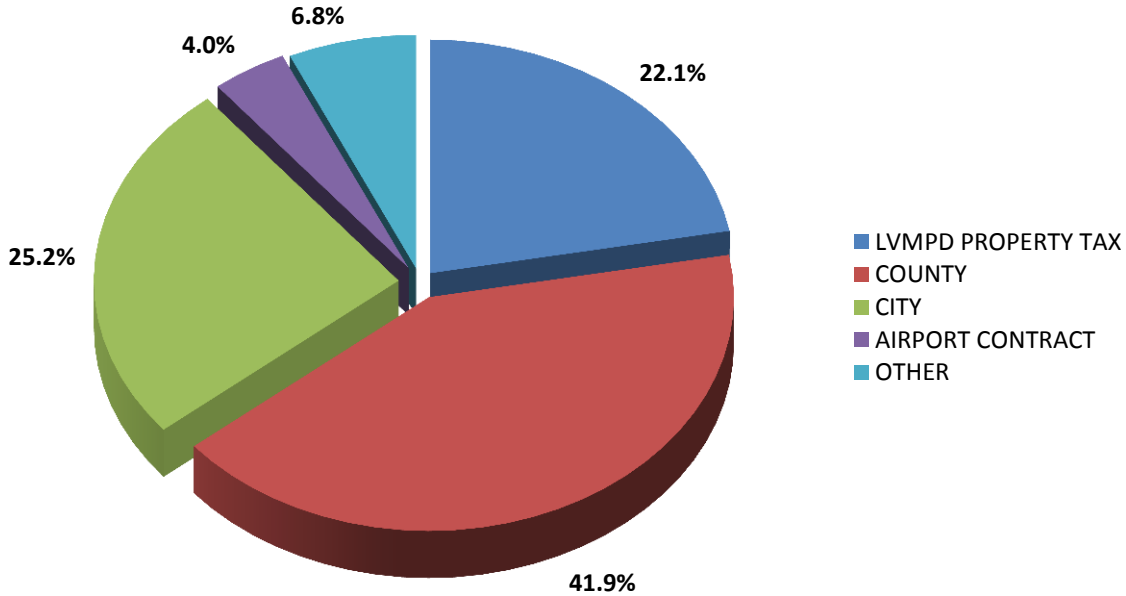
LVMPD FY 2015-2016 BUDGET REVENUES

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.

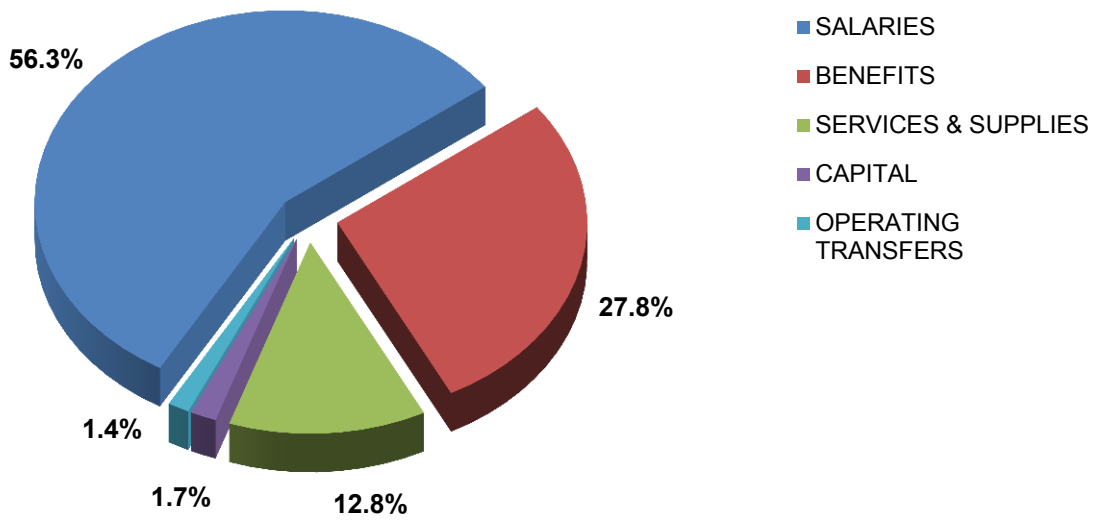
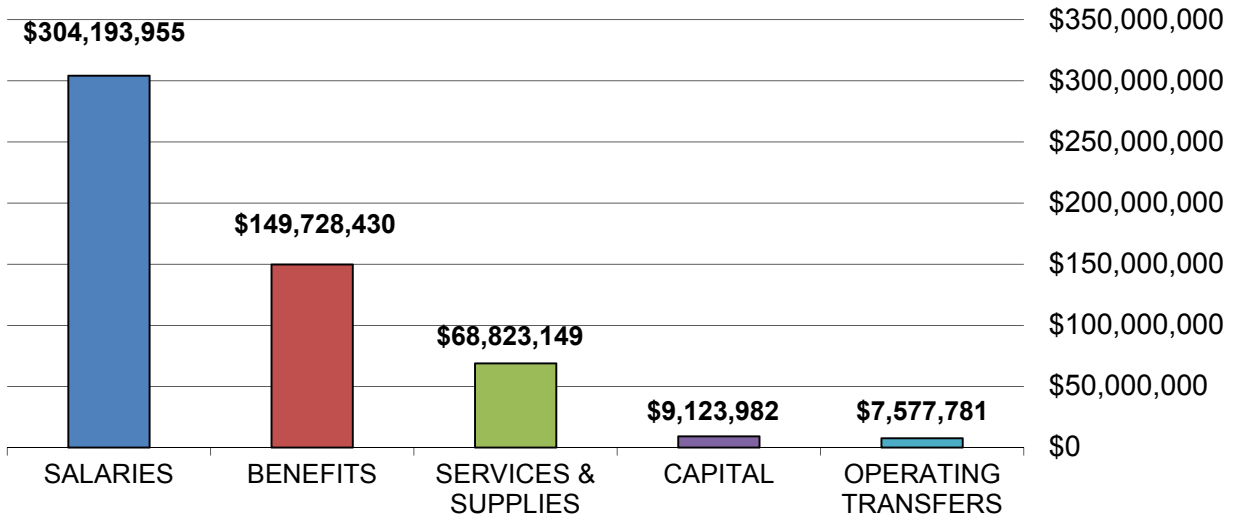
Other revenues include fingerprint fees, overtime reimbursed for special events, extradition costs reimbursed by the State of Nevada, fees, proceeds from sales, earned interest, charges for services, and miscellaneous revenue.

LVMPD FY 2015-2016 BUDGET EXPENDITURE SUMMARY

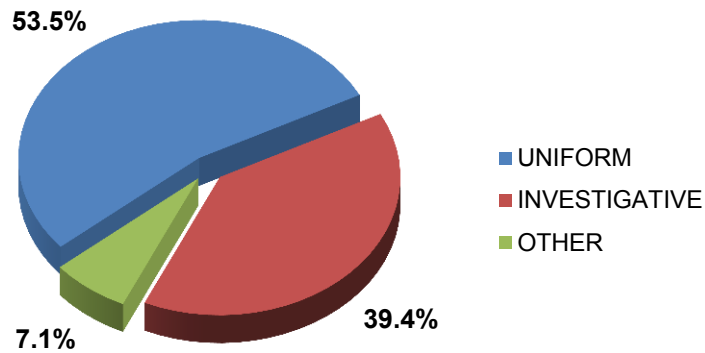
#	UNIT	SALARIES	BENEFITS	SUPPLIES & SERVICES	CAPITAL	OPERATING TRANSFERS	TOTAL
5000111000	OFFICE OF THE SHERIFF	\$ 1,700,537	\$ 838,292	\$ 226,119	\$ -	\$ -	\$ 2,764,948
5000112000	GENERAL COUNSEL	1,619,385	696,209	604,207	0	0	2,919,801
5000113000	QUALITY ASSURANCE	759,406	375,302	49,532	0	0	1,184,240
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
7	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				VARIANCE	VARIANCE PERCENT
	ACTUAL FY 2013-2014	PROJECTED FY 2014-2015	BUDGETED FY 2014-2015**	REQUESTED FY 2015-2016	FY15 TO FY16 BUDGET	
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.



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

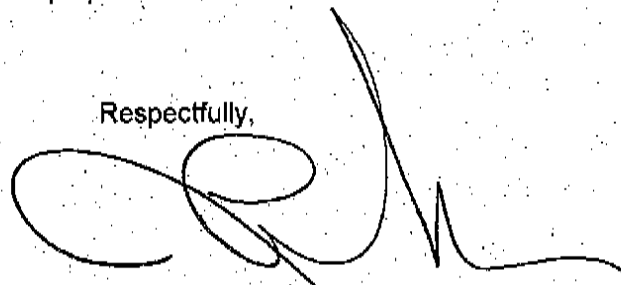
Our current deployment along the Strip and Fremont Street has proven to be insufficient when addressing our public safety concerns. An example being at any one time along the 4 ½ miles of Las Vegas Blvd. (Strip), the Convention Center Area Command averages 18 police officers per shift dedicated to the 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,

A handwritten signature in black ink, appearing to read 'Joseph Lombardo', with a long horizontal flourish extending to the right.

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			\$ 13,195,631.00	\$ 10,862,403.00	

*Represents 60 POs, 6 Sgts, and 1 Lt for CCAC; 9 RTCC Officers and 1 Sgt for RTCC; and 1 PO for TASS

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

**LAS VEGAS METROPOLITAN
POLICE DEPARTMENT**

JOSEPH LOMBARDO, SHERIFF



Southern Nevada Tourism Infrastructure Committee

Recommendations on
Law Enforcement and Policing Needs to Enhance Public Safety for
Southern Nevada's Tourism Infrastructure



Where we are at.....



Police per 1000 residents

- ❑ National 2.2
- ❑ LVMPD 1.8 (265 needed to achieve 2.0)
- ❑ Average annual increase of residents 34,000
- ❑ Tourist's not part of formula (6% of work tasks)



Current Calls for Police Services

- Total CFS on Strip 2015 - 70,751
- Total CFS on Fremont Street 2015
(Main - 15th St / Ogden to Carson) - 25,884
- 6% increase year over year



Current Staffing on Strip (CCAC)

- ❑ Total Officers Assigned - 153
- ❑ Total Detectives Assigned – 20
- ❑ Average officers assigned per shift 25
(10% vacancy included)
- ❑ Safe Strip (May – Sept) – 60 additional officers
(1 shift)



Current Staffing DTAC/Fremont

- ❑ Total Officers Assigned - 150
- ❑ Total Detectives Assigned – 16
- ❑ Average Officers on Fri/Sat Nights
(Main – 6th Street / Ogden - Carson)
 - ❑ Friday-14
 - ❑ Saturday-6



Why add money.....



National / International Picture



- ❑ Orlando
- ❑ Paris
- ❑ Nice
- ❑ Istanbul
- ❑ Tunisia
- ❑ Ansbach



Comparable Cities

- New Orleans – Bourbon Street
 - 9.5m Visitors per year
 - 100 Officers assigned (during peak hours)
 - 1.2 miles
- New York City - Time Square
 - 100m Visitors per year
 - 100 Officers assigned (24 hrs per day)
 - Approximately 5 City Blocks
- L.V. BLVD. – 4.5 Miles Long



What we are going to do with
the money.....

\$ 12 Million Dollars

To Provide the following resources:

82 Total Officers

Strip/Fremont:

-74 Police Officers

-6 Sergeants

-1 Lieutenant

Technical/Surveillance (Camera Maintenance)

-1 Police Officer

Real Time Crime Center (Camera Monitoring)

-9 Surveillance Specialists

20 Cameras (Overt / Covert)







Funding options reviewed and recommended

Applied Analysis

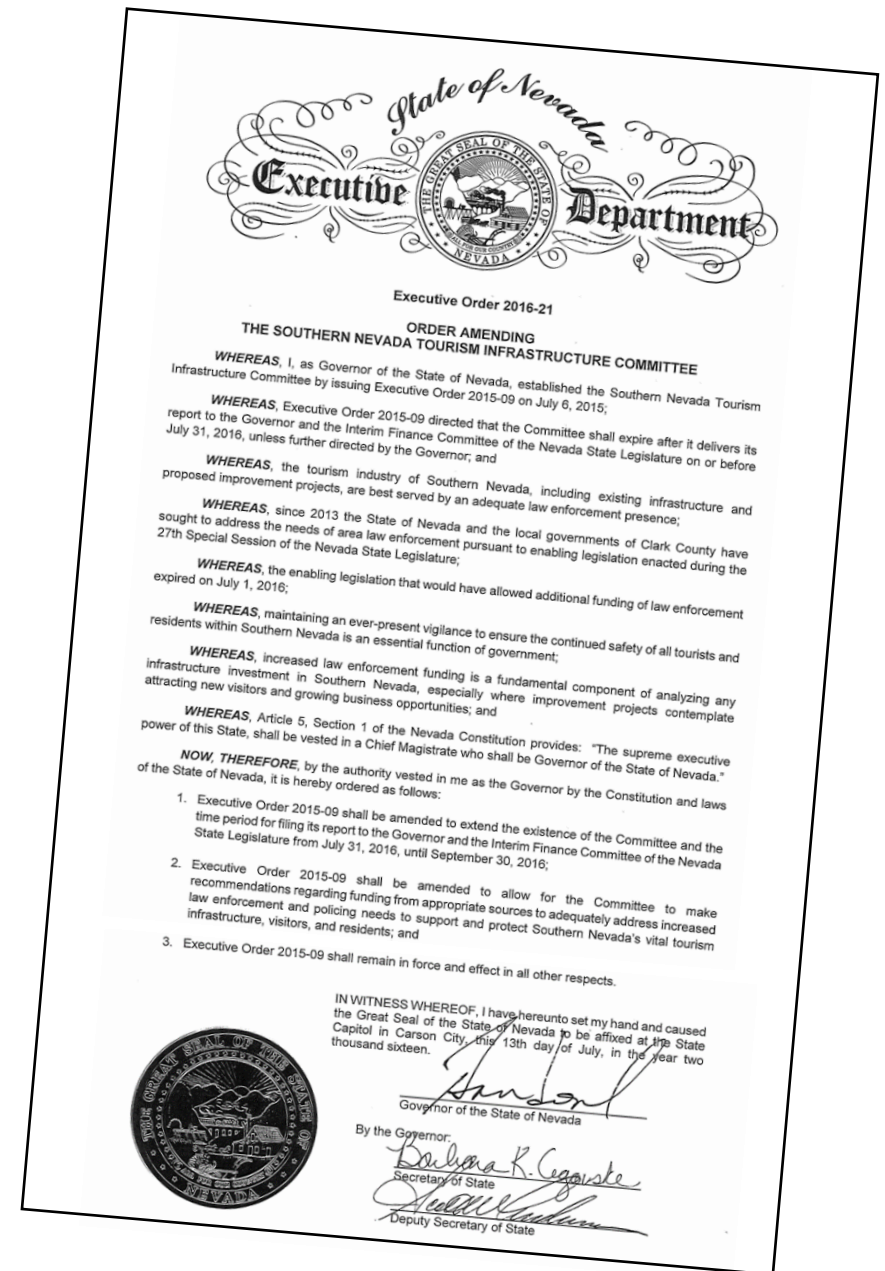


SOUTHERN NEVADA _____
Tourism Infrastructure Committee

Metropolitan Police Department Funding Alternative Analysis

Executive Order

On July 13, 2016, Governor Brian Sandoval signed an executive order extending the deadline for the Southern Nevada Tourism Infrastructure Committee to submit its final report, so it may “make recommendations regarding funding from appropriate sources to adequately address increased law enforcement and policing needs to support and protect Southern Nevada’s vital tourism infrastructure, visitors, and residents.”



Police Staffing Proposal

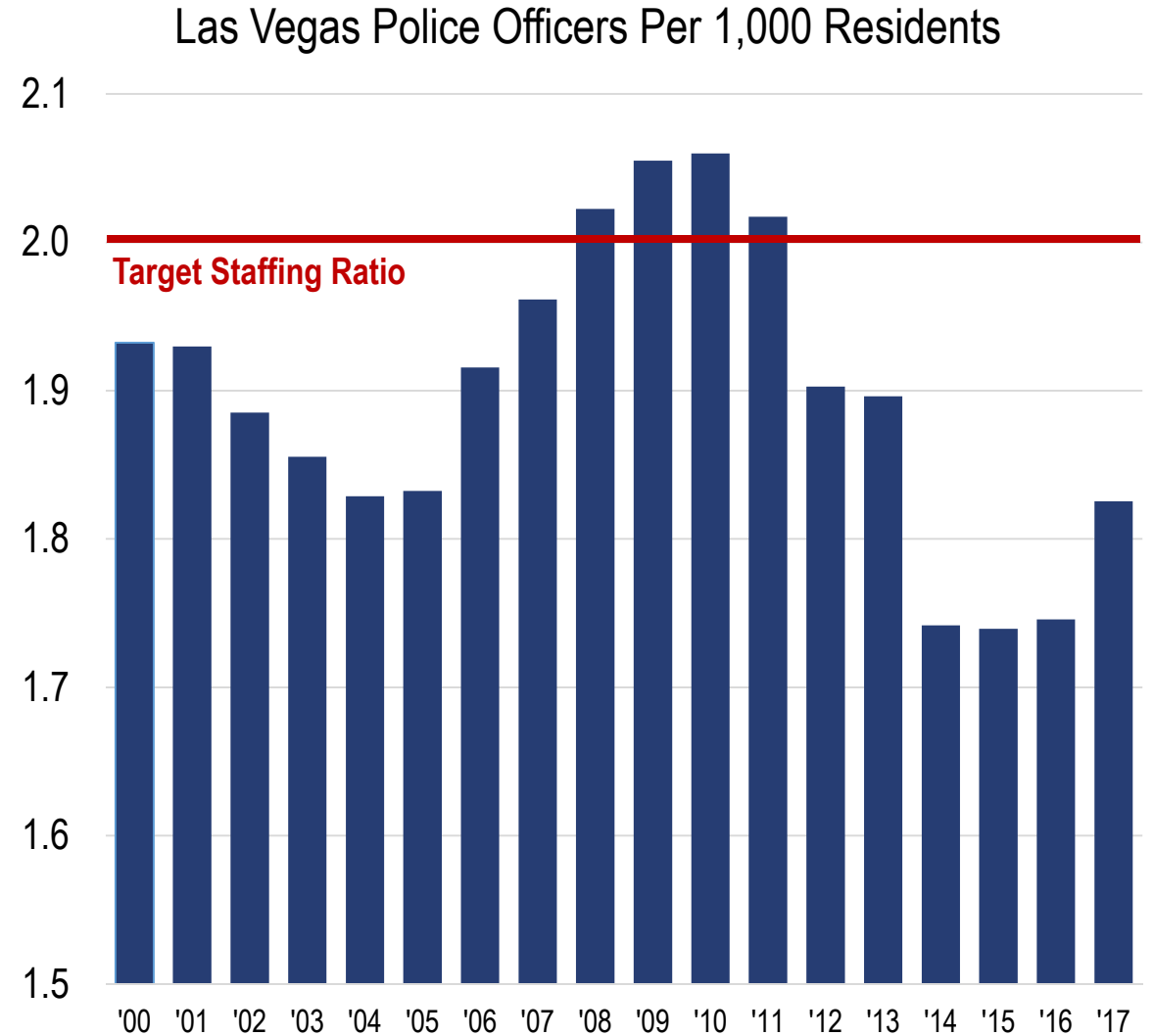
Sheriff Joseph Lombardo has proposed a staffing plan to increase the number of police officers and increase security on the Las Vegas Strip and in Downtown Las Vegas.

	Initial Cost	Recurring Cost
82 Officers (81 Patrol, 1 Technical/Surveillance)	\$12,236,460	\$11,054,180
9 Surveillance Specialists	\$844,380	\$805,350
10 Fixed Surveillance Cameras	\$200,000	\$40,000
10 Mobile Surveillance Cameras	\$540,000	\$108,000
Total Cost	\$13,820,840	\$12,007,530



Historical Police Staffing

The Metropolitan Police Department has established a staffing ratio target of 2.0 officers per 1,000 residents. In recent history, periods of significant population growth and economic crisis have impacted the agency's ability to maintain that level of staffing.



Source: Las Vegas Metropolitan Police Department



Police Funding Alternatives

In recent years Sheriff Lombardo, his predecessor, Sheriff Doug Gillespie, and others have commissioned multiple analyses to identify potential funding sources.

Most alternatives were eliminated because they simply did not work or they placed a disproportionate share of the burden on hotels and casinos even though a wider group of stakeholders requires additional police protective services.



Police Funding Alternatives

In recent years Sheriff Lombardo, his predecessor, Sheriff Doug Gillespie, and others have commissioned multiple analyses to identify potential funding sources.

Most alternatives were eliminated because they simply did not work or they placed a disproportionate share of the burden on hotels and casinos even though a wider group of stakeholders requires additional police protective services.

- Property Tax
- Special Improvement District
- Rental Car Tax
- Taxicab Trip Fee
- Trash Collection Fee
- Liquor Retail Sales Tax
- Liquor Excise Tax
- Cigarette Tax
- Business License Fee
- Employee Head Tax
- Sales and Use Tax
- Room Tax



Police Funding Alternatives

Two options appear to be potentially viable, considering their relative distribution of the tax burden and their ability to generate the revenue necessary to support additional police staffing in the Resort Corridor.

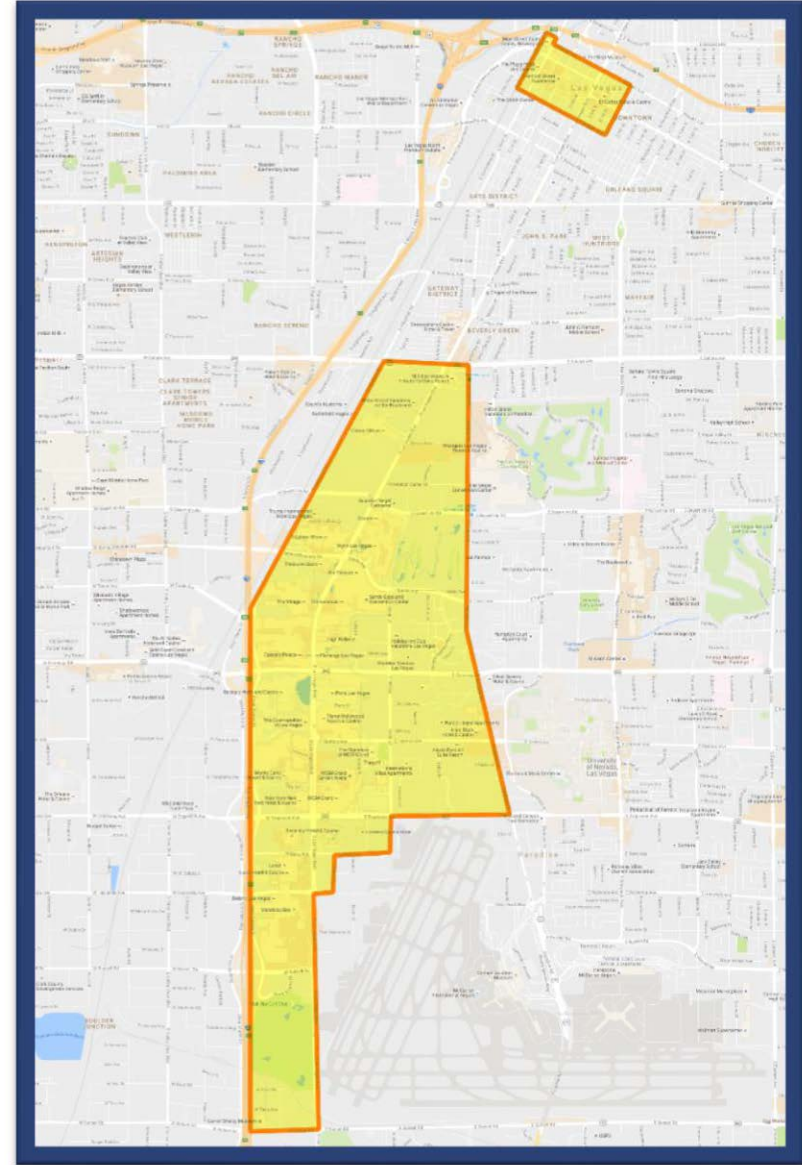
Room tax was not considered as a stand-alone funding source, however, the current Stadium Financing Model generates \$4 million per year within the waterfall revenue stream that is dedicated to police funding.

- Employee Head Tax
- Sales and Use Tax
- Room Tax



Employee Head Tax

- Charges an annual flat fee per employee for every business within the Resort Corridor.
- The total amount that an individual business pays is capped each year, creating a tiered structure whereby the largest employers pay more in total tax but less per employee.
- Spreads the burden between large employers, such as hotel-casinos, and more than 2,000 other business locations within the district.



Employee Head Tax

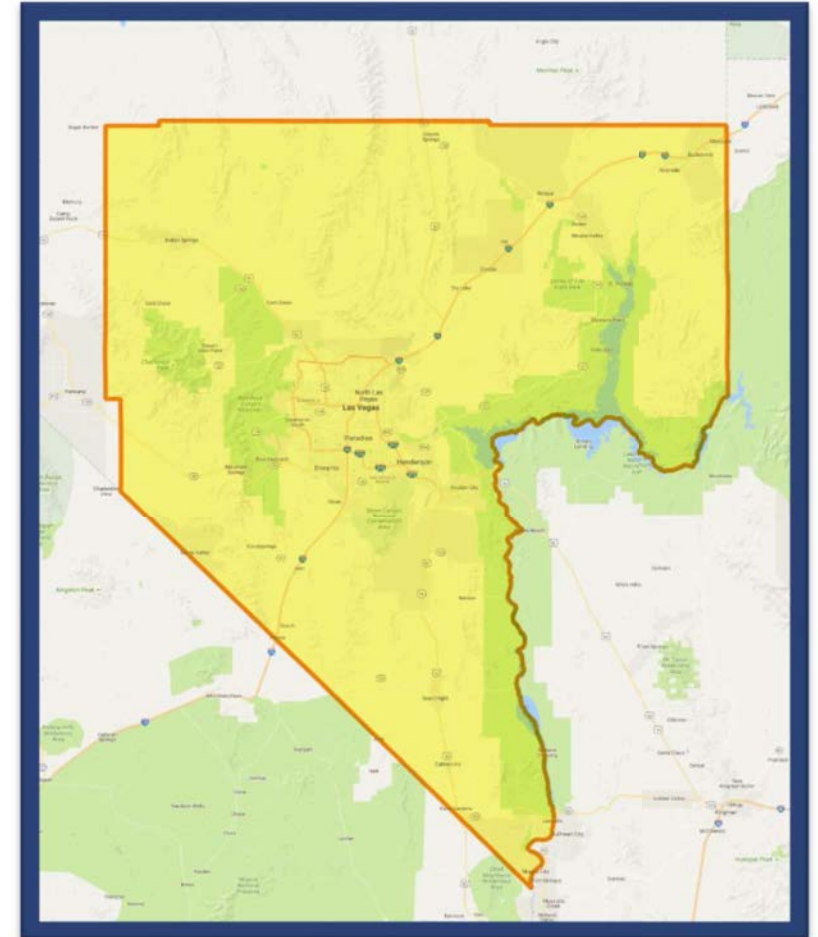
Total revenue generated by the Employee Head Tax varies depending on the fee charged per employee and the maximum amount per individual business.

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
Per Employee Fee	\$50	\$50	\$75	\$100	\$100
Maximum Per Business	\$250,000	\$150,000	\$100,000	\$100,000	\$75,000
Total Revenue	\$8.3 million	\$7.4 million	\$8.3 million	\$10.1 million	\$9.4 million



Sales Tax – More Cops

- Since 2005, 0.25 percent of sales tax in Clark County has been dedicated to funding officers within each local police agency.
- More Cops revenue is distributed by population among local jurisdictions, with the Metropolitan Police Department receiving about 72 percent of total countywide revenue.
- In 2013, the Legislature authorized an additional 0.15 percent of More Cops tax. In 2015, the Clark County Commission approved 0.05 percent, raising the rate from 0.25 percent to 0.30 percent. Authorization for the remaining 0.10 percent expired on July 1, 2016.

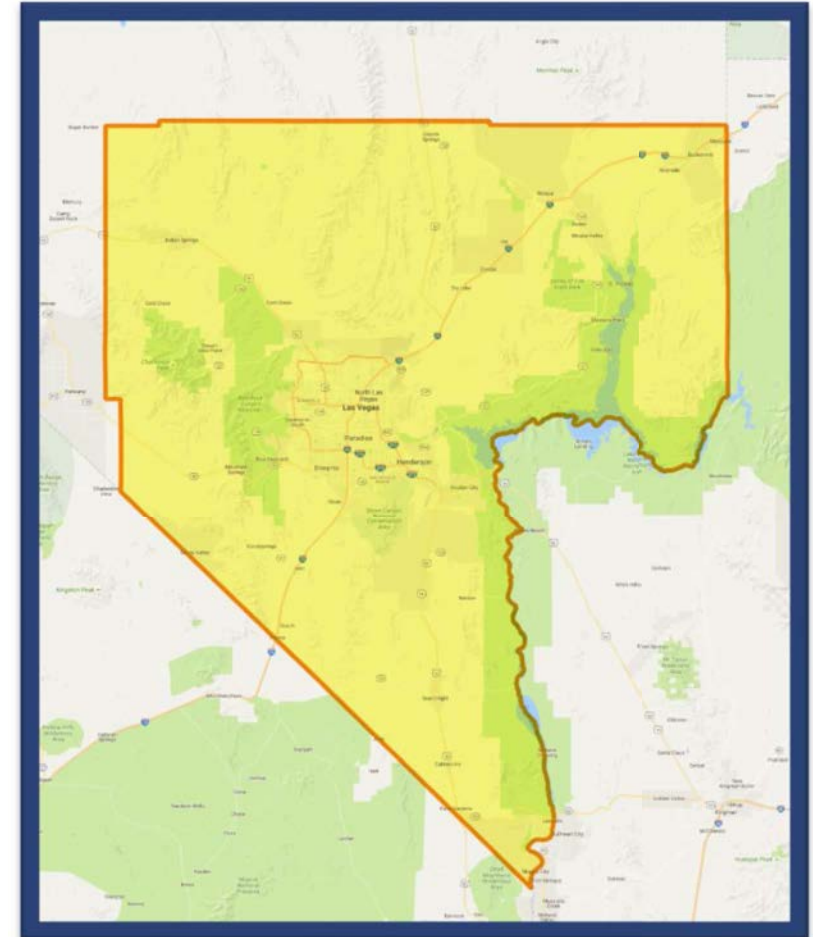


Sales Tax – More Cops

- Projected incremental revenue for the Metropolitan Police Department with each sales tax rate increase of 0.05 percent

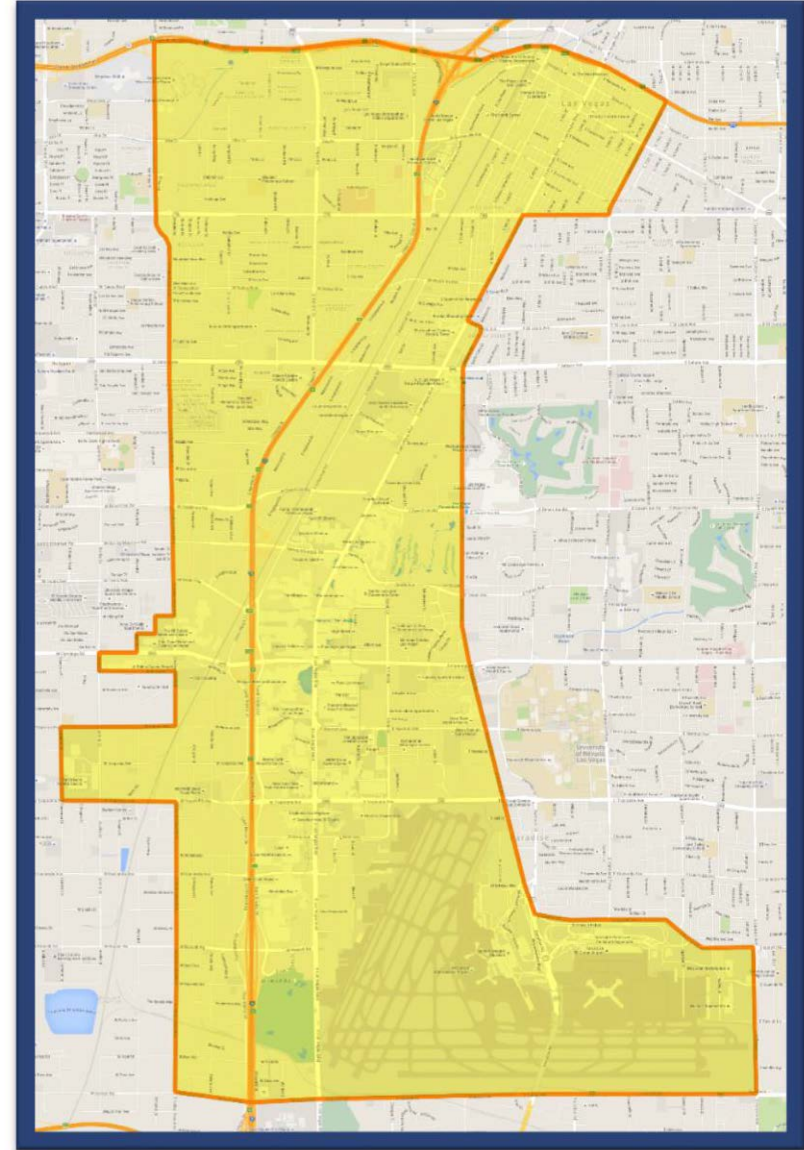
	Estimated Revenue*
FY2017	\$14,310,420
FY2018	\$14,954,390
FY2019	\$15,627,330

* Assumes 4.5 percent annual growth in taxable retail sales



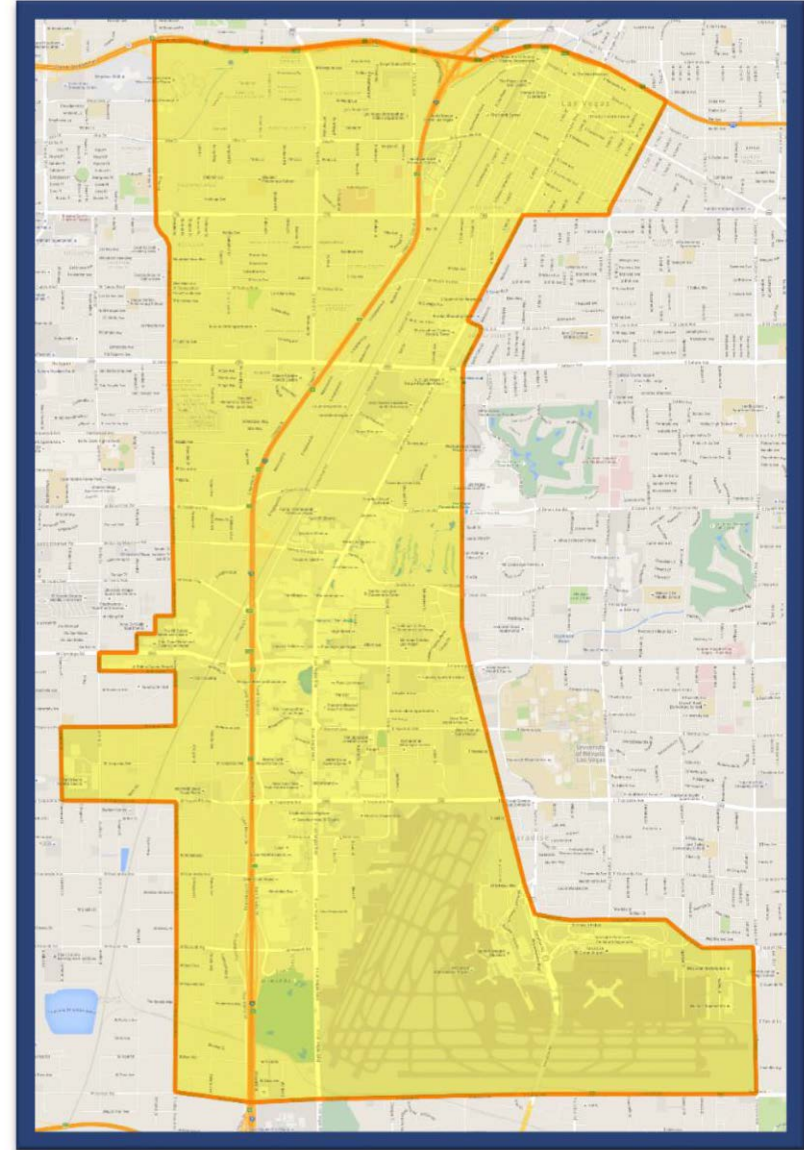
Sales Tax District

- Creates a new taxing district that encompasses the Resort Corridor and adjoining areas
- An additional sales tax rate would apply to taxable retail sales within the district, with 100 percent of incremental revenue directed to police staffing within the Resort Corridor
- Proposed general boundaries:
 - U.S. Highway 95 to the north
 - Sunset Road to the south
 - Valley View Boulevard to the west
 - Paradise Road to the east



Sales Tax District

- Spending within the district conservatively comprises between 18 and 20 percent of taxable retail sales within Clark County.
- The vast majority of sales tax revenue collected within the district (about 92 percent) is generated by visitors.
- Each 0.10 percent increase in the sales tax rate within the district would produce between \$6.8 million and \$7.5 million in revenue.





SOUTHERN NEVADA _____
Tourism Infrastructure Committee

Metropolitan Police Department Funding Alternative Analysis



MEETING AGENDA

**August 25, 2016
8:00 a.m.**

**Main Location:
University of Nevada, Las Vegas
Stan Fulton Building
4505 S. Maryland Pkwy.
Las Vegas, NV 89154**

**For Possible
Action**

- 1. Call to Order, Roll Call and Establish Quorum**
- 2. Public Comment**
- 3. Acceptance of Minutes from July 28, 2016**
- 4. Chairman/Committee Comments**
- 5. Research Staff Report**
- 6. Committee Workshop**
 - a. Las Vegas Stadium Proposal
 - Update by Las Vegas Sands and Majestic Realty regarding NFL-ready stadium proposal
 - Review and discussion of potential stadium funding and legislative options
 - b. Las Vegas Metropolitan Police Department
 - Review and discussion of potential funding methods to fund additional police officers
- 7. September 15th Meeting Preview**
- 8. Committee Member Comments**
- 9. Public Comment**
- 10. Adjournment**

**For Possible
Action**

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 Melanie Sheldon, 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 Melanie Sheldon, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101, (702) 486-2700, msheldon@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
July 28, 2016**

The meeting of the Southern Nevada Tourism Infrastructure Committee was called to order by Chairman Hill at 8:04 A.M. in the Stan Fulton Building located at the University of Nevada, Las Vegas.

1. ROLL CALL/CALL TO ORDER/ESTABLISH QUOROM

BOARD MEMBERS PRESENT

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

BOARD MEMBERS ABSENT

Mr. William Hornbuckle, President of MGM Resorts International
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 the Clark County Department of Aviation
Mr. Rossi Ralenkotter, President and CEO of the Las Vegas Convention and Visitors Authority
Mr. Guy Hobbs, Managing Director of Hobbs, Ong & Associates

STAFF MEMBERS PRESENT

Ms. Jennifer Cooper, Communications Director for the Governor's Office of Economic Development
Ms. Melanie Sheldon, Executive Assistant and Business Development Specialist for the Governor's Office of Economic Development

2. PUBLIC COMMENT: 8:05 A.M.

Mr. James Nagourney states there is a discrepancy between the Las Vegas Sands and Majestic Group's March and April reports for the predicted National League Football (NFL) season ticket sales. He would like to know why this change occurred and if they are reserving tickets for tourists.

Mr. Barnett Sturm states his skepticism about the Oakland Raiders moving to Las Vegas. He does not believe thousands of fans will travel to Las Vegas to see the Raiders play.

Mr. Ed Uehling is in favor of the proposed projects, but suggests alternative means of stadium funding. He states a law should be passed to allow homeowners to host tourists.

Chairman Hill closes Agenda Item 2.

3. ACCEPTANCE OF MINUTES FROM JULY 11, 2016: 8:16 A.M.

Chairman Hill opens Agenda Item 3 for a motion to accept the meeting minutes from July 11, 2016. A motion is made by Mayor Goodman for additions to the meeting minutes which include her objection to the convention center advisory oversight committee in its entirety. Following additions, a motion is made by Mayor Goodman for the acceptance of the minutes. Mr. Sloan seconds the motion. The meeting minutes pass unanimously.

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 8:18 A.M.

Chairman Hill states that Governor Brian Sandoval approved extending the committee through the end of September and expanding the committee's authority to include consideration of funding for additional police officers. As a result of the extension, dates for three additional meetings have been established: August 25th, September 15th and September 22nd.

Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 8:20 A.M.

Mr. Jeremy Aguero, Principal of Applied Analysis, reviews the materials located in each committee member's binder, including a letter from the City of Las Vegas regarding a request for a presentation on Cashman Field as a potential stadium site. Mr. Aguero states that progress has been made on the final report for the committee and will be forthcoming at the next meeting. Further work on the language for the proposed stadium legislative recommendation has been made, but there are still refinements to be made before presenting to the committee for review.

Mr. Aguero presents an analysis of potential tax increment districts for the proposed stadium. An analysis has not been done on all the sites due to limited time, and the

presentation is not an indication of the primary sites under consideration by the developer. The sites in the analysis have been inventoried relative to their acreage, land value, improvement value, total taxable value and value per acre. A 500-foot buffer zone for potential development was added to each site. Mr. Aguero summarizes other retail and entertainment districts throughout the nation, including Downtown Disney in Anaheim, California.

Chairman Hill asks if other tax revenue streams in addition to sales tax could be generated from a stadium district. Mr. Aguero states there is a wide spectrum of taxes that may be collected, including modified business tax, live entertainment tax, property tax, and retail sales and use tax.

Mr. Sloan asks for clarity on the buffer zone. Mr. Aguero states the buffer zone is the first 500 linear feet around each stadium building, which is a high probability development zone.

Commissioner Sisolak asks how the committee will make progress with the developers and site owners given the analysis presented by Mr. Aguero. Mr. Craig Cavileer, Executive Vice President of Majestic Realty, states a short-list of potential stadium sites has been drafted. Each of those sites will be carefully analyzed and discussed with the individual site owners. Mr. Cavileer also states that frequent meetings and discussions have been had with both Ms. Vassiliadis and Clark County on potential issues regarding site infrastructure and aviation impacts.

Mr. Noonan asks what the typical sales tax rebate is for a newly developed district. Mr. Aguero states a 75 percent sales tax capture would be appropriate given precedent in Nevada. Moreover, the idea of a tax increment area would not be to take money away from another entity; it would only apply to new revenues generated in a specific area.

Ms. McMillan asks to develop a matrix of various tax revenue scenarios with an examination of other jurisdictions. Mr. Aguero states he will provide an analysis with examples as a point of reference. Mayor Goodman reiterates the request to examine tax scenarios with competing tourist destinations.

Chairman Hill closes Agenda Item 5.

6. COMMITTEE WORKSHOP

a. Las Vegas Stadium Proposal: 8:45 A.M.

Mr. Marc Badain, President of the Oakland Raiders, states the Raiders have finalized a parking and traffic study for numerous Las Vegas sites. He says a market study as well as a media study has been completed and another market study will be beginning next week. Mr. Robert Goldstein, President and Chief Operating Officer for the Las Vegas Sands, informs the committee that the Sands/Majestic Group has met with several landowners to discuss stadium sites. Mr. Andy Abboud, Senior Vice President of the Las Vegas Sands

Government Relations and Community Development, reiterates the full dedication, of all parties involved, to reach an agreement in time for the January 2017 NFL proposal deadline to relocate by 2020.

Mr. Cavileer presents the stadium program, site requirements, potential stadium locations and site selection criteria. He says the stadium will fulfill requirements to host a Super Bowl with seating capacity of 65,000 that is expandable up to 75,000 seats. He states a retractable roof is a necessity to host year-round events and to preserve natural grass. Mr. Cavileer provides a list of four stadium sites: the Bali Hai Golf Club, Russel Road, the Fertitta Site, and the UNLV Campus. There are also three ancillary sites: Wynn Golf Course, MGM Rock in Rio and Cashman Field. He says the stadium site must have 60-100 acres of space for development, although other factors including design, transportation, parking, site factors, cost, and timing will influence site selection. Mr. Cavileer is committed to narrowing the list of stadium sites down to two locations by the August 25th meeting.

Commissioner Sisolak asks if the seating capacity requirement to host a Super Bowl would be met with the proposed 65,000-seat stadium. Mr. Badain states the expansion capabilities of the proposed stadium would satisfy that requirement. Commissioner Sisolak asks how the NFL selects a Super Bowl location. Mr. Badain states the NFL considers public contributions to stadium construction costs and the Raiders' owner sits on the Super Bowl selection committee. Commissioner Sisolak asks for clarification of the NFL relocation deadline. Mr. Badain states the relocation filing window is open from January 2, 2017 through February 15, 2017.

Commissioner Sisolak asks if Mr. Cavileer will meet with each of the proposed site owners. Mr. Cavileer states he has requested either the sale price or long-term ground lease rate from each of the respective site owners.

Chairman Hill asks for an update on airport conflicts with each of the proposed sites. Mr. Cavileer states two of the largest preferred sites, Bali Hai and UNLV, will be most challenging to develop because of their close proximity to the airport. The UNLV site has a pending Federal Aviation Administration (FAA) Form 7460, which addresses some flight obstruction concerns. Ms. Vassiliadis states she has recently received dimensions to give the airport an approximation of the proposed stadium size and the issues that could arise. Chairman Hill states that for the next meeting, there should be at least one site that the developers have some certainty on moving forward with. Mr. Goldstein states the real estate portion is the biggest challenge for stadium development.

Mayor Goodman states Cashman Field should be considered among the top four preferred stadium sites. Mr. Goldstein states he would consider other sites, if a deal among a preferred site could not be brokered, but agrees to hear Mayor Goodman's Cashman Field proposal at a future date. Commissioner Sisolak highlights that Cashman Field is leased to the Las Vegas 51s until 2022.

Commissioner Sisolak asks to clarify which sites require airport approval. Ms. Vassiliadis states the Bali Hai Golf Club, Russell Road, Fertitta Site, and UNLV Campus will all need to file an FAA Form 7460. Commissioner Sisolak asks if the 7460 can be filed immediately for the preferred sites to expedite matters. Ms. Vassiliadis states site-specific schematics, such as a design and site placement, are required for each of the filings.

Chairman Hill closes Agenda Item 6a.

b. Las Vegas Metropolitan Police Department: 9:44 A.M.

Sheriff Joseph Lombardo of the Las Vegas Metropolitan Police Department (Metro) presents recommendations on law enforcement and policing requirements to enhance public safety within the resort corridor. Metro currently has 1.8 police officers per 1,000 residents; the national average is 2.2. Sheriff Lombardo believes 2.0 officers per 1,000 residents would be an ideal number. There are currently 153 officers assigned to the Strip, averaging about 25 officers per shift. Sheriff Lombardo states Metro needs \$12 million to fund 82 additional officers to the Strip and Fremont Street, nine surveillance camera specialists and 20 surveillance cameras.

Mr. Jenkin asks how the committee can be assured that funding for additional Metro officers will be a long-term solution for tourism safety on the Strip. Sheriff Lombardo states an audit process may be implemented to monitor police staffing between the resort corridor and local neighborhoods.

Mayor Goodman stresses there needs to be a permanent system in place that will grow as the community and tourism grows. Any formula put in place for additional police officers needs to address the needs of the entire community as well as the resort corridor.

Ms. McMillan asks what Homeland Security funding can cover in regards to Metro. Sheriff Lombardo states those funds are very limited in use for human capital because they have to be applied for each year. Most of the Homeland Security funds are allocated toward equipment and software. Mayor Goodman states that additional federal funding, for security in southern Nevada, is an issue that is continually being raised by elected officials and staff.

Ms. McMillan asks what destinations such as Orlando do for security funding. Sheriff Lombardo states that much of the police staffing comes from corporate donations, with Disney World providing a substantial amount. He believes that each jurisdiction has its own unique way to fund police officers.

Commissioner Sisolak stresses that unless the property tax issue, directly affecting Metro's funding, is resolved there will be an insufficient amount of officers in the neighborhoods. Commissioner Sisolak states that, unless the money for additional officers on the Strip is sourced to an enterprise fund, it doesn't seem fair because the money should be used where it is generated.

Mr. Aguero presents an analysis of Metropolitan Police Department alternative funding sources. Mr. Aguero highlights that the initial cost for Sheriff Lombardo's proposed staffing plan is about \$13.8 million and has a recurring cost of \$12.0 million. Mr. Aguero believes that there are two viable funding options: an employee head tax and the sales and use tax. Also, an increase in room tax to fund the proposed stadium will generate approximately \$4 million per year for police funding within the waterfall revenue stream. The employee head tax would charge businesses, within the resort corridor, an annual flat fee per employee. The total amount an individual business pays would be capped each year. This would potentially generate anywhere from \$7.4 million to \$10.1 million per year.

Mr. Aguero explains that increasing the More Cops sales tax rate, currently 0.30 percent countywide would generate additional police funding. If the tax were to increase an additional 0.05 percent, it would generate approximately \$14.3 million in fiscal year 2017 and increase proportionately with taxable retail sales growth. A second option involves creating a sales tax district encompassing the Las Vegas Strip, downtown Las Vegas and adjoining areas. An additional sales tax rate would be applied to taxable retail sales within the district, with 100 percent of incremental revenue directed to police staffing within the district. Each 0.10 percent increase in the sales tax rate within the district would produce an estimated \$6.8 million to \$7.5 million in revenue.

Mayor Goodman asks if recreational marijuana tax would be a viable funding alternative. Sheriff Lombardo states Metro unsuccessfully attempted to procure funds from legalized marijuana taxes in the last legislative session Chairman Hill says that this can be reintroduced to legislature.

Commissioner Sisolak asks if a column would be added to the budget, report for the additional funding for the resort corridor, so the community can see the results of the funding. Mr. Richard Hoggan, Chief Financial Officer for Metro, states that for transparency purposes an additional fund would be created where the new revenue would be collected.

Commissioner Sisolak favors the special sales tax district proposed, but asks that the boundaries of the district expand to include some prominent casino and hotels.

Chairman Hill asks if any committee member is interested in implementing the employee head tax. The committee agrees to remove the employee head tax option, leaving the potential sales tax district and room tax rate increase options available for Metro funding. Mayor Goodman requests leaving recreational marijuana sales as a potential option pending legalization. Commissioner Sisolak states other committee members would like to see a sales tax increase countywide. Sheriff Lombardo says a countywide increase would not generate enough revenue to assign the additional requested officers to the resort corridor. Commissioner Sisolak notes that a countywide increase will not distribute officers proportionately to where those funds are being generated.

Chairman Hill asks if any special sales tax districts exist in Nevada and how they operate. Mr. Aguero states each county in Nevada has a single sales tax rate. He says Nevada is a member of the Streamlined Sales Tax Act, so Clark County may face opposition in the creation of a special tax district on the resort corridor.

Mr. Noonan asks how all entities would be included in the special tax district. Mr. Aguero states entities would be included in the tax district generally within geographical boundaries on a parcel-by-parcel basis.

Ms. McMillan asks if proposed property tax corrections could be modeled to show funding available for Metro. Chairman Hill states that analysis would be too difficult and time consuming. Commissioner Sisolak believes that if there were not property tax caps, then Metro would not have funding shortfalls.

Chairman Hill closes Agenda Item 6b.

7. AUGUST 25TH MEETING PREVIEW: 11:13 A.M.

Chairman Hill states the August 25th meeting will have the same agenda but may take place in at an alternate location.

Chairman Hill closes Agenda Item 7.

8. COMMITTEE MEMBER COMMENTS: 11:15 A.M.

There are no comments from the committee members.

Chairman Hill closes Agenda item 8.

9. PUBLIC COMMENT: 11:15 A.M.

Mr. James Nagourney states his concern that 35 percent of the stadium seats would be reserved for tourists.

Mr. Barnett Sturm cautions the committee's desire to fund public services with taxes. He says in times of economic crisis, tax revenues will decline and public service funding will fall short.

District 7 Assemblywoman Dina Neal asks how the executive order permits the committee to provide funding recommendations. Chairman Hill states the committee will provide funding recommendations to the governor, who may then relay those recommendations to the Legislature.

Mr. Ed Uehling states his concerns about police abuse of power.

Mr. Ken Evans, President of the Urban Chamber of Commerce, commends the committee for its work.

There are no more public comments. Chairman Hill closes Agenda Item 9.

10.ADJOURNMENT: 11:28 A.M.

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

July 28, 2016

To: **SNTIC members, Hill, Jessup, Goodman, Sisolak, McMillan, Sinatra, Hornbuckle, Markantonis, Noonan, Sloan, Jenkin**

From: Ed Uehling

RE: Item: 6: opportunities for public benefits in exchange for \$750,000,000 Stadium and increased Police costs which the same public is expected to pay

As I have told this Committee, my friends and the New York Times, I am in favor of

- The expansion of the Convention Center (although a much larger expansion is needed)
- The Stadium
- Rail connections among the Airport, Strip, Downtown, UNLV, Medical School, and Convention Center
- A police department that doesn't set a societal standard of violence or kill a dozen citizens a year

I think there are alternative means of paying for these projects, including 1) saving first and then spending, 2) avoiding new taxes and borrowing, 3) demanding the proceeds of land sales from the Federal Government (after all, it is local business activity that gives Federal lands around Las Vegas 99.99% of their sale value!), 4) finding economies in local government, the cost/price of which likely ranks in the top 1% of the nation—in spite of our relatively low cost of living, 5) soliciting bids internationally for 100% of construction and operation costs or 6) focusing on meeting the needs and wants of the end consumers of the 4 projects (VERSUS paying off all the middle-men in Las Vegas' infamous "good ol' boy network", which results in massive and unnecessary costs).

Accepting the reality that other alternatives were not considered and the near certainty that the Legislature will approve stacking another billion-dollar burden on the politically weak, disorganized, already over-burdened and ever poorer citizenry and non-subsidized business community, I request that you allow minimal participation by the public, help CES and other conventions avoid limiting convention invitees, stimulate more public trust of public officials and save lives. These four things can happen by doing more to include the public:

- Allowing homeowners to host tourists and thus participate in our dynamic industry (BNB, etc)
- Removing all barriers and compensation limits against persons harmed by government/police actions. No person or institution allowed to investigate and/or judge itself can have long-term credibility or trust. The perception that public leaders are captives of special interests is not healthy for the society or the officials. Judgment should rest in the purview of juries, not friends in a back room. To quote one common government manta: "If you're not doing anything wrong, then you have nothing to worry about." And another, "If we just save one person's life, it is worth it." Not just one, but many lives will be spared by reinstating accountability.

Your four projects, these two suggested additions and the political back-drop in this particular year (2016) present golden opportunities for SNTIC to gain public support for its projects and simultaneously restore trust in public decision-makers. Everyone can win and benefit.

Stadium Construction Funding and Oversight
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed. **Highlighted sections** are those where recommendations have been made by the developer but the language has not been adopted, as SNTIC's review and consideration of those recommendation remains pending (see, Appendix A, pages 3 through 8).

OVERVIEW

SECTION 1 to SECTION 17 of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a stadium project in a county whose population is 700,000 or more (currently Clark County). **SECTION 7** through **SECTION 12** create a stadium authority as a public body and establish its powers and authorities. **SECTION 13** of this bill creates a district to finance a stadium project in such a county and provides that the district consists of all property that is located within the county that is within 25 miles of the center of the stadium project site. **SECTION 13** of this bill also provides for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the district at a specified rate of the gross receipts from the rental of transient lodging in the district. **SECTION 14** of this bill requires the stadium authority for the county in which the district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain: (1) if a National Football League franchise commits to relocate to the district, a stadium project in the district; or (2) if a commitment from a National Football League franchise to relocate to the district is not obtained but a university within the district obtains a commitment of at least \$200,000,000 in private funding for a football stadium on its campus, a college football stadium on that campus. If the conditions for the use of the proceeds of the tax for a stadium project are not satisfied, the proceeds of the tax must be distributed to the county fair and recreation board for use to pay debts incurred for the facilities of that board. **SECTION 15** of this bill defines the allocations of revenue collected by the stadium authority. **SECTION 16** of this bill requires revenue sharing of any and all annual stadium operations net proceeds in excess of the developer preferred return amount. **SECTION 17** of this bill requires the county in which the district is located to issue special obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a stadium project if a National Football League franchise commits to relocate to the district. If such a commitment is not obtained and a university in the district secures a commitment of \$200,000,000 in private funding for a football stadium on the campus of the university, **SECTION 17** also provides for the issuance of special obligations of the State of Nevada to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a football stadium on the campus of the university. **SECTION 18 through SECTION 28** provide for the creation of a tax increment area that for a stadium project, authorize the allocation of certain increases in the sales and use tax, modified business tax and live entertainment tax to the tax increment account for the area and specify the purposes for which the money in the tax increment account may be spent by the stadium authority. **SECTION 26** defines "Authority" to include a stadium authority. **SECTION 28** allows the county to expand the tax increment area for a stadium project. **SECTION 30** establishes the terms of stadium authority board members. **SECTION 31** establishes effective dates for each section of the act.

LANGUAGE FOR CONSIDERATION

SECTION 1. *As used in section 1 to 31, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 through 6 of this act have the meanings so ascribed to them in those sections.*

SECTION 2. *“Developer partner” means one or more private parties providing funds needed to construct the stadium project or providing funds needed to make capital improvements to the stadium project in the District. The developer partner, or its affiliate, may also be a part owner of the Stadium Events Company.*

SECTION 3. *“District” means the district to finance a stadium project that is created by section 13 of this act.*

SECTION 4. *“NFL team” means the National Football League franchise that has committed to relocate to the District and utilize the stadium project for its home National Football League games and related activities. The NFL team, or its affiliate, may also be a part owner of the Stadium Events Company.*

SECTION 5. *“Stadium authority” means the stadium authority for the county in which a district is located.*

SECTION 6. *“Stadium Events Company” means the legal entity owned by and comprised of the NFL team, or its affiliate, and/or any other developer partner, or its affiliate, contributing equity to the construction of the stadium, which will lease the stadium project pursuant to a long-term lease with the stadium authority.*

SECTION 7. *1. In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:*

(a) Three members appointed by the Governor;

(b) Two members appointed by the board of county commissioners of the county in which the district created by section 13 of this act is located; and

(c) Two members appointed by the Stadium Events Company.

2. The stadium authority constitutes:

(a) A body corporate and politic;

(b) A political subdivision of the county in which the district created by section 13 is located; and

(c) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the district created by section 13 of this act.

3. A vacancy on the stadium authority occurs when a member:

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the person or entity who appointed that member.

4. A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.

5. A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.

6. The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.

SECTION 8. *1. The Governor shall appoint one of the stadium authority members as Chair.*

2. The stadium authority shall appoint:

- (a) One of its members as Vice Chair; and*
- (b) A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.*
- 3. The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.*
- 4. The stadium authority shall meet regularly in the district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.*
- 5. Except as otherwise provided in subsection 5 of NRS 281A.420:*
 - (a) Four of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.*
 - (b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least four members of the stadium authority when a quorum is present, and only actions complying with this act may be taken by the stadium authority.*
- 6. The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.*

SECTION 9. *1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:*

- (a) Hire the members of its staff as employees;*
 - (b) Contract with any governmental entity or other person to provide the persons to serve as its staff;*
or
 - (c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).*
- 2. The stadium authority shall specify:*
- (a) The powers and duties of the members of its staff; and*
 - (b) The amount and basis of compensation for the members of its staff.*

SECTION 10 *The stadium authority:*

- 1. May adopt a seal;*
- 2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of section 11 to section 17, of this act, for carrying out its business and affairs; and*
- 3. Shall create a tax increment account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of this act.*

SECTION 11 *1. In addition to the powers and authorities granted to the stadium authority in sections 9 and 10 and except as otherwise provided in section 12, the stadium authority may:*

- (a) Enter into any contracts and other agreements with any person or other entity that the stadium authority board determines to be necessary or desirable to conduct the business of the stadium authority.*
- (b) Sue and be sued.*
- (c) Acquire by purchase, lease, gift, devise, condemnation or otherwise and own, in its own name, all necessary right, title, and interest in and to land and the improvements upon that land as well as any associated air rights and personal property.*

(d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable. The contracts and other agreements authorized by this subsection:

(1) May include, without limitation, contracts or other agreements relating to the design, planning, construction, acquisition, lease, lease-purchase, license, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and

(2) Are not subject to the limitations of subsection 1 of NRS 354.626.

(e) Enter into a lease, ground lease, sublease or management agreement with any party authorizing the stadium authority to lease any portion of the land in the tax increment area owned by any party and any improvements thereon or, only in the case of land that is owned or controlled by the Nevada System of Higher Education, to manage such land or improvements for the Nevada System of Higher Education on such terms as may be acceptable to the stadium authority and the Board of Regents and which do not violate any covenants concerning any securities issued by the Board of Regents.

(f) Receive any public and private resources necessary to fund, finance and develop the undertaking.

(g) Approve, in consultation with the developer partners, the site selected for the undertaking.

(h) Approve, in consultation with the developer partners, the overall design, scope and specifications of the undertaking.

(i) Enter into a development agreement with the developer partners and/or the NFL Team.

(j) Enter into a long-term lease for the stadium project.

(k) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of this act. This may include an audit of the Stadium Events Company, but shall not include in any event any right to audit the business of the NFL Team generally or the business of any of the developer partners generally.

(l) Retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builders' licenses or other similar instruments for any and all seats in the stadium project to generate revenues used for construction of the stadium project. The stadium authority may not grant any other person the right to enter into such agreements, but it may in its contract with the developer partners, agree that any agreements regarding seat licenses will be made only in consultation with the developer partners, or if applicable, the Stadium Events Company and the NFL Team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the stadium project, including the NFL Team's home games. Proceeds from the sale of such personal seat licenses or similar instruments shall be collected solely by or on behalf of the stadium authority for the account and benefit of the stadium construction by the stadium authority and are a payment by purchasers to the owner of the stadium project for special rights of access to events at the stadium project. The stadium authority may contract with, or appoint as its sales agent, a third party sales agency, subject to the approval of the NFL Team, or the NFL Team, or an affiliate of the NFL Team, for the sale of such licenses or similar instruments. The lessees of the stadium project shall agree to honor the rights granted by the stadium authority to purchasers of these personal seat licenses or similar instruments.

(m) Consider, approve or disapprove an annual capital improvement budget submitted by the Stadium Events Company and approve or disapprove specific requests for capital improvements made by the Stadium Events Company.

(n) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.

2. If the stadium authority enters into a development agreement with developer partners, the stadium authority shall ensure that the developer partners provide suitable financial security for their funding

obligations as a part of the project financing.

SECTION 12 *1. The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:*

(a) Expend or authorize the expenditure of any money in the tax increment account unless the stadium authority has entered into a lease, ground lease or management agreement pursuant to paragraphs (d) and (e) of subsection 1 of section 11 of this act which authorizes a specific undertaking.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a lease, ground lease or management agreement pursuant to paragraphs (d) and (e) of subsection 1 of section 11 of this act which authorizes that undertaking.

2. The stadium authority may receive, acquire and own land and the improvements upon that land in its name.

SECTION 13 *1. In each county whose population is 700,000 or more, the board of county commissioners may, by ordinance, create is hereby created a district to finance a stadium project. The district consists of all property that is within the county and that is located within a radius of 25 miles from the center of the location or proposed location of a stadium project constructed or to be constructed in the county.*

2. If a district is created, the board shall impose upon all persons in the business of providing lodging in the district a tax at the rate of:

(a) Seven-tenths of one percent of the gross receipts from the rental of transient lodging in a gaming corridor within the district.

(b) One half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of a gaming corridor within the district.

3. The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the district is located for the tax whether or not it is actually collected from a paying guest.

4. The taxes imposed by subsection 2 must:

(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;

(b) Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and

(c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 14 of this act.

(d) Be imposed and collected in each incorporated city in the county in addition to being imposed in the portion of the district which is not in an incorporated city.

5. As used in this section:

(a) "Gaming corridor" (define boundaries of area in which 0.7% rate will be imposed).

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

6. The tax imposed in section 2 of this act shall be effective on the first day of the month that is not less than 3 nor more than 4 months after the adoption of the ordinance imposing the tax.

7. The provisions of NRS 237.030 through 237.150 shall not apply to the adoption of any ordinance creating a district or imposing a tax under this section or any amendment thereof or any other action of the board of county commissioners relating thereto.

- 8. Any parcel of land or building or other structure which is partially within a district created under this section or a gaming corridor described in subsection 5(a) of this section shall be treated as being wholly within the applicable district or corridor for the purposes of the tax imposed by this section.*
- 9. If a National Football League franchise has not committed to relocate within the boundaries of the district or and that professional football team has not entered into a contact for the location or relocation of the team within boundaries of the district within the period described in subsection 1 of section 30 of this act, within 90 days after the end of such period, the board of county commissioners in the district shall reduce the taxes imposed under subsection 2 to the following rates:*
- (a) Three-eighths of one percent of the gross receipts from the rental of transient lodging in a gaming corridor within the district.*
- (b) One-quarter of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of a gaming corridor.*
- 10. Taxes imposed by this section shall sunset:*
- (a) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full; or*
- (b) Thirty-three years,*
- Whichever occurs first.*
- 11. In addition to the rate sunset requirements set forth in subsection 10 of this section, in the event tax rates are reduced pursuant to subsection 9 of this section, taxes imposed by this section shall not reduce or otherwise modified for a period of two years following the rate reduction.*

SECTION 14 *1. The stadium authority shall create an account and deposit into such account any proceeds of the taxes imposed by subsection 2 of section 13 of this act received by the stadium authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 12 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 13 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district a stadium project or to establish a bond reserve fund and other reserves to secure any securities issued pursuant to section 12 of this act, or any combination thereof, as directed by the stadium authority.

3. Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection 2 of section 13 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a stadium project unless, within the period prescribed by section 30 of this act, a National Football League franchise has committed to relocate within the boundaries of the district.

4. If, within the period prescribed by section 30 of this act, a National Football League franchise has not committed to relocate within the boundaries of the district or that professional football franchise has not entered into a contact for the location or relocation of the team within boundaries of the district, the stadium authority shall notify the president of any university that is a part of the Nevada System of Higher Education whose principal campus is located in the district of that fact.

(a) If, within 24 months after this notice has been provided, a university within the boundaries of the district has secured a commitment of at least \$200,000,000 in private funding for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 13 of this act to acquire, construct, lease, improve, equip, operate or maintain

a football stadium within the boundaries of the district, and to pay for any bonds or other securities issued for that purpose, including refunding securities.

(b) If, within the period prescribed by the immediately preceding paragraph (a), no university within the boundaries of the district has raised the private funding described in such paragraph (a), the taxes imposed by subsection 2 of section 13 of this act shall be distributed to the county fair and recreation board for the payment of securities issued to finance the renovation and expansion of its facilities located with the district.

5. After the issuance of securities pursuant to:

(a) Subsection 2 of section 14 of this act, the proceeds of the taxes imposed by subsection 2 of section 13 of this act and any applicable penalty or interest must be used by the stadium authority to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the county to finance or refinance, in whole or in part, a stadium project within the boundaries of the district.

(b) Subsection 4 of section 14 of this act, the proceeds of the taxes imposed by subsection 2 of section 13 of this act and any applicable penalty or interest must be used by the stadium authority to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the State of Nevada to finance or refinance, in whole or in part, a collegiate football stadium within the boundaries of the district.

SECTION 15 *1. Stadium authority shall allocate its collected revenue to in the following order of priority:*

(a) Bond repayment;

(b) Application of the proceeds of any personal seat license (PSL) or similar seat license program directly to the construction costs of the stadium project;

(c) Stadium authority operations;

(d) Stadium project capital improvement fund;

(e) UNLV/Sam Boyd payment;

(f) Las Vegas Metropolitan Police Department Resort Corridor funding; and

(g) Clark County event fund.

SECTION 16. *1. Stadium Operations Revenue Sharing. Any and all annual stadium operations net revenues in excess of the Stadium Events Company's preferred return amount shall be distributed equally between the stadium authority and the Stadium Events Company.*

SECTION 17. *1. If:*

(a) A National Football League franchise has committed to relocate within the boundaries of the district;

(b) That NFL team has entered into a contract to locate or relocate the team within the boundaries of the district; and

(c) The stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 13 of this act are sufficient to establish a debt service coverage ratio of at least 1.5 on securities issued, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a stadium project, the board of county commissioners in which the district is located, at the request of the stadium authority, shall issue special obligations of the county in an amount not to exceed \$XXX,XXX,XXX payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 13 of this act. The securities authorized

by this subsection must be issued pursuant to the Local Government Securities Law. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the stadium project.

2. If:

(a) Special obligations of the county are not issued pursuant to subsection 1;

(b) Within 24 months after notice has been provided pursuant to section 14(4) of this act, a university located within the district has secured a commitment of at least \$200,000,000 in private funding for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district; and

(c) The stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 13 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a football stadium, the stadium authority shall notify the State Board of Finance of those facts, and the stadium authority and the State Board of Finance shall determine the amount of financing necessary to acquire, construct, lease, improve, equip, operate or maintain a collegiate football stadium on the campus of the university. Upon a determination of the amount of such financing, to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a collegiate football stadium on the campus of the university, the State Board of Finance shall issue special obligations of the State of Nevada in an amount not to exceed the amount of the determined to be necessary by the State Board of Finance and the stadium authority, payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 13 of this act. The provisions of the State Securities Law contained in chapter 349 of NRS apply to the issuance of securities pursuant to this subsection. The proceeds of any securities issued pursuant to this subsection must be allocated to the stadium authority in such a manner as agreed to by the stadium authority and the State Board of Finance.

3. No new or additional city, county or other local sales, use, or other tax shall be imposed on revenues related to the stadium project or any NFL related events, including but not limited to taxes on the sales of tickets or admissions to NFL games or other NFL related events at the stadium.

SECTION 188. Chapter 278C of NRS is hereby amended by adding thereto the provisions set forth as SECTION 19 and SECTION 20 of this act.

SECTION 18. *“Stadium project” means any enterprise to acquire, construct, improve, equip, operate or maintain, or any combination thereof, a stadium project to attract and retain large sports and entertainment events and such other projects, improvements or facilities necessary or desirable to the development of a stadium project, including, without limitation, any practice facilities used by a professional sports team which uses the stadium for its home games, whether or not such practice facilities are contiguous with the stadium.*

SECTION 19. 1. *A municipality may adopt an ordinance ordering an undertaking and creating the tax increment area and the tax increment account pertaining thereto pursuant to NRS 278C.220, which includes provisions:*

(a) Designating a tax increment area comprising a specially benefitted zone within the municipality that may include land that is not contiguous; and

(b) For:

(1) The allocation of the proceeds of any tax on the sale or use of tangible personal property to the tax increment account of the proposed tax increment area pursuant to paragraph (b) of subsection 2 of NRS 278C.250;

(2) The allocation of the proceeds of any tax imposed pursuant to NRS 363A.130 and 363B.110 to the tax increment account of the proposed tax increment area pursuant to paragraph (c) of subsection 2 of NRS 278C.250; or

(3) The allocation of the proceeds of any tax imposed by NRS 368A.200 to the tax increment account of the proposed tax increment area pursuant to paragraph (d) of subsection 2 of NRS 278C.250; only for an undertaking that is a stadium project, and only after approval by the Interim Finance Committee of a written request submitted by the municipality.

2. A request submitted to the Interim Finance Committee pursuant to subsection 1 must include any information required by the Interim Finance Committee. The Interim Finance Committee may approve a request submitted pursuant to subsection 1 only if the Interim Finance Committee determines that approval of the request will not impede the ability of the Legislature to carry out its duty to provide for an annual tax sufficient to defray the estimated expenses of the State for each fiscal year as set forth in Article 9, Section 2 of the Nevada Constitution.

3. Money deposited in the tax increment account as described in paragraph (a) of subsection 1 of NRS 278C.250, subparagraph (2) of paragraph (d) of subsection 1 of NRS 278C.250, subparagraph (2) of paragraph (e) of subsection 1 of NRS 278C.250 and subparagraph (2) of paragraph (f) of subsection 1 of NRS 278C.250, must be paid by the municipality to the stadium authority for the municipality. In addition to being used to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the municipality to finance or refinance, in whole or in part, the undertaking, the stadium authority may use the money deposited in the tax increment account as described in subsection 2 of NRS 278C.250:

(a) To pay for the operation or administration of the stadium authority for the municipality pursuant to paragraph (b) of subsection 1 section 15 of this act;

(b) To pay the capital costs of the undertaking directly pursuant to paragraphs (c) and (d) of subsection 1 of section 15 of this act;

(c) If a university that owns a stadium is located within the municipality, to make payments to a university as required by paragraph (d) of subsection 1 of section 15 of this act; or

(d) To make payments to the police department of the municipality pursuant to paragraph (f) of subsection 1 of section 15 of this act.

(e) To recruit, attract and retain large sports and entertainment events to be held at a stadium project as required by paragraph (f) of subsection 1 of 0 of this act.

SECTION 20. NRS 278C.130 is hereby amended to read as follows:

278C.130 "Tax increment area" means the area:

1. Whose boundaries are coterminous with those of a specially benefited zone established as provided in NRS 278C.150;

2. Specially benefited by an undertaking under this chapter;

3. Designated by ordinance as provided in NRS 278C.220; and

4. In which is located:

(a) The taxable property the assessed valuation of which is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (a) of subsection 1 of NRS 278C.250; and

(b) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157:

- (1) The persons from which the tax on the sale or use of tangible personal property is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (b) of subsection 1 of NRS 278C.250; and
- (2) The employers from which the tax imposed pursuant to NRS 363A.130 and 363B.110 is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (c) of subsection 1 of NRS 278C.250.
- (c) If the undertaking is a stadium project for which the municipality has received approval from the Interim Finance Committee pursuant to section 19 of this act:*
- (1) The persons from which the tax on the sale or use of tangible personal property is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (d) of subsection 1 of NRS 278C.250;*
- (2) The employers from which the tax imposed pursuant to NRS 363A.130 and 363B.110 is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (e) of subsection 1 of NRS 278C.250; and*
- (3) The facility where live entertainment is provided from which the tax imposed by NRS 368A.200 is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (f) of subsection 1 of NRS 278C.250.*

SECTION 21. NRS 278C.140 is hereby amended to read as follows:

278C.140 "Undertaking" means any enterprise to acquire, improve or equip, or any combination thereof:

1. In the case of counties:

- (a) A drainage and flood control project, as defined in NRS 244A.027;
- (b) An overpass project, as defined in NRS 244A.037;
- (c) A sewerage project, as defined in NRS 244A.0505;
- (d) A street project, as defined in NRS 244A.053;
- (e) An underpass project, as defined in NRS 244A.055;
- (f) A water project, as defined in NRS 244A.056; or
- (g) A stadium project, as defined by SECTION 18 of this act.

2. In the case of cities:

- (a) A drainage project or flood control project, as defined in NRS 268.682;
- (b) An overpass project, as defined in NRS 268.700;
- (c) A sewerage project, as defined in NRS 268.714;
- (d) A street project, as defined in NRS 268.722;
- (e) An underpass project, as defined in NRS 268.726;
- (f) A water project, as defined in NRS 268.728;
- (g) A stadium project, as defined by SECTION 1818 of this act.*

3. In the case of a city with respect to any tax increment area created pursuant to a cooperative agreement between the city and the Nevada System of Higher Education pursuant to NRS 278C.155, in addition to the projects described in subsection 2:

- (a) A project for any other infrastructure necessary or desirable for the principal campus of the Nevada State College that is approved by the Board of Regents of the University of Nevada; or
- (b) An educational facility or other capital project for the principal campus of the Nevada State College that is owned by the Nevada System of Higher Education and approved by the Board of Regents of the University of Nevada.

4. In the case of a county or city with respect to any tax increment area created by an ordinance adopted pursuant to NRS 278C.157, in addition to the projects described in subsections 1 and 2:

- (a) A natural resources project; or
- (b) A rail project.

5. *In the case of a municipality with respect to any tax increment area created by an ordinance adopted pursuant to SECTION 20 of this act, in addition to the projects described in subsections 1 and 2, a stadium project.*

SECTION 22. NRS 278C.160 is hereby amended to read as follows:

1. Whenever the governing body of a municipality is of the opinion that the interests of the municipality and the public require an undertaking, the governing body, by resolution, shall direct the engineer to prepare:

(a) Preliminary plans and a preliminary estimate of the cost of the undertaking, including, without limitation, all estimated financing costs to be capitalized with the proceeds of the securities issued by the municipality and all other estimated incidental costs relating to the undertaking;

(b) A statement of the proposed tax increment area pertaining thereto, including:

(1) The last finalized amount of the assessed valuation of the taxable property in such area, and the amount of taxes, including in such amount the sum of any unpaid taxes, whether or not delinquent, resulting from the last taxation of the property, based upon the records of the county assessor and the county treasurer; and

(2) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157:

(I) The total amount of taxes imposed on the sale or use of tangible personal property in such area in the immediately preceding fiscal year, based upon the records of the Department of Taxation; and

(II) The total amount of taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers in such area in the immediately preceding fiscal year, based upon the records of the Department of Taxation;

~~and~~

(c) If the undertaking is a stadium project for which the municipality has received approval from the Interim Finance Committee pursuant to section 19 of this act:

(1) The total amount of taxes imposed on the sale or use of tangible personal property in such area in the immediately preceding fiscal year, based upon the records of the Department of Taxation;

(2) The total amount of taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers in such area in the immediately preceding fiscal year, based upon the records of the Department of Taxation;

and

(3) The total amount of taxes imposed by NRS 368A.200 on admission to facilities in such area where live entertainment is provided in the immediately preceding fiscal year, based upon the records of the Department of Taxation or Nevada Gaming Control Board, as applicable.

(d) A statement of the estimated amount of the tax proceeds to be credited annually to the tax increment account during the term of the proposed securities payable therefrom.

2. The resolution must describe the undertaking in general terms and must state:

(a) What portion of the expense of the undertaking will be paid with the proceeds of securities or other allowable borrowing instruments issued by the municipality in anticipation of tax proceeds to be credited to the tax increment account and payable wholly or in part therefrom;

(b) How the remaining portion of the expense of the undertaking, if any, is to be financed; and

(c) The basic security and any additional security for the payment of securities or other allowable borrowing instruments of the municipality pertaining to the undertaking.

3. The resolution must designate the tax increment area or its location, so that the various tracts of taxable real property, any taxable personal property and the locations of any retailers, ~~and~~ employers *and facilities where live entertainment is provided* can be identified and determined to be within or without the proposed tax increment area, but need not describe in minute detail each tract of real property proposed to be included within the tax increment area.
4. The engineer shall file with the clerk the preliminary plans, estimate of costs and statements.
5. Upon the filing of the preliminary plans, estimate of costs and statements with the clerk, the governing body shall examine the preliminary plans, estimate of costs and statements, and if the governing body approves of the preliminary plans, estimate of costs and statements, it shall by resolution provisionally order the undertaking.

SECTION 23. NRS 278C.170 is hereby amended to read as follows:
278C.170

1. In the resolution making the provisional order, the governing body shall set a time and place for a meeting to consider the ordering of the undertaking and hear all complaints, protests, objections and other relevant comments concerning the undertaking that are made in accordance with subsection 2. The time for the meeting must be at least 20 days after the date the governing body adopts the resolution that provisionally orders the undertaking.
2. The Federal Government, the State, any public body, any natural person who resides in the municipality or owns taxable personal or real property in the municipality, any retailer ~~or~~ employer ~~or~~ *or facility where live entertainment is provided*, if applicable, that is located within the proposed tax increment area pertaining to the undertaking, or any representative of any such natural person ~~or~~ entity ~~or~~ *or facility*, may submit a complaint, protest, objection or other comment about the undertaking before the governing body. If such an entity or person desires to submit a complaint, protest, objection or other comment about the undertaking for consideration by the governing body, the entity or person must:
 - (a) File a written complaint, protest, objection or other comment about the undertaking with the clerk at least 3 days before the date of the meeting described in subsection 1;
 - (b) Present an oral complaint, protest, objection or other comment about the undertaking to the governing body at the meeting described in subsection 1; or
 - (c) Present the complaint, protest, objection or other comment in the manner required pursuant to paragraphs (a) and (b).
3. Notice of the meeting described in subsection 1 must be given:
 - (a) To all persons on the list established pursuant to NRS 278C.180, by mailing;
 - (b) By posting; and
 - (c) By publication.
4. The notice must:
 - (a) Describe the undertaking and the project or projects relating thereto without mentioning minor details or incidentals;
 - (b) State the preliminary estimate of the cost of the undertaking, including all incidental costs, as stated in the preliminary plans, estimate of costs and statements of the engineer filed with the clerk pursuant to NRS 278C.160;
 - (c) Describe the proposed tax increment area pertaining to the undertaking, including:
 - (1) The last finalized amount of the assessed valuation of the taxable property in the area, and the amount of taxes, including in such amount the sum of any unpaid taxes, whether or not delinquent,

resulting from the last taxation of the property, based upon the records of the county assessor and the county treasurer; and

(2) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157:

(I) The total amount of taxes imposed on the sale or use of tangible personal property in the area in the immediately preceding fiscal year, based upon the records of the Department of Taxation; and

(II) The total amount of taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers in the area in the immediately preceding fiscal year, based upon the records of the Department of Taxation;

(3) If the undertaking is a stadium project for which the municipality has received approval from the Interim Finance Committee pursuant to section 19 of this act:

(I) The total amount of taxes imposed on the sale or use of tangible personal property in the area in the immediately preceding fiscal year, based upon the records of the Department of Taxation;

(II) The total amount of taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers in the area in the immediately preceding fiscal year, based upon the records of the Department of Taxation;
and

(III) The total amount of taxes imposed by NRS 368A.200 on employers in the area in the immediately preceding fiscal year, based upon the records of the Department of Taxation or Nevada Gaming Control Board, as applicable;

(d) State what portion of the expense of the undertaking will be paid with the proceeds of securities or other allowable borrowing instruments issued by the municipality in anticipation of tax proceeds to be credited to the tax increment account and payable wholly or in part therefrom, and state the basic security and any additional security for the payment of securities or other allowable borrowing instruments of the municipality pertaining to the undertaking;

(e) State how the remaining portion of the expense, if any, is to be financed;

(f) State the estimated amount of the tax proceeds to be credited annually to the tax increment account pertaining to the undertaking during the term of the proposed securities or other allowable borrowing instruments payable from such proceeds, and the estimated amount of any net revenues derived annually from the operation of the project or projects pertaining to the undertaking and pledged for the payment of those securities or other allowable borrowing instruments;

(g) State the estimated aggregate principal amount to be borrowed by the issuance of the securities or other allowable borrowing instruments, excluding proceeds thereof to fund or refund outstanding securities, and the estimated total bond requirements of the securities or other allowable borrowing instruments;

(h) Find, determine and declare that the estimated tax proceeds to be credited to the tax increment account and any such net pledged revenues will be fully sufficient to pay the bond requirements of the securities or other allowable borrowing instruments as they become due; and

(i) State the date, time and place of the meeting described in subsection 1.

5. All proceedings may be modified or rescinded wholly or in part by resolution adopted by the governing body at any time before the governing body passes the ordinance ordering the undertaking and creating the tax increment area and the tax increment account pertaining thereto pursuant to NRS 278C.220.

6. Except as otherwise provided in this section, a public body shall not make a substantial change in the undertaking, the preliminary estimates, the proposed tax increment area or other statements relating thereto after the first publication or posting of notice or after the first mailing of notice to the property owners, whichever occurs first, without additional notice and a hearing pursuant to this section. A public body may delete a portion of the undertaking and property from the proposed tax increment area

without notice and a hearing pursuant to this section. A subsequent final determination of the amount of assessed valuation of taxable property in the tax increment area or a subsequent levy or imposition of taxes does not adversely affect proceedings taken pursuant to this chapter.

7. The engineer may make minor changes in and develop the undertaking as to the time, plans and materials entering into the undertaking at any time before its completion. Any minor changes authorized by this subsection must be made a matter of public record at a public meeting of the governing body.

SECTION 24. NRS 278C.180 is hereby amended to read as follows:

1. The governing body shall cause to be created a list of the names and addresses of all:

(a) Persons who reside within a proposed tax increment area and who own taxable property within a proposed tax increment area; ~~and~~

(b) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157:

(1) Retailers located within a proposed tax increment area; and

(2) Employers located within a proposed tax increment area ~~and~~;

(c) *If the undertaking is a stadium project for which the municipality has received approval from the Interim Finance Committee pursuant to section 19 of this act:*

(1) *Retailers located within a proposed tax increment area;*

(2) *Employers located within a proposed tax increment area; and*

(3) *Owners or operators of facilities where live entertainment is provided that is located within a proposed tax increment area.*

The names and addresses for the list may be obtained from the records of the county assessor, the Department of Taxation, *the Nevada Gaming Control Board* or from such other sources as the clerk or the engineer deems available. A list of such names and addresses pertaining to any tax increment area may be revised from time to time, but must be revised at least once every 12 months if the list is needed for a period longer than 12 months.

2. If notice is required to be mailed pursuant to this chapter, the notice must be sent by prepaid, first-class mail, to the last known address of the person to whom the notice is being sent.

3. The mailing of any notice required in this chapter must be verified by the affidavit or certificate of the engineer, clerk, deputy or other person mailing the notice. Each verification of mailing must be filed with the clerk and be retained in the records of the municipality at least until all bonds and any other securities pertaining to a tax increment account have been paid in full, or any claim is barred by a statute of limitations.

4. A verification of mailing is prima facie evidence of the mailing of the notice in accordance with the requirements of this section.

SECTION 25. NRS 278C.250 is hereby amended to read as follows:

1. After the effective date of the ordinance adopted pursuant to NRS 278C.220:

(a) Any taxes levied upon taxable property in the tax increment area each year by or for the benefit of the State, the municipality and any public body must be divided as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of those taxing agencies upon the total sum of the assessed value of the taxable property in the tax increment area as shown upon the last equalized assessment roll used in connection with the taxation of the property by the taxing agency, must be allocated to and when collected must be paid

into the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid.

(2) Except as otherwise provided in this section, the portion of the taxes levied each year in excess of the amount determined pursuant to subparagraph (1) must be allocated to, and when collected must be paid into, the tax increment account pertaining to the undertaking to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the municipality to finance or refinance, in whole or in part, the undertaking ~~[]~~ *or if the undertaking is a stadium project for the purposes set forth in subsection 1 of SECTION 20 of this act*. Unless the total assessed valuation of the taxable property in the tax increment area exceeds the total assessed value of the taxable property in the area as shown by the last equalized assessment roll referred to in this subsection, all of the taxes levied and collected upon the taxable property in the area must be paid into the funds of the respective taxing agencies. When the loans, advances and indebtedness, if any, and interest thereon, have been paid, or, *if the undertaking is a stadium project, the tax increment area has expired*, all money thereafter received from taxes upon the taxable property in the tax increment area must be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

(b) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157, any taxes levied upon the sale or use of tangible personal property in the tax increment area each year by or for the benefit of the State, the municipality and any public body must be divided as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of those taxing agencies upon the total sum of the sales and use of tangible personal property in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other sales of tangible personal property are paid.

(2) Except as otherwise provided in this section, of the portion of the taxes levied each year in excess of the amount determined pursuant to subparagraph (1), 50 percent of that amount must be allocated to, and when collected must be paid into the tax increment account pertaining to the undertaking to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the municipality to finance or refinance, in whole or in part, the undertaking. The remaining 50 percent of that amount must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other sales of tangible personal property are paid. Unless the total amount of the taxes imposed on the sale and use of tangible personal property in the tax increment area exceeds the total amount of the taxes imposed on the sale and use of tangible personal property in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, all of the taxes levied and collected upon the sale or use of tangible personal property in the tax increment area must be paid into the funds of the respective taxing agencies. When the loans, advances and indebtedness, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the sale or use of tangible personal property in the tax increment area must be paid into the funds of the respective taxing agencies as taxes on all other taxes on the sale or use of tangible personal property are paid.

(c) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157, any taxes imposed

pursuant to NRS 363A.130 or 363B.110 on employers located in the tax increment area must be divided as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is imposed each year by the Department of Taxation in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, must be allocated to and when collected must be paid to the Department of Taxation as all other taxes imposed pursuant to NRS 363A.130 and 363B.110 are paid.

(2) Except as otherwise provided in this section, of the portion of the taxes imposed each year in excess of the amount determined pursuant to subparagraph (1), 50 percent of that amount must be allocated to, and when collected must be paid into, the tax increment account pertaining to the undertaking to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the municipality to finance or refinance, in whole or in part, the undertaking. The remaining 50 percent of that amount must be allocated to and when collected must be paid to the Department of Taxation as all other taxes imposed pursuant to NRS 363A.130 and 363B.110 are paid. Unless the total amount of the taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers located in the tax increment area exceeds the total amount of the taxes imposed on employers located in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, all of the taxes imposed on employers located in the tax increment area must be paid to the Department of Taxation. When the loans, advances and indebtedness, if any, and interest thereon, have been paid, all money thereafter received from taxes imposed pursuant to NRS 363A.130 or 363B.110 on employers located in the tax increment area must be paid to the Department of Taxation as all other taxes imposed pursuant to NRS 363A.130 and 363B.110 are paid.

(d) If the undertaking is a stadium project for which the municipality has received approval from the Interim Finance Committee pursuant to section 19 of this act, any taxes levied upon the sale or use of tangible personal property in the tax increment area each year by or for the benefit of the State, the municipality and any public body must be divided as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of those taxing agencies upon the total sum of the sales and use of tangible personal property in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other sales of tangible personal property are paid.

(2) Except as otherwise provided in this section, the portion of the taxes levied each year in excess of the amount determined pursuant to subparagraph (1) must be allocated to, and when collected must be paid into the tax increment account pertaining to the undertaking for the purposes set forth in subsection 3 of Section 20 of this act. Unless the total amount of the taxes imposed on the sale and use of tangible personal property in the tax increment area exceeds the total amount of the taxes imposed on the sale and use of tangible personal property in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, all of the taxes levied and collected upon the sale or use of tangible personal property in the tax increment area must be paid into the funds of the respective taxing agencies.

(e) If the undertaking is a stadium project for which the municipality has received approval from the Interim Finance Committee pursuant to Section 20 of this act, any taxes imposed pursuant to NRS 363A.130 or 363B.110 on employers located in the tax increment area must be divided as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is imposed each year by the Department of Taxation in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, must be allocated to and when collected must be paid to the Department of Taxation as all other taxes imposed pursuant to NRS 363A.130 and 363B.110 are paid.

(2) Except as otherwise provided in this section, the taxes imposed each year in excess of the amount determined pursuant to subparagraph (1) must be allocated to, and when collected must be paid into, the tax increment account pertaining to the undertaking for the purposes set forth in subsection 3 of Section 20 of this act. Unless the total amount of the taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers located in the tax increment area exceeds the total amount of the taxes imposed on employers located in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, all of the taxes imposed on employers located in the tax increment area must be paid to the Department of Taxation.

(f) If the undertaking is a stadium project for which the municipality has received approval from the Interim Finance Committee pursuant to 0 of this act, any taxes imposed by NRS 368A.200 on admission to a facility in the tax increment area where live entertainment is provided must be divided as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is imposed each year by the Department of Taxation in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, must be allocated to and when collected must be paid to the Department of Taxation as all other taxes imposed by NRS 368A.200 are paid.

(2) Except as otherwise provided in this section, the portion of the taxes imposed each year in excess of the amount determined pursuant to subparagraph (1) must be allocated to, and when collected must be paid into, the tax increment account pertaining to the undertaking for the purposes set forth in subsection 3 of Section 20 of this act. Unless the total amount of the taxes imposed by NRS 368A.200 on admission to a facility located in the tax increment area where live entertainment is provided exceeds the total amount of the taxes imposed on admission to a facility located in the tax increment area where live entertainment is provided in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, all of the taxes imposed on admission to a facility located in the tax increment area where live entertainment is provided must be paid to the Department of Taxation.

2. Except as otherwise provided in subsection 2 of NRS 360.991, the amount of the taxes levied each year which are paid into the tax increment account pursuant to subparagraph (2) of paragraph (a) of subsection 1, subparagraph (2) of paragraph (b) of subsection 1 and subparagraph (2) of paragraph (c) of subsection 1 must be limited by the governing body to an amount not to exceed the combined total amount required for annual debt service of or any outstanding advances of money or unfunded costs associated with the project or projects acquired, improved or equipped, or any combination thereof, as part of the undertaking.

3. Any revenues generated within the tax increment area in excess of the amount referenced in subsection 2, if any, will be paid into the funds of the respective taxing agencies in the same proportion as their base amount was distributed.

4. Except as otherwise provided in this subsection, in any fiscal year, the total revenue paid to a tax increment area pursuant to subparagraph (2) of paragraph (a) of subsection 1 in combination with the total revenue paid to any other tax increment areas and any redevelopment agencies of a municipality, other than any revenues paid to any other tax increment areas pursuant to subparagraph (2) of paragraph (b) of subsection 1, ~~and~~ subparagraph (2) of paragraph (c) of subsection 1, *subparagraph*

(2) of paragraph (d) of subsection 1, subparagraph (2) of paragraph (e) of subsection 1 and subparagraph (2) of paragraph (f) of subsection 1, must not exceed:

(a) In a county whose population is 100,000 or more or a city whose population is 150,000 or more, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 10 percent of the total assessed valuation of the municipality.

(b) In a county whose population is less than 100,000 or a city whose population is less than 150,000, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 15 percent of the total assessed valuation of the municipality.

Notwithstanding the provisions of this subsection, if a county has a population of less than 100,000 or if a city has a population of less than 150,000 at the time the municipality issues securities for a tax increment area pursuant to NRS 278C.280, the revenue limitation set forth in paragraph (b) must remain the revenue limitation for the tax increment area until such time as the securities issued for that tax increment area pursuant to NRS 278C.280 have been paid in full, including any securities issued to refund those securities, regardless of whether the population of the municipality reaches or exceeds 100,000 after the issuance of those securities.

5. If the revenue paid to a tax increment area must be limited pursuant to paragraph (a) or (b) of subsection 4 and the municipality has more than one redevelopment agency or tax increment area, or one of each, the municipality shall determine the allocation to each agency and area. Any revenue that would be allocated to a tax increment area but for the provisions of this section must be paid into the funds of the respective taxing agencies.

6. The portion of the taxes levied each year in excess of the amount determined pursuant to subparagraph (1) of paragraph (a) of subsection 1 which is attributable to any tax rate levied by a taxing agency:

(a) To produce revenue in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness that was approved by a majority of the registered voters within the area of the taxing agency voting upon the question, must be allocated to, and when collected must be paid into, the debt service fund of that taxing agency.

(b) In excess of any tax rate of that taxing agency applicable to the last taxation of the property before the effective date of the ordinance, if that additional rate was approved by a majority of the registered voters within the area of the taxing agency voting upon the question, must be allocated to, and when collected must be paid into, the appropriate fund of that taxing agency.

(c) Pursuant to NRS 387.3285 or 387.3287, if that rate was approved by a majority of the registered voters within the area of the taxing agency voting upon the question, must be allocated to, and when collected must be paid into, the appropriate fund of that taxing agency.

(d) For the support of the public schools within a county school district pursuant to NRS 387.195, must be allocated to, and when collected must be paid into, the appropriate fund of that taxing agency.

7. The provisions of paragraph (a) of subsection 6 include, without limitation, a tax rate approved for bonds of a county school district issued pursuant to NRS 350.020, including, without limitation, amounts necessary for a reserve account in the debt service fund.

8. As used in this section, the term "last equalized assessment roll" means the assessment roll in existence on the 15th day of March immediately preceding the effective date of the ordinance.

SECTION 26. Section 1 of chapter 582, Statutes of Nevada 1977, at page 1531, is hereby amended to read as follows:

SECTION 1. Definitions. As used in this act, unless the context otherwise requires:

1. "Authority" means the Clark County Fair and Recreation Board, designated by resolution pursuant to NRS 244.654 as the Las Vegas Convention and Visitors Authority ~~+~~ *or the stadium authority, appointed pursuant to section 7 of this act.*
2. "County" means Clark County, Nevada.
3. Other words and terms defined in the Local Government Securities Law have the meanings ascribed to them in that law.

SECTION 28. *1. If the county deems it necessary or desirable to expand the boundaries of the tax increment area created pursuant to section 19 of this act, it must adopt a resolution describing the area proposed to be added to the tax increment area, so that the various tracts of real property may be identified and determined to be within or without the proposed addition to the tax increment area, except that the description need not describe in minute detail each tract of real property proposed to be added to the tax increment area.*

2. If the county determines to:

(a) Expand the boundaries of the tax increment area in accordance with the description set forth in a resolution adopted pursuant to subsection 1, the county must, at any meeting of the board of county commissioners held within 1 year after the meeting at which the board adopted that resolution, adopt a resolution adding the described area to the tax increment area; or

(b) Revise the description of the area proposed to be added to the tax increment area set forth in a resolution adopted pursuant to subsection 1, the county must adopt another resolution pursuant to subsection 1 which sets forth the revised description of the proposed addition and supersedes the previous resolution.

3. The county may add property to the tax increment area only if the property is not included in any tax increment or tourism improvement district that pre-existed the creation of the tax increment area that is being expanded.

4. No land may be removed from the tax increment area.

5. Any decision to add any land to the tax increment area pursuant to this section is in the sole discretion of the Board of County Commissioners and must not be delegated, by contract or otherwise, to any other entity.

6. Any person or other entity may, within 30 days after the County adopts a resolution pursuant to paragraph (a) of subsection 2 expanding the boundaries of the tax increment area, commence an action in a court of competent jurisdiction to correct or set aside that expansion on the ground that the County acted in violation of this act, but not for any other reason. After the expiration of that 30-day period, all actions attacking the validity of the proceedings expanding the boundaries of the tax increment area are perpetually barred.

SECTION 29. **1.** For the district created by section 13 of this act for Clark County:

(a) The Governor shall, on or before January 1, 2017, appoint the three members of the stadium authority pursuant to paragraph (a) of subsection 1 or section 7 of this act to initial terms that, for two of the appointees, commences on January 1, 2017, and expires on December 31, 2018, and for the third appointee commences on January 1, 2016, and expires on December 31, 2017; and

(b) The Board of County Commissioners of Clark County shall, on or before January 1, 2017 appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of section 7 of this act to an initial term that, for one appointee commences on January 1, 2017, and expires on December 31, 2018, and for the second appointee commences on January 1, 2017, and expires on December 31, 2017; and

(c) The Stadium Events Company shall within 30 days after the effective date of the development agreement, operating agreement and any other contracts and agreements between Stadium Events Company and the stadium authority entered into pursuant to section 11 of this act, appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 7 of this act to an initial term that, for one appointee, will commence immediately upon appointment and will expire 12 months from the date of appointment, and, for the second appointee, will commence immediately upon appointment and will expire 24 months from the date of appointment.

4. The stadium authority appointed pursuant to this section shall hold an organizational meeting during January 2017. At that meeting, the stadium authority shall elect:

- (a) One of its members as Vice Chair; and
- (b) A Secretary and Treasurer.

SECTION 30. 1. The NFL Team and the developer partners shall have six months from the effective date of the act as set forth in subparagraph (1) of section 31 to secure the rights to locate or relocate an NFL franchise into the district created pursuant to section 13 of this act.

(a) The stadium authority board shall have the ability to grant one, six-month extension to the established timeline for securing the rights to locate or relocate an NFL franchise into the district.

2. Once the rights to locate or relocate an NFL franchise have been secured pursuant to subsection (1), the developer partners and the NFL Team shall have six months to form the Stadium Events Company and to enter into all required contracts and agreements with the stadium authority.

(a) The stadium authority board shall have the ability to grant one, six-month extension to the timeline established for forming the Stadium Events Company and entering into all required contracts and agreements with the stadium authority.

SECTION 31. 1. Section 1 to section 17, inclusive, and section 29 of this act become upon passage and approval of this act, and expire by limitation:

(a) If special obligations of the county or the State of Nevada are issued pursuant to section 17 of this act, on the date on which those obligations are fully paid.

(b) If special obligations of the county or the State of Nevada are not issued pursuant to section 17 of this act, on the date which is 24 months after the end of the period prescribed by section 30 of this act.

2. Sections 18 to section 28, inclusive, of this act become effective on January 1, 2017.

Stadium Construction Funding and Oversight
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed. Green underline text are recommended additions by the developer; ~~purple strikethrough text~~ are recommended deletions by the developer. **Highlighted sections** are those where recommendations have been made by the developer but the language has not been adopted, as SNTIC's review and consideration of those recommendation remains pending (see, Appendix A, pages 3 through 8).

OVERVIEW

SECTION 1 to ~~SECTION 17~~SECTION 174 of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a stadium project ~~or a college football stadium~~ in a county whose population is 700,000 or more (currently Clark County). **SECTION 7 through SECTION 12** create a stadium authority as a public body and establish its powers and authorities. ~~SECTION 13~~**SECTION 130** of this bill creates a district to finance a large events center stadium project in such a county and provides that the district consists of all property that is located within the county ~~and each city within the county and~~ that is within 25 miles of the center ~~of the~~ of the site of the large events center stadium project site. ~~SECTION 13~~**SECTION 130 and SECTION 285** of this bill also provides for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the district at a specified rate of the gross receipts from the rental of transient lodging in the district. ~~SECTION 14~~**SECTION 14** of this bill requires the stadium authority for the county in which the district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain: (1) if a National Football League franchise commits to ~~allow a professional football team to locate or~~ relocate to the district, a large events center stadium project in the district; or (2) if a commitment from ~~the a~~ National Football League franchise to ~~allow a professional football team to locate or~~ relocate to the district is not obtained but a university within the district obtains a commitment of at least \$200,000,000 in private funding for a football stadium on its campus, a college football stadium on that campus. If the conditions for the use of the proceeds of the tax for a large events center stadium project ~~or a college football stadium~~ are not satisfied, the proceeds of the tax must be distributed to the county fair and recreation board for use to pay debts incurred for the facilities of that board. ~~SECTION 15~~**SECTION 152** of this bill defines the allocations of revenue collected by the Stadium Authority stadium authority Board. **SECTION 16** of this bill requires revenue sharing of any and all annual stadium operations net proceeds in ~~exceed~~ excess of the developer preferred return amount. ~~SECTION 13~~ of this bill ~~requires the equal distribution of stadium operating net revenues to the Stadium Authority Board and stadium developer once the developer has received the preferred annual rate of return.~~ **SECTION 17**SECTION 174** of this bill requires the county in which the district is located to issue special obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a large events center stadium project if the a National Football League franchise commits to ~~allow a professional football team to locate or~~ relocate to the district. If such a commitment is not obtained and a university in the district secures a commitment of \$200,000,000 in private funding for a football stadium on the campus of the university, ~~SECTION 17~~**SECTION 174** also ~~provides~~ for the issuance of special obligations of the State of Nevada to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a football stadium on the campus of the university. ~~SECTION 18~~**SECTION 195 through SECTION 27****SECTION 283** provide for the creation of a tax increment area that for a large events center stadium**

project, authorize the allocation of certain increases in the sales and use tax, modified business tax and live entertainment tax to the tax increment account for the area and specify the purposes for which the money in the tax increment account may be spent by the stadium authority. ~~SECTION 26~~SECTION 274 defines "Authority" to include a stadium authority. ~~SECTION 28~~SECTION 285 provide for alternative, lower transient lodging tax rates to apply in the event that a large event center project is not able to meet the requirement set forth in the act and lower rates are put in place to fund a collegiate stadium~~allows the county to expand the tax increment area for a stadium project.~~ ~~SECTION 29~~SECTION 306 establishes the terms of stadium authority board members. ~~SECTION 31~~SECTION 307 establishes effective dates for each section of the act.

LANGUAGE FOR CONSIDERATION

SECTION 1. ~~As used in section 1 SECTIONS 1 to 2131, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections and of this act below defined in SECTIONS 2~~sections 2 through 6 of this act have the meanings so ascribed to them in those sections.

~~SECTION 1.~~SECTION 2. "Developer pPartner" means one or more private parties providing funds needed to construct the large events center stadium project or providing funds needed to make capital improvements to the stadium project in the District, which shall be an owner of Stadium Events Company. The developer partner, or its affiliate, may also be a part owner of the Stadium Events Company.

~~SECTION 3.~~ ~~SECTION 2.~~"District" means the district to finance a large events center stadium project that is created by subsection 1 of SECTION 13 section 13 of this act.

~~SECTION 2.~~SECTION 4. "NFL tTeam" means the National Football League franchise that has committed to relocate to the District and utilize the large events center stadium project for its home National Football League games and related activities. The NFL team, or its affiliate, may also be a part owner of the Stadium Events Company.
~~which shall be an owner of the Stadium Events Company.~~

~~SECTION 5.~~ ~~SECTION 4.~~"Stadium authority" means the stadium authority for the county in which a district is located.

SECTION 6. "Stadium Events Company" means the legal entity owned by and comprised of -the NFL Team (or team, or its affiliate,) and/or any other dDeveloper pPartner, or its affiliate, contributing equity to the construction of the stadium, which will lease the large events center stadium project pursuant to a long-term lease with the stadium authority.

SECTION 7. 1. In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:

- (a) Three members appointed by the Governor;
- (b) Two members appointed by the board of county commissioners of the county in which the district created by by sSection 13 of this act is located; and
- (c) Two members appointed by the Stadium Events Company development partners.

2. The stadium authority constitutes:

- (a) A body corporate and politic;
- (b) A political subdivision of the county in which the district created by section 130 is located; and
- (c) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the district created by ~~s~~Section 13 of this ~~a~~Act.

3. A vacancy on the stadium authority occurs when a member:

- (a) Dies or resigns; or
 - (b) Is removed, with or without cause, by the person or entity who appointed that member.
4. A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.

5. A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.

6. The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.

SECTION 8. 1. The Governor shall appoint one of the stadium authority ~~its~~ members as Chair.

2. The stadium authority shall appoint:

- (a) One of its members as Vice Chair; and
- (b) A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.

3. The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.

4. The stadium authority shall meet regularly in the district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.

5. Except as otherwise provided in subsection 5 of NRS 281A.420:

(a) Four of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.

(b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least four members of the stadium authority when a quorum is present, and only actions complying with this aAct may be taken by the stadium authority.

6. The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.

SECTION 9. 1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:

- (a) Hire the members of its staff as employees;
- (b) Contract with any governmental entity or other person to provide the persons to serve as its staff; or
- (c) Retain the members of its staff using any combination of the methods described in paragraphs (a)(a) and (b)(b).

2. The stadium authority shall specify:

- (a) The powers and duties of the members of its staff; and
- (b) The amount and basis of compensation for the members of its staff.

SECTION 10 The stadium authority:

- 1. May adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of ~~SECTION 11~~section 11 to ~~SECTION 24~~section 17, of this act, for carrying out its business and affairs; and
3. Shall create a tax increment account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of ~~SECTION 1 to SECTION 23~~, of this act.

SECTION 11 ~~1.1) Except as otherwise provided in SECTION 9 SECTION 10~~In addition to the powers and authorities granted to the stadium authority in sections 9 and 10 and except as otherwise provided in section 12, the stadium authority may:

(a) Enter into any contracts and other agreements with any person or other entity that the ~~Board~~stadium authority board determines to be necessary or desirable to conduct the business of the stadium ~~a~~Authority.

(b) Sue and be sued.

(c) Acquire by purchase, lease, gift, devise, condemnation or otherwise and own, in its own name, all necessary right, title, and interest in and to land and the improvements upon that land as well as any associated air rights and personal property.~~Acquire and own land and the improvements upon that land.~~

(d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable. The contracts and other agreements authorized by this subsection:

(1) May include, without limitation, contracts or other agreements relating to the design, planning, construction, acquisition, lease, lease-purchase, license, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and

(2) Are not subject to the limitations of subsection 1 of NRS 354.626.

~~(a)~~(e) Enter into a lease, ground lease, sublease or management agreement with any party authorizing the stadium authority to lease any portion of the land in the tax increment area owned by any party and any improvements thereon or, only in the case of land that is owned or controlled by the Nevada System of Higher Education, to manage such land or improvements for the Nevada System of Higher Education on such terms as may be acceptable to the stadium authority and the Board of Regents and which do not violate any covenants concerning any securities issued by the Board of Regents.

~~(b)~~(f) Receive any public and private resources necessary to fund, finance and develop the undertaking.

~~(c)~~(g) Approve, in consultation with the ~~development partner~~developer partners, the site selected for the undertaking.

~~(d)~~(h) Approve, in consultation with the ~~development partner~~developer partners, the overall design, scope and specifications of the undertaking.

~~(e)~~(i) Enter into a development agreement with the ~~development~~ment partners and/or the NFL Team.

~~(f)~~(j) Enter into a long-term lease for the ~~large events center~~stadium project.

~~(g)~~(k) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of ~~the Legislature~~this act. This may include an audit of the Stadium Events Company, but shall not include in any event any right to audit the business of the NFL Team generally or the business of any of the developer partners generally.

~~(h)~~(l) Retain the ~~The~~sole and exclusive right to enter into agreements to provide for the sale, license, or transfer of personal seat licenses, stadium builders' licenses, or other similar instruments for any and all seats in the large events center stadium project to generate revenues used for construction of the large events center stadium project. ~~-,~~The stadium authority may not grant any other person the right to enter into such agreements, but it may in its contract with the developer partners, agree that any

agreements regarding seat licenses will be made only in consultation with the developer partners, or if applicable, the Stadium Events Company and the NFL Team ~~in consultation with and subject to the approval of the Stadium Events Company and the NFL Team.~~ Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the ~~large events center~~ stadium project, including the NFL Team's home games. Proceeds from the sale of such personal seat licenses or similar instruments shall be collected solely by or on behalf of the stadium authority for the account and benefit of the stadium construction by the stadium authority and are a payment by purchasers to the owner of the ~~large events center~~ stadium project for special rights of access to events at the ~~large events center~~ stadium project. The stadium authority may contract with, or appoint as its sales agent, a third party sales agency, subject to the approval of the NFL Team, or the NFL Team, or an affiliate of the NFL Team, for the sale of such licenses or similar instruments. The lessees of the ~~large events center~~ stadium project shall agree to honor the rights granted by the stadium authority to purchasers of these personal seat licenses or similar instruments.

(i)(m) ~~Approve~~ Consider, approve or disapprove an annual capital improvement budget submitted by the Stadium Events Company and approve or disapprove specific requests for capital improvements made by the Stadium Events Company.

(j)(n) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.

~~2.~~ *2. If the stadium authority enters into a development agreement with ~~development partner~~ developer partners, the stadium authority shall ensure that the ~~development partner~~ developer partners will provide suitable financial security for their funding obligations as a part of the project financing.*

SECTION 12 *1. The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:*

(a) Expend or authorize the expenditure of any money in the tax increment account unless the stadium authority has entered into a lease, ground lease or management agreement pursuant to paragraphs ~~(d) and (ed)~~ of subsection 1 of ~~SECTION 11~~ section 11 of this act which authorizes a specific undertaking.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a lease, ground lease or management agreement pursuant to paragraphs ~~(d) and (ed)~~ of subsection 1 of ~~SECTION 11~~ section 11 of this act which authorizes that undertaking.

2. The stadium authority may ~~receive, acquire, and~~ own land and the improvements upon that land in its name.

~~SECTION 13.~~ **SECTION 13** ~~11.~~ *In each county whose population is 700,000 or more, ~~there~~ the board of county commissioners may, by ordinance, create is hereby created a district to finance a ~~large events center~~ stadium project. The district consists of all property that is within the county ~~and within each city in the county~~ and that is located within a radius of 25 miles from the center of the location or proposed location of a ~~large events center~~ stadium project constructed or to be constructed in the county.*

~~2.~~ *2. If a district is created, the board shall impose ~~here is hereby imposed~~ upon all persons in the business of providing lodging in the district a tax at the rate of:*

(a) Seven-tenths of one percent of the gross receipts from the rental of transient lodging in a gaming corridor within the district.

(b) One half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of a gaming corridor within the district.

3. The tax imposed by subsection ~~22~~ may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the district is located for the tax whether or not it is actually collected from a paying guest.

4. The taxes imposed by subsection ~~22~~ must ~~must~~:

(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;

(b) Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and

(c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in ~~SECTION 14~~ section 14 of this act.

~~(e)~~(d) Be imposed and collected in each incorporated city in the county in addition to being imposed in the portion of the district which is not in an incorporated city.

5. As used in this section:

(a) "Gaming corridor" (define boundaries of area in which 0.7% rate will be imposed).

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

6. The tax imposed in section 2 of this act shall be effective on the first day of the month that is not less than 3 nor more than 4 months after the adoption of the ordinance imposing the tax.

7. The provisions of NRS 237.030 through 237.150 shall not apply to the adoption of any ordinance creating a district or imposing a tax under this section or any amendment thereof or any other action of the board of county commissioners relating thereto.

8. Any parcel of land or building or other structure which is partially within a district created under this section or a gaming corridor described in subsection 5(a) of this section shall be treated as being wholly within the applicable district or corridor for the purposes of the tax imposed by this section.

9. If a National Football League franchise has not committed to relocate within the boundaries of the district or and that professional football team has not entered into a contract for the location or relocation of the team within boundaries of the district within the period described in subsection 1 of section 30 of this act, within 90 days after the end of such period, the board of county commissioners in the district shall reduce the taxes imposed under subsection 2 to the following rates:

(a) Three-eighths of one percent of the gross receipts from the rental of transient lodging in a gaming corridor within the district.

(b) One-quarter of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of a gaming corridor.

10. Taxes imposed by this section shall sunset:

(a) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full; or

(b) Thirty-three years,

Whichever occurs first.

11. In addition to the rate sunset requirements set forth in subsection 10 of this section, in the event tax rates are reduced pursuant to subsection 9 of this section, taxes imposed by this section shall not reduce or otherwise modified for a period of two years following the rate reduction.

- SECTION 14** 1. The stadium authority shall create an account and deposit into ~~the~~ such account any proceeds of the taxes imposed by subsection ~~22~~ of ~~section~~ SECTION 13 of this act received by the stadium authority.
2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to ~~SECTION 12~~ section 12 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection ~~22~~ of section 13 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district a ~~large events center~~ stadium project or to establish a bond reserve fund and other reserves to secure any ~~securities~~ bonds issued pursuant to section 12 ~~SECTION 12~~ of this act, or any combination thereof, as directed by the ~~board of directors of the~~ stadium authority.
3. Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection ~~22~~ of section 13 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a ~~large events center~~ stadium project unless, within the period prescribed by ~~SECTION 30~~ section 30 of this act, ~~the~~ a National Football League franchise has committed to ~~allow the location or relocation of a professional football team~~ relocate within the boundaries of the district.
4. If, within the period prescribed by ~~SECTION 30~~ section 30 of this act, ~~the~~ a National Football League franchise has not committed to ~~allow the location or relocation~~ relocate of a professional football ~~team~~ within the boundaries of the district or that professional football ~~team~~ franchise has not entered into a contact for the location or relocation of the team within boundaries of the district, the stadium authority shall notify the president of any university that is a part of the Nevada System of Higher Education whose principal campus is located in the district of that fact.
- (a) If, within 24 months after ~~the end of the period prescribed by SECTION 30 of this act~~ this notice has been provided, a university within the boundaries of the district has secured a commitment of at least \$200,000,000 in private funding for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of ~~SECTION 13~~ section 13 of this act to acquire, construct, lease, improve, equip, operate or maintain a football stadium within the boundaries of the district, and to pay for any bonds or other securities issued for that purpose, including refunding securities.
- (b) If, within the period prescribed by the immediately preceding paragraph (a), ~~no~~ a university within the boundaries of the district has ~~not~~ raised the private funding described in such paragraph (a), ~~distribute the proceeds of~~ the taxes imposed by subsection 2 of ~~SECTION 13~~ section 13 of this act shall be distributed to the county fair and recreation board for the payment of securities issued to finance the renovation and expansion of its facilities located with the district ~~the facilities of that board~~.
5. After the issuance of securities pursuant to:
- (a) Subsection ~~21~~ of section 14 ~~SECTION 17~~ of this act, the proceeds of the taxes imposed by subsection 2 of section ~~SECTION 13~~ of this act and any applicable penalty or interest must be used by the stadium authority to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the county to finance or refinance, in whole or in part, a ~~large events center~~ stadium project within the boundaries of the district.
- (b) Subsection ~~41~~ of section 14 ~~SECTION 17~~ of this act, the proceeds of the taxes imposed by subsection 2 of section ~~SECTION 13~~ of this act and any applicable penalty or interest must be used by the stadium authority to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the State of Nevada to finance or refinance, in

whole or in part, a collegiate football stadium within the boundaries of the district.

SECTION 15 1. Stadium Authority authority shall allocate its allocations of collected revenue to in the following order of priority include:

(a) Bond repayment;

~~(a)~~ Application of the proceeds of any personal seat license (PSL) or similar seat license program directly to the construction costs of the stadium project;

(b)

~~(b)~~ Stadium Authority authority operations;

(c)

~~(c)~~ Stadium project capital improvement fund;

(d)

~~(d)~~ UNLV/Sam Boyd payment;

(e)

~~(e)~~ Las Vegas Metropolitan Police Department Resort Corridor funding; and

(f)

~~(f)~~ (g) Clark County event fund.

SECTION 16. 1. ~~Authority Stadium Operations Revenue Sharing. Any and all annual stadium operations net revenues in excess of developer preferred return~~ the Stadium Events Company's preferred return amount shall be distributed equally between the Stadium Authority stadium authority Board and the Stadium Events Company developer.

SECTION 17. **SECTION 17.** 1. If:

~~(a) The A National Football League franchise has committed to relocate allow the location or relocation of a professional football team within the boundaries of the district;~~

~~(b) That NFL Team football team has entered into a contract to locate or relocate the team within the boundaries of the district; and~~

~~(c) The board of directors of the stadium authority determines that the proceeds of the taxes imposed by subsection 22 of section 13 SECTION 130 of this act are sufficient to establish a debt service coverage ratio of at least 1X.5 on securities issuedX, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a large events center stadium project, the board of county commissioners in which the district is located, acting by and through the at the request of the stadium authority, shall issue special obligations of the county in an amount not to exceed \$XXX,XXX,XXX payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 22 of SECTION 13 section 130 of this act. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the stadium project.~~

2. If:

~~(a) Special obligations of the county are not issued pursuant to subsection SECTION 171;~~

~~(b) Within 24 months after the end of the period prescribed by SECTION 30 of this act notice has been provided pursuant to section 14(4) of this act, a university located within the district has secured a commitment of at least \$200,000,000 in private funding for the acquisition, construction, lease,~~

improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district; and

(c) The stadium authority determines that the proceeds of the taxes imposed by subsection ~~22~~ of ~~SECTION 13~~ section 13 of this act are sufficient to establish a debt service coverage ratio of at least ~~X.X~~ at least 1.5x on securities issued to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a football stadium, the stadium authority shall notify the State Board of Finance of those facts, and the stadium authority and the State Board of Finance shall determine the amount of financing necessary to acquire, construct, lease, improve, equip, operate or maintain a collegiate football stadium on the campus of the university. Upon a determination of the amount of such financing, to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a collegiate football stadium on the campus of the university, the State Board of Finance shall issue special obligations of the State of Nevada in an amount not to exceed the amount of the determined to be necessary by the State Board of Finance and the stadium authority, payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection ~~22~~ of section 13 ~~SECTION 13~~ of this act. The provisions of the State Securities Law contained in chapter 349 of NRS apply to the issuance of securities pursuant to this subsection. The proceeds of any ~~bonds~~ securities issued pursuant to this subsection must be allocated to the stadium authority in such a manner as agreed to by the stadium authority and the State Board of Finance.

3. No new or additional city, county, or other local sales, use, or other tax shall be imposed on revenues related to the ~~large events center stadium project~~ or any NFL related events, including but not limited to taxes on the sales of tickets or admissions to NFL games or other NFL related events at the stadium.

~~SECTION 18~~ SECTION 18. 5 Chapter 278C of NRS is hereby amended by adding thereto the provisions set forth as ~~SECTION 207~~ and SECTION 20 ~~SECTION 218~~ of this act.

~~SECTION 19~~ SECTION 18. "Large events center Stadium project -project" means any enterprise to acquire, construct, improve, equip, operate or maintain, or any combination thereof, a large events center stadium project -to attract and retain large sports and entertainment events and such other projects, improvements or facilities necessary or desirable to the development of a large events center stadium project, including, without limitation, any practice facilities used by a professional sports team which uses the large events center stadium -for its home games, whether or not such practice facilities are contiguous with the large events center stadium.

~~SECTION 20.~~ SECTION 19. 1. ~~7A~~ A municipality may adopt an ordinance ordering an undertaking and creating the tax increment area and the tax increment account pertaining thereto pursuant to NRS 278C.220, which includes provisions:

(a) Designating a tax increment area comprising a specially benefitted zone within the municipality that may include land that is not contiguous; and

(b) For:

(1) The allocation of the proceeds of any tax on the sale or use of tangible personal property to the tax increment account of the proposed tax increment area pursuant to paragraph (b) of subsection 2 of NRS 278C.250;

(2) The allocation of the proceeds of any tax imposed pursuant to NRS 363A.130 and 363B.110 to the tax increment account of the proposed tax increment area pursuant to paragraph (c) of subsection 2 of NRS 278C.250; or

(3) The allocation of the proceeds of any tax imposed by NRS 368A.200 to the tax increment account of the proposed tax increment area pursuant to paragraph (d) of subsection 2 of NRS 278C.250; only for an undertaking that is a ~~large events center stadium project~~ project, and only after approval by the Interim Finance Committee of a written request submitted by the municipality.

2. A request submitted to the Interim Finance Committee pursuant to subsection 1 must include any information required by the Interim Finance Committee. The Interim Finance Committee may approve a request submitted pursuant to subsection 1 only if the Interim Finance Committee determines that approval of the request will not impede the ability of the Legislature to carry out its duty to provide for an annual tax sufficient to defray the estimated expenses of the State for each fiscal year as set forth in Article 9, Section 2 of the Nevada Constitution.

3. Money deposited in the tax increment account as described in paragraph (a) of subsection 1 of NRS 278C.250, subparagraph (2) of paragraph (d) of subsection 1 of NRS 278C.250, subparagraph (2) of paragraph (e) of subsection 1 of NRS 278C.250 and subparagraph (2) of paragraph (f) of subsection 1 of NRS 278C.250, must be paid by the municipality to the stadium authority for the municipality. In addition to being used to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the municipality to finance or refinance, in whole or in part, the undertaking, the stadium authority may use the money deposited in the tax increment account as described in subsection 2 of NRS 278C.250:

(a) To pay for the operation or administration of the stadium authority for the municipality pursuant to paragraph (b) of subsection ~~01~~ of ~~SECTION 15~~ section 15 of this act;

(b) To pay the capital costs of the undertaking directly pursuant to paragraphs (c) and (d) of subsection 1 of ~~section 15~~ SECTION 15 of this act;

(c) If a university that owns a ~~large events center stadium~~ is located within the municipality, to make payments to a university as required by paragraph (d) of subsection 1 of ~~section 15~~ SECTION 15 of this act; or

(d) To make payments to the police department of the municipality pursuant to paragraph (a) ~~(e)~~ of subsection 1 of ~~section 15~~ SECTION 15 of this act.

(e) To recruit, attract and retain large sports and entertainment events to be held at a ~~large events center stadium project~~ as required by paragraph (f) of subsection 1 of ~~SECTION 15~~ of this act.

~~SECTION 21~~ SECTION 20. 8 NRS 278C.130 is hereby amended to read as follows:

278C.130 "Tax increment area" means the area:

1. Whose boundaries are coterminous with those of a specially benefited zone established as provided in NRS 278C.150;
2. Specially benefited by an undertaking under this chapter;
3. Designated by ordinance as provided in NRS 278C.220; and
4. In which is located:

(a) The taxable property the assessed valuation of which is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (a) of subsection 1 of NRS 278C.250; and

(b) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157:

(1) The persons from which the tax on the sale or use of tangible personal property is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (b) of subsection 1 of NRS 278C.250; and

(2) The employers from which the tax imposed pursuant to NRS 363A.130 and 363B.110 is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (c) of subsection 1 of NRS 278C.250.

(c) If the undertaking is a ~~large events center stadium project project~~ for which the municipality has received approval from the Interim Finance Committee pursuant to ~~SECTION 20~~ section 19 of this act:

(1) The persons from which the tax on the sale or use of tangible personal property is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (d) of subsection 1 of NRS 278C.250;

(2) The employers from which the tax imposed pursuant to NRS 363A.130 and 363B.110 is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (e) of subsection 1 of NRS 278C.250; and

(3) The facility where live entertainment is provided from which the tax imposed by NRS 368A.200 is the basis for the allocation of tax proceeds to the tax increment account pursuant to paragraph (f) of subsection 1 of NRS 278C.250.

~~SECTION 22.~~ SECTION 21. ~~19~~ NRS 278C.140 is hereby amended to read as follows:

278C.140 "Undertaking" means any enterprise to acquire, improve or equip, or any combination thereof:

1. In the case of counties:

(a) A drainage and flood control project, as defined in NRS 244A.027;

(b) An overpass project, as defined in NRS 244A.037;

(c) A sewerage project, as defined in NRS 244A.0505;

(d) A street project, as defined in NRS 244A.053;

(e) An underpass project, as defined in NRS 244A.055; ~~or~~

(f) A water project, as defined in NRS 244A.056; ~~or~~

(g) ~~A large events center stadium project project~~, as defined by ~~SECTION 18~~ SECTION 19 of this act.

2. In the case of cities:

(a) A drainage project or flood control project, as defined in NRS 268.682;

(b) An overpass project, as defined in NRS 268.700;

(c) A sewerage project, as defined in NRS 268.714;

(d) A street project, as defined in NRS 268.722;

(e) An underpass project, as defined in NRS 268.726; ~~or~~

(f) A water project, as defined in NRS 268.728; ~~or~~

(g) ~~A large events center stadium project project~~, as defined by ~~SECTION 19~~ SECTION 18 of this act.

3. In the case of a city with respect to any tax increment area created pursuant to a cooperative agreement between the city and the Nevada System of Higher Education pursuant to NRS 278C.155, in addition to the projects described in subsection 2:

(a) A project for any other infrastructure necessary or desirable for the principal campus of the Nevada State College that is approved by the Board of Regents of the University of Nevada; or

(b) An educational facility or other capital project for the principal campus of the Nevada State College that is owned by the Nevada System of Higher Education and approved by the Board of Regents of the University of Nevada.

4. In the case of a county or city with respect to any tax increment area created by an ordinance adopted pursuant to NRS 278C.157, in addition to the projects described in subsections 1 and 2:

(a) A natural resources project; or

(b) A rail project.

5. *In the case of a municipality with respect to any tax increment area created by an ordinance adopted pursuant to SECTION 20 of this act, in addition to the projects described in subsections 1 and 2, a ~~large events center stadium project project.~~*

~~SECTION 23.~~ SECTION 22. ~~20~~NRS 278C.160 is hereby amended to read as follows:

1. Whenever the governing body of a municipality is of the opinion that the interests of the municipality and the public require an undertaking, the governing body, by resolution, shall direct the engineer to prepare:

(a) Preliminary plans and a preliminary estimate of the cost of the undertaking, including, without limitation, all estimated financing costs to be capitalized with the proceeds of the securities issued by the municipality and all other estimated incidental costs relating to the undertaking;

(b) A statement of the proposed tax increment area pertaining thereto, including:

(1) The last finalized amount of the assessed valuation of the taxable property in such area, and the amount of taxes, including in such amount the sum of any unpaid taxes, whether or not delinquent, resulting from the last taxation of the property, based upon the records of the county assessor and the county treasurer; and

(2) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157:

(I) The total amount of taxes imposed on the sale or use of tangible personal property in such area in the immediately preceding fiscal year, based upon the records of the Department of Taxation; and

(II) The total amount of taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers in such area in the immediately preceding fiscal year, based upon the records of the Department of Taxation;

~~and~~

(c) If the undertaking is a ~~large events center stadium project project~~ for which the municipality has received approval from the Interim Finance Committee pursuant to ~~SECTION 20~~ section 19 of this act:

(1) The total amount of taxes imposed on the sale or use of tangible personal property in such area in the immediately preceding fiscal year, based upon the records of the Department of Taxation;

(2) The total amount of taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers in such area in the immediately preceding fiscal year, based upon the records of the Department of Taxation; and

(3) The total amount of taxes imposed by NRS 368A.200 on admission to facilities in such area where live entertainment is provided in the immediately preceding fiscal year, based upon the records of the Department of Taxation or Nevada Gaming Control Board, as applicable.

(d) A statement of the estimated amount of the tax proceeds to be credited annually to the tax increment account during the term of the proposed securities payable therefrom.

2. The resolution must describe the undertaking in general terms and must state:

(a) What portion of the expense of the undertaking will be paid with the proceeds of securities or other allowable borrowing instruments issued by the municipality in anticipation of tax proceeds to be credited to the tax increment account and payable wholly or in part therefrom;

(b) How the remaining portion of the expense of the undertaking, if any, is to be financed; and

(c) The basic security and any additional security for the payment of securities or other allowable borrowing instruments of the municipality pertaining to the undertaking.

3. The resolution must designate the tax increment area or its location, so that the various tracts of taxable real property, any taxable personal property and the locations of any retailers-, ~~and~~ employers *and facilities where live entertainment is provided* can be identified and determined to be within or

without the proposed tax increment area, but need not describe in minute detail each tract of real property proposed to be included within the tax increment area.

4. The engineer shall file with the clerk the preliminary plans, estimate of costs and statements.
5. Upon the filing of the preliminary plans, estimate of costs and statements with the clerk, the governing body shall examine the preliminary plans, estimate of costs and statements, and if the governing body approves of the preliminary plans, estimate of costs and statements, it shall by resolution provisionally order the undertaking.

~~SECTION 24.~~ **SECTION 23.** ~~1~~NRS 278C.170 is hereby amended to read as follows:
278C.170

1. In the resolution making the provisional order, the governing body shall set a time and place for a meeting to consider the ordering of the undertaking and hear all complaints, protests, objections and other relevant comments concerning the undertaking that are made in accordance with subsection 2. The time for the meeting must be at least 20 days after the date the governing body adopts the resolution that provisionally orders the undertaking.

2. The Federal Government, the State, any public body, any natural person who resides in the municipality or owns taxable personal or real property in the municipality, any retailer ~~or~~ employer ~~or~~ *or facility where live entertainment is provided*, if applicable, that is located within the proposed tax increment area pertaining to the undertaking, or any representative of any such natural person ~~or~~ entity ~~or~~ *or facility*, may submit a complaint, protest, objection or other comment about the undertaking before the governing body. If such an entity or person desires to submit a complaint, protest, objection or other comment about the undertaking for consideration by the governing body, the entity or person must:

(a) File a written complaint, protest, objection or other comment about the undertaking with the clerk at least 3 days before the date of the meeting described in subsection 1;

(b) Present an oral complaint, protest, objection or other comment about the undertaking to the governing body at the meeting described in subsection 1; or

(c) Present the complaint, protest, objection or other comment in the manner required pursuant to paragraphs (a) and (b).

3. Notice of the meeting described in subsection 1 must be given:

(a) To all persons on the list established pursuant to NRS 278C.180, by mailing;

(b) By posting; and

(c) By publication.

4. The notice must:

(a) Describe the undertaking and the project or projects relating thereto without mentioning minor details or incidentals;

(b) State the preliminary estimate of the cost of the undertaking, including all incidental costs, as stated in the preliminary plans, estimate of costs and statements of the engineer filed with the clerk pursuant to NRS 278C.160;

(c) Describe the proposed tax increment area pertaining to the undertaking, including:

(1) The last finalized amount of the assessed valuation of the taxable property in the area, and the amount of taxes, including in such amount the sum of any unpaid taxes, whether or not delinquent, resulting from the last taxation of the property, based upon the records of the county assessor and the county treasurer; and

(2) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157:

- (I) The total amount of taxes imposed on the sale or use of tangible personal property in the area in the immediately preceding fiscal year, based upon the records of the Department of Taxation; and
- (II) The total amount of taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers in the area in the immediately preceding fiscal year, based upon the records of the Department of Taxation;
- (3) If the undertaking is a ~~large events center~~ stadium project project for which the municipality has received approval from the Interim Finance Committee pursuant to ~~section 19~~ SECTION 20 of this act:**
- (I) *The total amount of taxes imposed on the sale or use of tangible personal property in the area in the immediately preceding fiscal year, based upon the records of the Department of Taxation;*
- (II) *The total amount of taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers in the area in the immediately preceding fiscal year, based upon the records of the Department of Taxation; and*
- (III) *The total amount of taxes imposed by NRS 368A.200 on employers in the area in the immediately preceding fiscal year, based upon the records of the Department of Taxation or Nevada Gaming Control Board, as applicable;*
- (d) State what portion of the expense of the undertaking will be paid with the proceeds of securities or other allowable borrowing instruments issued by the municipality in anticipation of tax proceeds to be credited to the tax increment account and payable wholly or in part therefrom, and state the basic security and any additional security for the payment of securities or other allowable borrowing instruments of the municipality pertaining to the undertaking;
- (e) State how the remaining portion of the expense, if any, is to be financed;
- (f) State the estimated amount of the tax proceeds to be credited annually to the tax increment account pertaining to the undertaking during the term of the proposed securities or other allowable borrowing instruments payable from such proceeds, and the estimated amount of any net revenues derived annually from the operation of the project or projects pertaining to the undertaking and pledged for the payment of those securities or other allowable borrowing instruments;
- (g) State the estimated aggregate principal amount to be borrowed by the issuance of the securities or other allowable borrowing instruments, excluding proceeds thereof to fund or refund outstanding securities, and the estimated total bond requirements of the securities or other allowable borrowing instruments;
- (h) Find, determine and declare that the estimated tax proceeds to be credited to the tax increment account and any such net pledged revenues will be fully sufficient to pay the bond requirements of the securities or other allowable borrowing instruments as they become due; and
- (i) State the date, time and place of the meeting described in subsection 1.
5. All proceedings may be modified or rescinded wholly or in part by resolution adopted by the governing body at any time before the governing body passes the ordinance ordering the undertaking and creating the tax increment area and the tax increment account pertaining thereto pursuant to NRS 278C.220.
6. Except as otherwise provided in this section, a public body shall not make a substantial change in the undertaking, the preliminary estimates, the proposed tax increment area or other statements relating thereto after the first publication or posting of notice or after the first mailing of notice to the property owners, whichever occurs first, without additional notice and a hearing pursuant to this section. A public body may delete a portion of the undertaking and property from the proposed tax increment area without notice and a hearing pursuant to this section. A subsequent final determination of the amount of assessed valuation of taxable property in the tax increment area or a subsequent levy or imposition of taxes does not adversely affect proceedings taken pursuant to this chapter.

7. The engineer may make minor changes in and develop the undertaking as to the time, plans and materials entering into the undertaking at any time before its completion. Any minor changes authorized by this subsection must be made a matter of public record at a public meeting of the governing body.

~~SECTION 25.~~SECTION 24. NRS 278C.180 is hereby amended to read as follows:

1. The governing body shall cause to be created a list of the names and addresses of all:

(a) Persons who reside within a proposed tax increment area and who own taxable property within a proposed tax increment area; ~~and~~

(b) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157:

(1) Retailers located within a proposed tax increment area; and

(2) Employers located within a proposed tax increment area ~~and~~;

(c) If the undertaking is a ~~large events center~~ stadium project project for which the municipality has received approval from the Interim Finance Committee pursuant to ~~SECTION 20~~section 19 -of this act:

(1) Retailers located within a proposed tax increment area;

(2) Employers located within a proposed tax increment area; and

(3) Owners or operators of facilities where live entertainment is provided that is located within a proposed tax increment area.

The names and addresses for the list may be obtained from the records of the county assessor, the Department of Taxation, *the Nevada Gaming Control Board* or from such other sources as the clerk or the engineer deems available. A list of such names and addresses pertaining to any tax increment area may be revised from time to time, but must be revised at least once every 12 months if the list is needed for a period longer than 12 months.

2. If notice is required to be mailed pursuant to this chapter, the notice must be sent by prepaid, first-class mail, to the last known address of the person to whom the notice is being sent.

3. The mailing of any notice required in this chapter must be verified by the affidavit or certificate of the engineer, clerk, deputy or other person mailing the notice. Each verification of mailing must be filed with the clerk and be retained in the records of the municipality at least until all bonds and any other securities pertaining to a tax increment account have been paid in full, or any claim is barred by a statute of limitations.

4. A verification of mailing is prima facie evidence of the mailing of the notice in accordance with the requirements of this section.

~~SECTION 26.~~SECTION 25. NRS 278C.250 is hereby amended to read as follows:

1. After the effective date of the ordinance adopted pursuant to NRS 278C.220:

(a) Any taxes levied upon taxable property in the tax increment area each year by or for the benefit of the State, the municipality and any public body must be divided as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of those taxing agencies upon the total sum of the assessed value of the taxable property in the tax increment area as shown upon the last equalized assessment roll used in connection with the taxation of the property by the taxing agency, must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid.

(2) Except as otherwise provided in this section, the portion of the taxes levied each year in excess of the amount determined pursuant to subparagraph (1) must be allocated to, and when collected must be

paid into, the tax increment account pertaining to the undertaking to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the municipality to finance or refinance, in whole or in part, the undertaking ~~or if the undertaking is a large events center stadium project project for the purposes set forth in subsection 1 of SECTION 20 of this act.~~ Unless the total assessed valuation of the taxable property in the tax increment area exceeds the total assessed value of the taxable property in the area as shown by the last equalized assessment roll referred to in this subsection, all of the taxes levied and collected upon the taxable property in the area must be paid into the funds of the respective taxing agencies. When the loans, advances and indebtedness, if any, and interest thereon, have been paid, ~~or, or, if the undertaking is a large events center stadium project project,~~ **the tax increment area has expired,** all money thereafter received from taxes upon the taxable property in the tax increment area must be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

(b) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157, any taxes levied upon the sale or use of tangible personal property in the tax increment area each year by or for the benefit of the State, the municipality and any public body must be divided as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of those taxing agencies upon the total sum of the sales and use of tangible personal property in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other sales of tangible personal property are paid.

(2) Except as otherwise provided in this section, of the portion of the taxes levied each year in excess of the amount determined pursuant to subparagraph (1), 50 percent of that amount must be allocated to, and when collected must be paid into the tax increment account pertaining to the undertaking to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the municipality to finance or refinance, in whole or in part, the undertaking. The remaining 50 percent of that amount must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other sales of tangible personal property are paid. Unless the total amount of the taxes imposed on the sale and use of tangible personal property in the tax increment area exceeds the total amount of the taxes imposed on the sale and use of tangible personal property in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, all of the taxes levied and collected upon the sale or use of tangible personal property in the tax increment area must be paid into the funds of the respective taxing agencies. When the loans, advances and indebtedness, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the sale or use of tangible personal property in the tax increment area must be paid into the funds of the respective taxing agencies as taxes on all other taxes on the sale or use of tangible personal property are paid.

(c) If the undertaking is a natural resources project or a rail project for which the municipality has received approval from the Interim Finance Committee pursuant to NRS 278C.157, any taxes imposed pursuant to NRS 363A.130 or 363B.110 on employers located in the tax increment area must be divided as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is imposed each year by the Department of Taxation in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, must be allocated to and when collected must be paid to

the Department of Taxation as all other taxes imposed pursuant to NRS 363A.130 and 363B.110 are paid.

(2) Except as otherwise provided in this section, of the portion of the taxes imposed each year in excess of the amount determined pursuant to subparagraph (1), 50 percent of that amount must be allocated to, and when collected must be paid into, the tax increment account pertaining to the undertaking to pay the bond requirements of loans, money advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, incurred by the municipality to finance or refinance, in whole or in part, the undertaking. The remaining 50 percent of that amount must be allocated to and when collected must be paid to the Department of Taxation as all other taxes imposed pursuant to NRS 363A.130 and 363B.110 are paid. Unless the total amount of the taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers located in the tax increment area exceeds the total amount of the taxes imposed on employers located in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, all of the taxes imposed on employers located in the tax increment area must be paid to the Department of Taxation. When the loans, advances and indebtedness, if any, and interest thereon, have been paid, all money thereafter received from taxes imposed pursuant to NRS 363A.130 or 363B.110 on employers located in the tax increment area must be paid to the Department of Taxation as all other taxes imposed pursuant to NRS 363A.130 and 363B.110 are paid.

(d) *If the undertaking is a ~~large events center~~ stadium project project for which the municipality has received approval from the Interim Finance Committee pursuant to ~~section 19~~ SECTION 20 of this act, any taxes levied upon the sale or use of tangible personal property in the tax increment area each year by or for the benefit of the State, the municipality and any public body must be divided as follows:*

(1) That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of those taxing agencies upon the total sum of the sales and use of tangible personal property in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other sales of tangible personal property are paid.

(2) Except as otherwise provided in this section, the portion of the taxes levied each year in excess of the amount determined pursuant to subparagraph (1) must be allocated to, and when collected must be paid into the tax increment account pertaining to the undertaking for the purposes set forth in subsection 3 of Section 20 of this act. Unless the total amount of the taxes imposed on the sale and use of tangible personal property in the tax increment area exceeds the total amount of the taxes imposed on the sale and use of tangible personal property in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, all of the taxes levied and collected upon the sale or use of tangible personal property in the tax increment area must be paid into the funds of the respective taxing agencies.

(e) *If the undertaking is a ~~large events center~~ stadium project project for which the municipality has received approval from the Interim Finance Committee pursuant to Section 20 of this act, any taxes imposed pursuant to NRS 363A.130 or 363B.110 on employers located in the tax increment area must be divided as follows:*

(1) That portion of the taxes that would be produced by the rate upon which the tax is imposed each year by the Department of Taxation in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, must be allocated to and when collected must be paid

to the Department of Taxation as all other taxes imposed pursuant to NRS 363A.130 and 363B.110 are paid.

(2) Except as otherwise provided in this section, the taxes imposed each year in excess of the amount determined pursuant to subparagraph (1) must be allocated to, and when collected must be paid into, the tax increment account pertaining to the undertaking for the purposes set forth in subsection 3 of Section 20 of this act. Unless the total amount of the taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers located in the tax increment area exceeds the total amount of the taxes imposed on employers located in the tax increment area in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, all of the taxes imposed on employers located in the tax increment area must be paid to the Department of Taxation.

(f) If the undertaking is a ~~large events center~~ stadium project project for which the municipality has received approval from the Interim Finance Committee pursuant to ~~SECTION 20~~ of this act, any taxes imposed by NRS 368A.200 on admission to a facility in the tax increment area where live entertainment is provided must be divided as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is imposed each year by the Department of Taxation in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, must be allocated to and when collected must be paid to the Department of Taxation as all other taxes imposed by NRS 368A.200 are paid.

(2) Except as otherwise provided in this section, the portion of the taxes imposed each year in excess of the amount determined pursuant to subparagraph (1) must be allocated to, and when collected must be paid into, the tax increment account pertaining to the undertaking for the purposes set forth in subsection 3 of Section 20 of this act. Unless the total amount of the taxes imposed by NRS 368A.200 on admission to a facility located in the tax increment area where live entertainment is provided exceeds the total amount of the taxes imposed on admission to a facility located in the tax increment area where live entertainment is provided in the fiscal year immediately preceding the effective date of the ordinance adopted pursuant to NRS 278C.220, all of the taxes imposed on admission to a facility located in the tax increment area where live entertainment is provided must be paid to the Department of Taxation.

2. Except as otherwise provided in subsection 2 of NRS 360.991, the amount of the taxes levied each year which are paid into the tax increment account pursuant to subparagraph (2) of paragraph (a) of subsection 1, subparagraph (2) of paragraph (b) of subsection 1 and subparagraph (2) of paragraph (c) of subsection 1 must be limited by the governing body to an amount not to exceed the combined total amount required for annual debt service of or any outstanding advances of money or unfunded costs associated with the project or projects acquired, improved or equipped, or any combination thereof, as part of the undertaking.

3. Any revenues generated within the tax increment area in excess of the amount referenced in subsection 2, if any, will be paid into the funds of the respective taxing agencies in the same proportion as their base amount was distributed.

4. Except as otherwise provided in this subsection, in any fiscal year, the total revenue paid to a tax increment area pursuant to subparagraph (2) of paragraph (a) of subsection 1 in combination with the total revenue paid to any other tax increment areas and any redevelopment agencies of a municipality, other than any revenues paid to any other tax increment areas pursuant to subparagraph (2) of paragraph (b) of subsection 1, ~~and~~ subparagraph (2) of paragraph (c) of subsection 1, *subparagraph (2) of paragraph (d) of subsection 1, subparagraph (2) of paragraph (e) of subsection 1 and subparagraph (2) of paragraph (f) of subsection 1*, must not exceed:

(a) In a county whose population is 100,000 or more or a city whose population is 150,000 or more, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 10 percent of the total assessed valuation of the municipality.

(b) In a county whose population is less than 100,000 or a city whose population is less than 150,000, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 15 percent of the total assessed valuation of the municipality.

Notwithstanding the provisions of this subsection, if a county has a population of less than 100,000 or if a city has a population of less than 150,000 at the time the municipality issues securities for a tax increment area pursuant to NRS 278C.280, the revenue limitation set forth in paragraph (b) must remain the revenue limitation for the tax increment area until such time as the securities issued for that tax increment area pursuant to NRS 278C.280 have been paid in full, including any securities issued to refund those securities, regardless of whether the population of the municipality reaches or exceeds 100,000 after the issuance of those securities.

5. If the revenue paid to a tax increment area must be limited pursuant to paragraph (a) or (b) of subsection 4 and the municipality has more than one redevelopment agency or tax increment area, or one of each, the municipality shall determine the allocation to each agency and area. Any revenue that would be allocated to a tax increment area but for the provisions of this section must be paid into the funds of the respective taxing agencies.

6. The portion of the taxes levied each year in excess of the amount determined pursuant to subparagraph (1) of paragraph (a) of subsection 1 which is attributable to any tax rate levied by a taxing agency:

(a) To produce revenue in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness that was approved by a majority of the registered voters within the area of the taxing agency voting upon the question, must be allocated to, and when collected must be paid into, the debt service fund of that taxing agency.

(b) In excess of any tax rate of that taxing agency applicable to the last taxation of the property before the effective date of the ordinance, if that additional rate was approved by a majority of the registered voters within the area of the taxing agency voting upon the question, must be allocated to, and when collected must be paid into, the appropriate fund of that taxing agency.

(c) Pursuant to NRS 387.3285 or 387.3287, if that rate was approved by a majority of the registered voters within the area of the taxing agency voting upon the question, must be allocated to, and when collected must be paid into, the appropriate fund of that taxing agency.

(d) For the support of the public schools within a county school district pursuant to NRS 387.195, must be allocated to, and when collected must be paid into, the appropriate fund of that taxing agency.

7. The provisions of paragraph (a) of subsection 6 include, without limitation, a tax rate approved for bonds of a county school district issued pursuant to NRS 350.020, including, without limitation, amounts necessary for a reserve account in the debt service fund.

8. As used in this section, the term "last equalized assessment roll" means the assessment roll in existence on the 15th day of March immediately preceding the effective date of the ordinance.

~~SECTION 27.~~ ~~SECTION 26.~~ ~~4~~Section 1 of chapter 582, Statutes of Nevada 1977, at page 1531, is hereby amended to read as follows:

SECTION 1. Definitions. As used in this act, unless the context otherwise requires:

1. "Authority" means the Clark County Fair and Recreation Board, designated by resolution pursuant to NRS 244.654 as the Las Vegas Convention and Visitors Authority ~~or the~~ ~~s~~Stadium ~~a~~Authority, appointed pursuant to ~~section 7~~ ~~SECTION 7~~ of this act.

2. "County" means Clark County, Nevada.
3. Other words and terms defined in the Local Government Securities Law have the meanings ascribed to them in that law.

SECTION 28. 1. If the county deems it necessary or desirable to expand the boundaries of the tax increment area created pursuant to section 19 of this act, it must adopt a resolution describing the area proposed to be added to the tax increment area, so that the various tracts of real property may be identified and determined to be within or without the proposed addition to the tax increment area, except that the description need not describe in minute detail each tract of real property proposed to be added to the tax increment area.

2. If the county determines to:

(a) Expand the boundaries of the tax increment area in accordance with the description set forth in a resolution adopted pursuant to subsection 1, the county must, at any meeting of the board of county commissioners held within 1 year after the meeting at which the board adopted that resolution, adopt a resolution adding the described area to the tax increment area; or

(b) Revise the description of the area proposed to be added to the tax increment area set forth in a resolution adopted pursuant to subsection 1, the county must adopt another resolution pursuant to subsection 1 which sets forth the revised description of the proposed addition and supersedes the previous resolution.

3. The county may add property to the tax increment area only if the property is not included in any tax increment or tourism improvement district that pre-existed the creation of the tax increment area that is being expanded.

4. No land may be removed from the tax increment area.

5. Any decision to add any land to the tax increment area pursuant to this section is in the sole discretion of the Board of County Commissioners and must not be delegated, by contract or otherwise, to any other entity.

~~SECTION 28. 6. Any person or other entity may, within 30 days after the County adopts a resolution pursuant to paragraph (a) of subsection 2 expanding the boundaries of the tax increment area, commence an action in a court of competent jurisdiction to correct or set aside that expansion on the ground that the County acted in violation of this act, but not for any other reason. After the expiration of that 30-day period, all actions attacking the validity of the proceedings expanding the boundaries of the tax increment area are perpetually barred.~~ SECTION 13 of this act is hereby amended to read as follows:

~~1. In each county whose population is 700,000 or more, there is hereby created a district for the promotion of a large events center stadium project consisting of all property that is within the county and within each city in the county and that is located within a radius of 25 miles from the center of the location or proposed location of a large events center stadium project built or to be built in the county.~~

~~2. There is hereby imposed a tax at the rate of:~~

- ~~(a) Three [fourths] eighths of one percent of the gross receipts from the rental of transient lodging in a gaming corridor within the district.~~

~~One [half] quarter of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of a gaming corridor.~~

~~2. There is hereby imposed a tax at the rate of:
(a) Seven tenths of one percent of the gross receipts from the rental of transient lodging in a gaming corridor within the district.~~

~~3. (b) One half of one percent of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of a gaming area. The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the district is located for the tax whether or not it is actually collected from a paying guest.~~

~~4. The taxes imposed by subsection 2 must:~~

- ~~(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the district;~~
- ~~(b) Be collected and enforced in the same manner as any other tax imposed in the county on the gross receipts from the rental of transient lodging; and~~
- ~~(c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in SECTION 14 of this act.~~

~~5. As used in this section:~~

- ~~(a) "Gaming corridor" (define boundaries of area in which 0.375% rate will be imposed).~~
- ~~(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.~~

SECTION 29. 1. ~~(c) 6~~ For the district created by ~~SECTION 13~~ section 13 of this act for Clark County:

- ~~(a) The Governor shall, on or before September 1, 2016, appoint the three members of the Stadium Authority pursuant to paragraph (a) of subsection 1 of SECTION 7 of this act to initial terms that, for two of the appointees, commences on September 1, 2016, and expires on September 30, 2018, and for the third appointee commences on September 1, 2016, and expires on September 30, 2017; and~~
 - ~~(d) (b) The Board of County Commissioners of Clark County shall, on or before September 1, 2016, appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of SECTION 4 of this act to an initial term that, for one appointee commences on January 1, 2017, and expires on September 30, 2018, and for the second appointee commences on January 1, 2017, and expires on September 30, 2017; and~~
 - ~~(e) (c) The development partners Stadium Events Company shall within 30 days after the effective date of the development agreement, operating agreement and any other contracts and agreements between Stadium Events Company and the stadium authority entered into pursuant to section 11 of this act, on or before September 1, 2016, appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 7 of this act to an initial term that, for one appointee, will commence immediately upon appointment and will expire 12 months from the date of appointment, and, for the second appointee, will commence immediately upon appointment and will expire 24 months from the date of appointment, commences on September 1, 2016, and expires on September 30, 2018, and for the second appointee commences on September 1, 2016, and expires on September 30, 2017.~~
- ~~6.4.~~ The stadium authority appointed pursuant to this section shall hold an organizational meeting during ~~September of 2016~~ January 2017. At that meeting, the stadium authority shall elect:
- (a) One of its members as Vice Chair; and
 - (b) A Secretary and Treasurer.

SECTION 30. 1. The NFL Team and the developer partners shall have six months from the effective date of the act as set forth in subparagraph (1) of section 31 to secure the rights to locate or relocate an NFL franchise into the district created pursuant to section 13 of this act.

(a) The stadium authority board shall have the ability to grant one, six-month extension to the established timeline for securing the rights to locate or relocate an NFL franchise into the district.

2. Once the rights to locate or relocate an NFL franchise have been secured pursuant to subsection (1), the developer partners and the NFL Team shall have six months to form the Stadium Events Company and to enter into all required contracts and agreements with the stadium authority.

(a) The stadium authority board shall have the ability to grant one, six-month extension to the timeline established for forming the Stadium Events Company and entering into all required contracts and agreements with the stadium authority.

~~(b)~~

~~SECTION 30.~~ SECTION 31. 1. SECTION 1 to SECTION 19 ~~section 174~~, inclusive, and section 29 ~~SECTION 294~~ of this act become effective on January 1, 2017 ~~upon passage and approval of this act~~, and expire by limitation:

(a) If special obligations of the county or the State of Nevada are issued pursuant to ~~SECTION 17~~ section 175 of this act, on the date on which those obligations are fully paid.

(b) If special obligations of the county or the State of Nevada are not issued pursuant to ~~SECTION 17~~ section 175 ~~Error! Reference source not found.~~ of this act, on the date which is 24 months after the end of the period prescribed by ~~SECTION 30~~ section 30 of this act.

2. Sections ~~SECTION 19~~ 185 to ~~SECTION 27~~ section 283, inclusive, of this act become effective on January 1, 2017.

~~3. SECTION 285 of this act:~~

~~(a) Becomes effective on the date on which the board of directors of the stadium authority determines that, within the period prescribed pursuant to SECTION 30 of this act, the a National Football League franchise has not committed to allow the location or relocation of a professional football team within the boundaries of the district or that football team has not entered into a contract to locate or relocate the team within the boundaries of the district; and~~

~~(b) Expires by limitation on the date which is 24 months after the end of the period prescribed by SECTION 30 of this act.~~

APPENDIX A
Stadium Construction Funding and Oversight Issue Summary

PART 1 | Material Changes Provided by the Developer, NFL Team or Other Reviewer and Integrated into the Stadium Recommendation Language

1. The term “large events center” has been replaced with “stadium project” throughout the document.
2. Replaced the commitment(s) of the NFL to the commitment(s) of the NFL franchise.
 - a. **NOTE:** Need to make sure that franchise can’t commit until NFL approves. Intention here was to make language accurate, not change the process flow.
3. Section 2 and 4 have been modified to make it clear that some combination of an NFL Team (Section 4) and one or more developer partners (Section 2) will be the owners of the Stadium Events Company (Section 6).
4. Section 11(1)(c) has been amended to allow the stadium authority to acquire property by various means (e.g., purchase, lease, gift, devise, condemnation or otherwise) as well as to own “in its own name” interest in land and improvements including air rights and personal property.
 - a. **NOTE:** The developers also requested that these acquisition powers be “**in consultation with and subject to the approval of the Stadium Events Company and the NFL Team.**” This language is not adopted in the current draft; a note has been added the *Points Requiring SNTIC Consideration* section of this summary.
5. Audit powers of the Stadium Authority have been limited to the Stadium Events Company and not business of the NFL Team generally or the business of any of the developer partners generally. **(Section 11(k)).**
6. The Stadium Authority becomes responsible for the sale of the personal seat licenses. **(Section 11(l))**
 - a. **NOTE:** Need to understand ramifications if PSL revenue is different than \$200 million.
 - b. **NOTE:** Additional provision recommended by the developer is that a third party can be contracted to sell seat licenses; however, the stadium authority’s retention of this third party is “**subject to the approval of the NFL Team.**”
 - c. **NOTE:** Based on the recommendation of counsel, the following sentence has been added to section 11(l): “The Stadium Authority may not grant any other person the right to enter into such agreements, but it may in its contract with the development partners agree that any agreements regarding seat licenses will be made only in consultation with the development partners, or if applicable, the Stadium Events Company and the NFL Team.”
7. Section 13(1) has been amended from creating a stadium district to giving the board of county commissioners the ability to create the district.
 - a. **NOTE:** The question was raised as to whether the center point of the district should be the location of the stadium or the location of regular county meetings. The concern being that the latter is a known location in every county and the former is not.
8. Section 13(2) has been modified to require the county of county commissioners to impose the room tax as opposed to the state legislature.
9. Section 14(2) removes the concept of the board of directors of the stadium authority relative to allocation and use of tax dollars collected by the stadium authority.

APPENDIX A
Stadium Construction Funding and Oversight Issue Summary

10. **NOTE:** This would appear to make these allocations an administrative function not requiring board approval, which seems like it could be potentially problematic.
11. Section 14(3) and (4) the developers remove the language that includes the “location or relocation” of the NFL franchise.
 - a. **NOTE:** This is probably not material; however, to the extent this language is passed without a tacit agreement by an NFL team, lawmakers may not want to limit their options.
 - b. **NOTE:** Same issue exists at Section 16, which requires the county to issue the bonds
12. The allocation of PSL proceeds has been added to the Stadium Authority expenditure waterfall. It is in the second position immediately following bond repayment. (**Section 15(1)(b)**).
13. Section 17(3) has been added, which limits “new or additional” taxes that can be imposed on revenues related to the stadium project for NFL-related events.
 - a. **NOTE:** How does this affect LET?
 - b. **NOTE:** The purpose of this provision is to prevent “piling on” new taxes; however, clarity is required to ensure what is in and what is out is clear.
 - c. **NOTE:** One legislature cannot restrict the actions of another.

PART 2 | Pending Issues with the Current Draft Requiring Clarification

1. “Stadium project” is not currently defined in the draft and there is some ambiguity between a football stadium and collegiate football stadium in the draft. This needs to be clarified throughout the draft.
 - a. **NOTE:** cross reference in Section 21 also requires this definition as the tax increment area needs to define what a “stadium project” is relative to a qualifying undertaking.
2. Seems like Section 6 needs to be developed a bit more. This simply says that the Stadium Events Company will lease the facility. It may be helpful to have other responsibilities of the Stadium Events Company be enumerated.
 - a. **NOTE:** What the operator will be allowed to do needs to be set forth in the lease or in statute.
3. Section 11(1)(c) allows the stadium authority to received property in its own name. Section 12(2) appears to do the exact same thing. I would appear that Section 12(2) is unnecessary, but we need to confirm.
4. Section 11(1)(m) creates additional responsibility of the Stadium Authority to “Consider, approve or disapprove an annual capital improvement budget submitted by the Stadium Events Company and approve or disapprove specific requests for capital improvements made by the Stadium Events Company.”
 - a. **NOTE:** May need to define the cap for these contributions. Models have ranged from \$2.5M to \$7.0M per year.
5. Section 13(5) requires an enhanced definition of “gaming corridor”
 - a. **NOTE:** This will define the proposed split rate in the room tax.

APPENDIX A
Stadium Construction Funding and Oversight Issue Summary

6. Section 15 treatment of the review waterfall requires additional treatment, including definitions and amounts.
7. Section 16 requires, “the equal distribution of stadium operating net revenues to the stadium authority and Stadium Events Company once the Stadium Events Company has received the preferred annual rate of return.”
 - a. **NOTE:** Revisions to this section are required to preserve the tax exempt status of stadium bonds.
 - b. **NOTE:** The developers “preferred annual rate of return” is not currently defined anywhere in the draft recommendation.
8. Sections 18 through 28 deals with the creation of a tax increment area as well as the use and allocation of tax increment area funds. It is unclear at this time how the developer partners recommend the area be structured or funds be used.
 - a. **NOTE:** There are currently some mixing of concepts here, which needs to be addressed.
 - b. **NOTE:** Section 19(3) relates to the allocation of tax increment dollars. It is unclear at this point the extent to which these funds are allocated to the developer and/or the Stadium Authority. Noting that this is currently assumed to be a project funding tradeoff determined, for example, by the total value of direct stadium bond funding additional clarity is required in the recommendation language.
9. Provisions specific to the structure and administration of the Event Fund are not currently treated in the draft.
10. Sections 30 and 31 effective dates need to be revisited and confirmed.

PART 3 | Recommendations Not Adopted in the Current Draft, Pending SNTIC Consideration
(Referenced Sections Numbers are Highlighted in the Draft)

1. Makeup of the Stadium Authority (Section 7 and Section 29)
 - a. The development group proposed the following distribution:
 - i. **Two** members appointed by the Governor;
 - ii. **One** member appointed by the board of county commissioners of the county in which the district created by Section 10 of this act is located; and
 - iii. **Four** members appointed by the Stadium Events Company.
 - b. **NOTE:** The developers note that this should be either (a) proportional to contribution with public **less than 50 percent** or (b) an entirely public body with no continuing role in the operation of the stadium. The developers further indicate that 71 percent (5/7) public representation when the public is contributing 30 percent (\$550 million) to 41.6 percent (\$750 million) of the cost is not a reasonable expectation.
 - i. The percentages noted above assume the cost of the stadium is slightly greater than \$1.8 billion.
 - ii. The calculations provided by the developer above omit any consideration of tax increment funding allocated to the stadium project.
 - c. **NOTE:** The developers added an element to Section 27, which removes the staggered terms for the stadium authority members, noting “(d) After the initial terms described above, all

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members shall serve three-year terms, beginning on September 1.” It is unclear what the purpose of this recommended revision is.

- d. **NOTE:** It would seem that the timing of the appointments to the stadium authority cannot initially include any membership from the development team, operators or NFL team, as none of these will be known until the authority makes these decisions. Once these selections have been made, the SAB membership can be expanded to include representatives from these entities.
 - e. **NOTE:** Counsel also indicated:
 - i. The development partners are not technically known at the time of creation of the stadium authority, so no person could be appointed to represent them initially.
 - ii. Representatives of the development partners would have a conflict of interest in any vote that affects the development partner and requiring that the development partner be represented on the authority **raises questions as to the nature of the stadium authority for federal tax purposes.**
 - iii. If it is an entity with representatives of governmental and representatives of the developer on its governing body, the internal revenue service may raise questions as to **whether the authority is a truly public entity.**
 - iv. The other statute involving such a board in Nevada (244A.830) only allows the authority to “assist” the county in operating the stadium; here the authority has much broader powers and it will be important that it be treated as a governmental entity for federal tax purposes and not a partnership.
 - v. The authority can then have a contract or “partnership agreement” with the development partners describing the relationship between the development partners and the stadium authority, and giving the appropriate amount of control to the development partners in operating the stadium.
2. Makeup of the Stadium Authority in the event an NFL Team is not secured and collegiate stadium is constructed instead.
- a. UNLV would like Stadium Authority to be replaced with new members appointed consistent with the makeup of the campus improvement authority board (CAIB). (See, https://www.unlv.edu/sites/default/files/page_files/27/UNLVNow-AssemblyBillNo335.pdf, legislative reference provided appears incorrect, Chapter 507, Section 17).
 - b. As proposed, authority members’ terms would expire 90 days after notification of a president of a university located in the district that the NFL team has not been secured and the university president, in turn, notifies the governor that the university intends to raise funds to meet the requirements of Section 14(4)(a).
3. Appointment of the Chair of the Stadium Authority (**Section 8**)
- a. The development group is recommending that the “stadium authority” appoint the chair of the committee as opposed to the Governor. (**Section 8(1)**)
4. Establishing a quorum and limited discretion of the Stadium Authority (**Section 8**)
- a. The developers also noted that the committee should revisit the number of Stadium Authority members required to have a quorum. This is currently set at 4. (**Section 8(5)**)
 - b. The developers would like Section 8(5)(b) to be amended to read as follows: “(b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least XX members of the stadium authority when a quorum is present, **and only**

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actions complying with this act may be taken by the stadium authority. Notwithstanding anything to the contrary in this act, the NFL Team shall have absolute discretion to approve all elements of stadium location, design, and construction of the building.”

5. Roles and responsibilities of the Stadium Authority (**Sections 9 through 12 and Section 14(2)**)
- a. The developers would like to make all staffing of the authority a matter of public record by amending section 9(1) to read, “1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. **All aspects of the retention of such staff members, including but not limited to all compensation, shall be matters of public record.** The stadium authority may:”
 - i. **NOTE:** Because the authority is a public body, pursuant to section 8(6) of the act, this may already be the case. Need to confirm with counsel.
 - b. The developers would like to strictly limit the roles and responsibilities of the Stadium Authority by revising section 11(1) to read “1. **The business of the stadium authority shall be expressly limited to involvement in the business (a) of financing and constructing the stadium itself, (b) in connection with the collection of room tax revenues authorized by this act and any bonds or the sale of PSLs described in this act, (c) related to the receipt and distribution of revenues from the increment district, as provided in this act; (d) related to reviewing and approving annual capital expense budgets and funding capital improvements, and (e) owning the stadium and entering into a long-term lease for year round use of the stadium. After the opening of the stadium, the stadium authority shall have absolutely no role, responsibility, or decision making authority related to the ongoing operation of the stadium and all specifically enumerated responsibilities of the stadium authority listed herein shall be limited to completing the above specified tasks. Subject to this limitation,** the stadium authority may:”
 - i. **NOTE:** Allocation of the PSL proceeds has been added to the Stadium Authority expenditure waterfall (**Section 15(1)(b)**).
 - c. The developers would like to limit the Stadium Authority’s ability contract or enter into other agreements to be **“in consultation with and subject to the approval of the Stadium Events Company and the NFL Team.”** (**Section 11(1)(a)**)
 - d. The developer would like to further limit the Stadium Authority abilities to take future actions by removing the provision giving the authority the ability to **“Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable.”** (**Section 11(1)(d)**)
 - i. **NOTE:** for remaining agreements relating to “design, planning, construction, acquisition, lease, lease-purchase, license, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof”, the developer would like to make such agreements **“in consultation with and subject to the approval of the Stadium Events Company and the NFL Team.”**
 - e. The developers would like to amend the approval authority for the stadium project as follows:
 - i. ~~“(g) Approve, in consultation with the development partners, the site selected for the undertaking, with the understanding that such site shall be selected by the NFL team and the development partners.”~~ (**Section 11(1)(g)**)
 - ii. ~~“(h) Approve that the stadium design meets minimum NFL design standards and complies with all applicable building codes, in consultation with the development partners and subject to the approval of the NFL Team, with the understanding that~~

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the overall design, scope and specifications of the undertaking **stadium project shall be determined by the NFL Team in consultation with the development partners.**
(Section 11(1)(h))

- f. The developers would like to have greater control over capital improvement expenditures by the Stadium Authority by amending section 11(1)(m) to read, “(m) Consider, approve or disapprove an annual capital improvement budget submitted by the Stadium Events Company and approve or disapprove specific requests for capital improvements made by the Stadium Events Company, **which approvals shall not be unreasonably withheld or conditioned, understanding that the stadium project shall make capital improvements to keep the stadium consistent with the first class, premier NFL facilities and that the stadium authority may not disapprove requests that are similar in scope and magnitude to capital improvements made at top tier, premier NFL facilities.**”
- g. The developers would like to limit the scope of the Stadium Authority by amending section 11(1)(n) to read, “(n) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority, **in consultation with and subject to approval of the Stadium Events Company and the NFL Team.**”
- h. The developers would like to limit the Stadium Authority’s ability to issue bonds until such time as Stadium Events Company and the NFL Team has approved the qualified undertaking. **(Section 12(1)(b)).**
- i. **NOTE:** The developer would also like to limit any “proceedings” for the issuance of securities to be subject to the approval of the Stadium Events Company and the NFL Team.
- i. The developers would like the use of tax funds collected to be subject to approval of the Stadium Event Company (at, Section 14(2)).
- i. “Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 12 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 13 of this act **and collected by the stadium authority** and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district a stadium project, **and if necessary and advisable,** ~~or~~ to establish a bond reserve fund and other reserves to secure any securities issued pursuant to section 12 of this act, or any combination thereof, as directed by the stadium authority **and in consultation with and subject to the approval of the Stadium Events Company and the NFL Team.**”
1. **NOTE:** The stadium authority will not collect taxes of any kind. Note similar “taxes collected” language not included in section 14(5)(a) and (b).
6. Suitable financial security, such as a performance bond **(Section 11(2))**.
- a. The developers would like to revise this section as follows: “If the stadium authority enters into a development agreement with development partners, the stadium authority shall ensure that the development partners will provide **mutually agreeable** suitable financial security for their funding obligations as a part of the project financing.”
7. Reimbursement of pre-development cost **(Section 12(2))**.
- a. The developers would like the stadium authority to reimburse them for “appropriate development costs.” Section 12(1)(a) limits expenditures by indicating that the Stadium Authority shall not spend any money out of the tax increment account until it has entered

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- into a lease or development agreement. The developer would like this section to be amended to exclude “pre-development costs” from this exemption and would like to add that **“To the extent the stadium authority, the NFL Team, or the developer partner cover any pre-development costs related to design, site acquisition or other construction-related matters, such costs shall be reimbursed by the stadium authority.”**
- i. **NOTE:** As currently drafted this would appear to require reimbursement even if there was no contractual engagement between the stadium authority and the developer/NFL Team.
8. Amount of tax issues and amount of bonds (**Section 13(2)(a)**)
 - a. The developers would like the amount of the room tax imposed to be sufficient to generate \$750 million in public capital funding toward the stadium project.
 9. Source of UNLV’s funding (**Section 14(4)**)
 - a. UNLV would like to modify the requirement that it secure \$200 million in private funding to securing \$200 million from **“a funding source other than the State of Nevada.”**
 - b. **NOTE:** If this is revised, the “private” reference will need to be revisited in subsection (b) as well.
 - c. **NOTE:** If this is revised, the “private” reference will need to be revisited in section 17(2) as well.
 10. Public contribution to infrastructure costs (**Section 15(1)**)
 - a. The developers would like to add **“Infrastructure costs associated with the project”** to the stadium authority’s revenue allocation waterfall.
 - i. **NOTE:** If this concept is included, it also needs to be added from Section 19(3), which deals with the creation and allocation of tax increment funds.
 11. Payments made to UNLV (**Section 15(1)**)
 - a. The developers would like to restrict payments to UNLV to only where UNLV **“has donated land at no cost on which the stadium project is built.”**
 12. Stadium Authority waterfall to include operating and maintenance costs of the stadium (**Section 15**)
 - a. UNLV is recommending that the waterfall include **“The operation and maintenance costs of the stadium in that year to the extent not paid from other sources.”**
 13. The use of excess funds in the event a collegiate stadium is constructed (**Section 15**)
 - a. UNLV is recommending that the all excess funds be used as follows, **“(e) If securities are issued under subsection 2 of section 16 hereof any remaining monies shall be paid to the Nevada System of Higher Education to be used for academic programs at the university identified in subsection 2 of section 16, that directly benefit the State of Nevada.”**
 14. Debt service coverage (**Section 17(1)(c)**)
 - a. The developer is recommending that both the room tax element and tax increment funds to be used in determining the debt service coverage ratio for the issuance of stadium authority bonds.

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- b. The developer would like the debt service coverage ratio language to be changed from “at least 1.5x” to “from 1.25x to 1.5x.”
15. Requirement to issue bonds (**Section 17(1)(c)**)
- a. Request was made to modify the county’s obligation to issue bonds from “shall” to “may”:
“(c) The stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 13 of this act are sufficient to establish a debt service coverage ratio of at least 1.5 on securities issued, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a stadium project, the board of county commissioners in which the district is located, at the request of the stadium authority, ~~may shall~~ issue special obligations of the county in an amount not to exceed \$XXXX payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 13 of this act. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the stadium project.”
16. Issuance of bonds for a collegiate stadium (**Section 17(2)(c)**)
- a. In the event that an NFL stadium is not constructed, UNLV is requesting that the language that would enable the state of Nevada to issue bonds for the construction of a collegiate stadium be replaced with language that would enable Clark County to issue such those bonds.

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Stadium Construction Funding and Oversight Issue Summary by Major Category

CATEGORY 1 | Structure, Powers and Responsibilities of the Stadium Authority Board

1. Makeup of the Stadium Authority (Section 7 and Section 29)
 - a. The development group proposed the following distribution:
 - i. **Two** members appointed by the Governor;
 - ii. **One** member appointed by the board of county commissioners of the county in which the district created by Section 10 of this act is located; and
 - iii. **Four** members appointed by the Stadium Events Company.
 - b. **NOTE:** The developers note that this should be either (a) proportional to contribution with public **less than 50 percent** or (b) an entirely public body with no continuing role in the operation of the stadium. The developers further indicate that 71 percent (5/7) public representation when the public is contributing 30 percent (\$550 million) to 41.6 percent (\$750 million) of the cost is not a reasonable expectation.
 - i. The percentages noted above assume the cost of the stadium is slightly greater than \$1.8 billion.
 - ii. The calculations provided by the developer above omit any consideration of tax increment funding allocated to the stadium project.
 - c. **NOTE:** The developers added an element to Section 27, which removes the staggered terms for the stadium authority members, noting “(d) After the initial terms described above, all members shall serve three-year terms, beginning on September 1.” It is unclear what the purpose of this recommended revision is.
 - d. **NOTE:** It would seem that the timing of the appointments to the stadium authority cannot initially include any membership from the development team, operators or NFL team, as none of these will be known until the authority makes these decisions. Once these selections have been made, the SAB membership can be expanded to include representatives from these entities.
 - e. **NOTE:** Counsel also indicated:
 - i. The development partners are not technically known at the time of creation of the stadium authority, so no person could be appointed to represent them initially.
 - ii. Representatives of the development partners would have a conflict of interest in any vote that affects the development partner and requiring that the development partner be represented on the authority **raises questions as to the nature of the stadium authority for federal tax purposes.**
 - iii. If it is an entity with representatives of governmental entities and representatives of the developer on its governing body, the internal revenue service may raise questions as to **whether the authority is a truly public entity.**
 - iv. The other statute involving such a board in Nevada (244A.830) only allows the authority to “assist” the county in operating the stadium; here the authority has much broader powers and it will be important that it be treated as a governmental entity for federal tax purposes and not a partnership.
 - v. The authority can then have a contract or “partnership agreement” with the development partners describing the relationship between the development partners and the stadium authority, and giving the appropriate amount of control to the development partners in operating the stadium.
2. Makeup of the Stadium Authority in the event an NFL Team is not secured and collegiate stadium is constructed instead.

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- a. UNLV would like Stadium Authority to be replaced with new members appointed consistent with the makeup of the campus improvement authority board (CAIB). (See, https://www.unlv.edu/sites/default/files/page_files/27/UNLVNow-AssemblyBillNo335.pdf, legislative reference provided appears incorrect, Chapter 507, Section 17).
 - b. As proposed, authority members' terms would expire 90 days after notification of a president of a university located in the district that the NFL team has not been secured and the university president, in turn, notifies the governor that the university intends to raise funds to meet the requirements of Section 14(4)(a).
3. Appointment of the Chair of the Stadium Authority (**Section 8**)
- a. The development group is recommending that the "stadium authority" appoint the chair of the committee as opposed to the Governor. (**Section 8(1)**)
4. Establishing a quorum and limited discretion of the Stadium Authority (**Section 8**)
- a. The developers also noted that the committee should revisit the number of Stadium Authority members required to have a quorum. This is currently set at 4. (**Section 8(5)**)
 - b. The developers would like Section 8(5)(b) to be amended to read as follows: "(b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least XX members of the stadium authority when a quorum is present, **and only actions complying with this act may be taken by the stadium authority. Notwithstanding anything to the contrary in this act, the NFL Team shall have absolute discretion to approve all elements of stadium location, design, and construction of the building.**"
5. Roles and responsibilities of the Stadium Authority (**Sections 9 through 12 and Section 14(2)**)
- a. The developers would like to make all staffing of the authority a matter of public record by amending section 9(1) to read, "1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. **All aspects of the retention of such staff members, including but not limited to all compensation, shall be matters of public record.** The stadium authority may:"
 - i. **NOTE:** Because the authority is a public body, pursuant to section 8(6) of the act, this may already be the case. Need to confirm with counsel.
 - b. The developers would like to strictly limit the roles and responsibilities of the Stadium Authority by revising section 11(1) to read "1. **The business of the stadium authority shall be expressly limited to involvement in the business (a) of financing and constructing the stadium itself, (b) in connection with the collection of room tax revenues authorized by this act and any bonds or the sale of PSLs described in this act, (c) related to the receipt and distribution of revenues from the increment district, as provided in this act; (d) related to reviewing and approving annual capital expense budgets and funding capital improvements, and (e) owning the stadium and entering into a long-term lease for year round use of the stadium. After the opening of the stadium, the stadium authority shall have absolutely no role, responsibility, or decision making authority related to the ongoing operation of the stadium and all specifically enumerated responsibilities of the stadium authority listed herein shall be limited to completing the above specified tasks. Subject to this limitation,** the stadium authority may:"
 - i. **NOTE:** Allocation of the PSL proceeds has been added to the Stadium Authority expenditure waterfall (**Section 15(1)(b)**).

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- c. The developers would like to limit the Stadium Authority's ability to contract or enter into other agreements to be **"in consultation with and subject to the approval of the Stadium Events Company and the NFL Team."** (Section 11(1)(a))
- d. The developer would like to further limit the Stadium Authority abilities to take future actions by removing the provision giving the authority the ability to **"Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable."** (Section 11(1)(d))
 - i. **NOTE:** for remaining agreements relating to "design, planning, construction, acquisition, lease, lease-purchase, license, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof", the developer would like to make such agreements **"in consultation with and subject to the approval of the Stadium Events Company and the NFL Team."**
- e. The developers would like to amend the approval authority for the stadium project as follows:
 - i. ~~"(g) Approve, in consultation with the development partners, the site selected for the undertaking,~~ **with the understanding that such site shall be selected by the NFL team and the development partners."** (Section 11(1)(g))
 - ii. "h) Approve **that the stadium design meets minimum NFL design standards and complies with all applicable building codes,** ~~in consultation with the development partners and subject to the approval of the NFL Team,~~ **with the understanding that the overall design, scope and specifications of the undertaking stadium project shall be determined by the NFL Team in consultation with the development partners."** (Section 11(1)(h))
- f. The developers would like to have greater control over capital improvement expenditures by the Stadium Authority by amending section 11(1)(m) to read, "(m) Consider, approve or disapprove an annual capital improvement budget submitted by the Stadium Events Company and approve or disapprove specific requests for capital improvements made by the Stadium Events Company, **which approvals shall not be unreasonably withheld or conditioned, understanding that the stadium project shall make capital improvements to keep the stadium consistent with the first class, premier NFL facilities and that the stadium authority may not disapprove requests that are similar in scope and magnitude to capital improvements made at top tier, premier NFL facilities."**
- g. The developers would like to limit the scope of the Stadium Authority by amending section 11(1)(n) to read, "(n) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority, **in consultation with and subject to approval of the Stadium Events Company and the NFL Team."**
- h. The developers would like to limit the Stadium Authority's ability is issue bonds until such time as Stadium Events Company and the NFL Team has approved the qualified undertaking. (Section 12(1)(b)).
 - i. **NOTE:** The developer would also like to limit any "proceedings" for the issuance of securities to be subject to the approval of the Stadium Events Company and the NFL Team.
- i. The developers would like the use of tax funds collected to be subject to approval of the Stadium Event Company (at, Section 14(2)).
 - i. "Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 12 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 13 of this act **and**

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- collected by the stadium authority** and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district a stadium project, **and if necessary and advisable**, ~~or~~ to establish a bond reserve fund and other reserves to secure any securities issued pursuant to section 12 of this act, or any combination thereof, as directed by the stadium authority **and in consultation with and subject to the approval of the Stadium Events Company and the NFL Team.**”
- ii. **NOTE:** The stadium authority will not collect taxes of any kind. Note similar “taxes collected” language not included in section 14(5)(a) and (b).
6. Section 11(1)(c) has been amended to allow the stadium authority to acquire property by various means (e.g., purchase, lease, gift, devise, condemnation or otherwise) as well as to own “in its own name” interest in land and improvements including air rights and personal property.
 - a. **NOTE:** The developers also requested that these acquisition powers be **“in consultation with and subject to the approval of the Stadium Events Company and the NFL Team.”** This language is not adopted in the current draft; a note has been added the *Points Requiring SNTIC Consideration* section of this summary.
 7. Audit powers of the Stadium Authority have been limited to the Stadium Events Company and not business of the NFL Team generally or the business of any of the developer partners generally. **(Section 11(k)).**
 8. The Stadium Authority becomes responsible for the sale of the personal seat licenses. **(Section 11(l))**
 - a. **NOTE:** Need to understand ramifications if PSL revenue is different than \$200 million.
 - b. **NOTE:** Additional provision recommended by the developer is that a third party can be contracted to sell seat licenses; however, the stadium authority’s retention of this third part is **“subject to the approval of the NFL Team.”**
 - c. **NOTE:** Based on the recommendation of counsel, the following sentence has been added to section 11(l): “The Stadium Authority may not grant any other person the right to enter into such agreements, but it may in its contract with the development partners agree that any agreements regarding seat licenses will be made only in consultation with the development partners, or if applicable, the Stadium Events Company and the NFL Team.”
 9. Section 11(1)(c) allows the stadium authority to received property in its own name. Section 12(2) appears to do the exact same thing. I would appear that Section 12(2) is unnecessary, but we need to confirm.
 10. Section 11(1)(m) creates additional responsibility of the Stadium Authority to “Consider, approve or disapprove an annual capital improvement budget submitted by the Stadium Events Company and approve or disapprove specific requests for capital improvements made by the Stadium Events Company.”
 - a. **NOTE:** May need to define the cap for these contributions. Models have ranged from \$2.5M to \$7.0M per year.
 11. Section 14(2) removes the concept of the board of directors of the stadium authority relative to allocation and use of tax dollars collected by the stadium authority.

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- a. **NOTE:** This would appear to make these allocations an administrative function not requiring board approval, which seems like it could be potentially problematic.

CATEGORY 2 | Funding and Financing of the Stadium

12. Suitable financial security, such as a performance bond (**Section 11(2)**).
 - a. The developers would like to revise this section as follows: "If the stadium authority enters into a development agreement with development partners, the stadium authority shall ensure that the development partners will provide **mutually agreeable suitable** financial security for their funding obligations as a part of the project financing."
13. Amount of tax issues and amount of bonds (**Section 13(2)(a)**)
 - a. The developers would like the amount of the room tax imposed to be sufficient to generate \$750 million in public capital funding toward the stadium project.
14. Section 13(1) has been amended from creating a stadium district to giving the board of county commissioners the ability to create the district.
 - a. **NOTE:** The question was raised as to whether the center point of the district should be the location of the stadium or the location of regular county meetings. The concern being that the latter is a known location in every county and the former is not.
15. Section 13(2) has been modified to require the board of county commissioners to impose the room tax as opposed to the state legislature.
16. Source of UNLV's funding (**Section 14(4)**)
 - a. UNLV would like to modify the requirement that it secure \$200 million in private funding to securing \$200 million from "**a funding source other than the State of Nevada.**"
 - b. **NOTE:** If this is revised, the "private" reference will need to be revisited in subsection (b) as well.
 - c. **NOTE:** If this is revised, the "private" reference will need to be revisited in section 17(2) as well.
17. Debt service coverage (**Section 17(1)(c)**)
 - a. The developer is recommending that both the room tax element and tax increment funds to be used in determining the debt service coverage ratio for the issuance of stadium authority bonds.
 - b. The developer would like the debt service coverage ratio language to be changed from "at least 1.5x" to "from 1.25x to 1.5x."
18. Requirement to issue bonds (**Section 17(1)(c)**)
 - a. Request was made to modify the county's obligation to issue bonds from "shall" to "may":
"(c) The stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 13 of this act are sufficient to establish a debt service coverage ratio of at least 1.5 on securities issued, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a stadium project, the board of county commissioners in which the district is located, at the request of the stadium authority, **may shall** issue special obligations of the county in an amount not to exceed \$XXXX payable solely from and

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secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 13 of this act. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the stadium project.”

19. Issuance of bonds for a collegiate stadium (**Section 17(2)(c)**)

- a. In the event that an NFL stadium is not constructed, UNLV is requesting that the language that would enable the state of Nevada to issue bonds for the construction of a collegiate stadium be replaced with language that would enable Clark County to issue such those bonds.

20. Sections 18 through 28 deal with the creation of a tax increment area as well as the use and allocation of tax increment area funds. It is unclear at this time how the developer partners recommend the area be structured or funds be used.

- a. **NOTE:** There are currently some mixing of concepts here, which needs to be addressed.
- b. **NOTE:** Section 19(3) relates to the allocation of tax increment dollars. It is unclear at this point the extent to which these funds are allocated to the developer and/or the Stadium Authority. Noting that this is currently assumed to be a project funding tradeoff determined, for example, by the total value of direct stadium bond funding, additional clarity is required in the recommendation language.

CATEGORY 3 | Stadium Authority Board Waterfall

21. Reimbursement of pre-development cost (**Section 12(2)**).

- a. The developers would like the stadium authority to reimburse them for “appropriate development costs.” Section 12(1)(a) limits expenditures by indicating that the Stadium Authority shall not spend any money out of the tax increment account until it has entered into a lease or development agreement. The developer would like this section to be amended to exclude “pre-development costs” from this exemption and would like to add that **“To the extent the stadium authority, the NFL Team, or the developer partner cover any pre-development costs related to design, site acquisition or other construction-related matters, such costs shall be reimbursed by the stadium authority.”**
 - i. **NOTE:** As currently drafted this would appear to require reimbursement even if there was no contractual engagement between the stadium authority and the developer/NFL Team.

22. Public contribution to infrastructure costs (**Section 15(1)**)

- a. The developers would like to add **“Infrastructure costs associated with the project”** to the stadium authority’s revenue allocation waterfall.
 - i. **NOTE:** If this concept is included, it also needs to be added from Section 19(3), which deals with the creation and allocation of tax increment funds.

APPENDIX B

Stadium Construction Funding and Oversight Issue Summary by Major Category

23. Payments made to UNLV (**Section 15(1)**)
 - a. The developers would like to restrict payments to UNLV to only where UNLV **“has donated land at no cost on which the stadium project is built.”**
24. Stadium Authority waterfall to include operating and maintenance costs of the stadium (**Section 15**)
 - a. UNLV is recommending that the waterfall include **“The operation and maintenance costs of the stadium in that year to the extent not paid from other sources.”**
25. The use of excess funds in the event a collegiate stadium is constructed (**Section 15**)
UNLV is recommending that the all excess funds be used as follows, **“(e) If securities are issued under subsection 2 of section 16 hereof any remaining monies shall be paid to the Nevada System of Higher Education to be used for academic programs at the university identified in subsection 2 of section 16, that directly benefit the State of Nevada.”**
26. Section 15 treatment of the review waterfall requires additional treatment, including definitions and amounts.
27. The allocation of PSL proceeds has been added to the Stadium Authority expenditure waterfall. It is in the second position immediately following bond repayment. (**Section 15(1)(b)**).
28. Section 16 requires, “the equal distribution of stadium operating net revenues to the stadium authority and Stadium Events Company once the Stadium Events Company has received the preferred annual rate of return.”
 - c. **NOTE:** Revisions to this section are required to preserve the tax exempt status of stadium bonds.
 - d. **NOTE:** The developers “preferred annual rate of return” is not currently defined anywhere in the draft recommendation.
29. Provisions specific to the structure and administration of the Event Fund are not currently treated in the draft.

CATEGORY 4 | Other Issues Not Otherwise Classified

30. The term “large events center” has been replaced with “stadium project” throughout the document.
 - a. **NOTE:** “Stadium project” is not currently defined in the draft and there is some ambiguity between a football stadium and collegiate football stadium in the draft. This needs to be clarified throughout the draft.
 - b. **NOTE:** cross reference in Section 21 also requires this definition as the tax increment area needs to define what a “stadium project” is relative to a qualifying undertaking.
31. Replaced the commitment(s) of the NFL to the commitment(s) of the NFL franchise.
 - a. **NOTE:** Need to make sure that franchise can’t commit until NFL approves. Intention here was to make language accurate, not change the process flow.
32. Sections 2 and 4 have been modified to make it clear that some combination of an NFL Team (Section 4) and one or more developer partners (Section 2) will be the owners of the Stadium Events

APPENDIX B
Stadium Construction Funding and Oversight Issue Summary by Major Category

Company (Section 6).

33. Seems like Section 6 needs to be developed a bit more. This simply says that the Stadium Events Company will lease the facility. It may be helpful to have other responsibilities of the Stadium Events Company be enumerated.
 - a. **NOTE:** What the operator will be allowed to do needs to be set forth in the lease or in statute.

34. Section 13(5) requires an enhanced definition of “gaming corridor”
 - e. **NOTE:** This will define the proposed split rate in the room tax.

35. Sections 14(3) and (4) the developers remove the language that includes the “location or relocation” of the NFL franchise.
 - a. **NOTE:** This is probably not material; however, to the extent this language is passed without a tacit agreement by an NFL team, lawmakers may not want to limit their options.
 - b. **NOTE:** Same issue exists at Section 16, which requires the county to issue the bonds

36. Section 17(3) has been added, which limits “new or additional” taxes that can be imposed on revenues related to the stadium project for NFL-related events.
 - a. **NOTE:** How does this affect LET?
 - b. **NOTE:** The purpose of this provision is to prevent “piling on” new taxes; however, clarity is required to ensure what is in and what is out is clear.
 - c. **NOTE:** One legislature cannot restrict the actions of another.

37. Sections 30 and 31 effective dates need to be revisited and confirmed.



Tax Increment Finance Districts

Tax Increment Financing (TIF) has been used by jurisdictions throughout the United States over the past half-century to fund a number of projects, often city entertainment districts and revitalization projects.

Tax Increment Financing Areas

Project	Year Opened	Total Cost	Public Cost	Leasable Space (SF)
Power & Light District Kansas City, MO	2008	\$350 million	\$295 million	950,000
The total anticipated cost for the Power & Light District is \$850 million, but the initial renovations to the area were funded with \$295 million in municipal bonds. These bonds were to be paid off through additional sales taxes within the district with 50 percent of revenue reinvested in project improvements.				
Westgate Entertainment District Glendale, AZ	2006	N/A	\$180 million	525,000
The Westgate Entertainment District continues to be developed, thus a total project cost is unavailable. The initial retail and entertainment area cost roughly \$100 million, and the subsequent Tanger Outlets cost between \$75 million and \$80 million. The City of Glendale contributed \$180 million for construction of a hockey arena adjacent to the privately-funded entertainment district.				
Arena District Columbus, OH	2000	\$800 million	\$44 million	1.8 million
The City of Columbus contributed \$44 million for project infrastructure improvements, allowing for the construction of a hockey arena, minor league baseball park, and multiple office, residential, and retail buildings. Private funding for those projects was incentivized through a series of property tax abatements.				
L.A. Live Los Angeles, CA	2007	\$2.5 billion	\$70 million	1.5 million
L.A. Live, adjacent to the Staples Center, was largely funded by AEG and includes retail, office, and residential space as well as the Nokia Theater. The City of Los Angeles issued \$70 million in bonds to help construct infrastructure modifications to the area, a debt which is repaid through a tax on the 1,000 hotel rooms in the district.				
Fourth Street Live! Louisville, KY	2004	\$72 million	\$13.5 million	350,000
Fourth Street Live! replaced an existing pedestrian mall in downtown Louisville that had become old and fallen out of favor with visitors and residents. The city issued \$13.5 million in bonds to purchase land and improve infrastructure. Sales tax revenues associated with the district are being used to repay the bonds. Private development was further incentivized through 10 years of tourism sales tax credits.				
Port Covington Baltimore, MD	N/A	\$1.4 billion	\$535 million	1.5 million
This planned mixed-use development is slated to include 1.5 million square feet of retail space, 1.5 million square feet of office space, 7,500 residential units and a 200-room hotel. Baltimore will issue \$535 million in bonds to pay for new infrastructure in the area, with incremental property tax revenue in the area dedicated to repay the debt.				
Fort Worth Stockyards Fort Worth, TX	N/A	\$185 million	\$40 million	N/A
The city of Fort Worth created a tax increment finance district to fund \$40 million in bonds used to improve infrastructure at the 925-acre site. The TIF would redirect half of incremental property tax revenues to repay the bonds. The initial \$185 million mixed-use development is projected to spur an additional \$200 million in private investment.				

LAS VEGAS DOME THE TIME IS NOW



EXECUTIVE OVERVIEW

- Site Status
- Building Design and Site Layout
- Project Cost Estimation
- Financial Sources and Uses
- Benefits to UNLV, Las Vegas, Clark County and Nevada Residents
- A Super Bowl in Las Vegas
- Legislative Review Process and Approval

SITE STATUS



BUILDING DESIGN AND SITE LAYOUT





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PROJECT COST ESTIMATION



PROJECT COST ESTIMATION

COST BREAKDOWN (\$M)	
Construction Costs	\$1,325
Land, Infrastructure and Site Costs	375
Practice Facility	100
Contingency	100
TOTAL PROJECT INVESTMENT	\$1,900

FINANCIAL SOURCES AND USES



FINANCIAL SOURCES AND USES

SOURCES	
Team (Debt, PSLs and NFL G-4 Program)	\$500
Public Investment (39%)	750
Private Investment	650
TOTAL SOURCES	\$1,900
USES	
Stadium Construction	\$1,325
Land, Infrastructure and Site Costs	375
Practice Facility	100
Contingency	100
TOTAL USES	\$1,900

BENEFITS TO UNLV, LAS VEGAS, CLARK COUNTY AND NEVADA RESIDENTS



ECONOMIC & FISCAL IMPACT

ECONOMIC IMPACT SUMMARY – NFL INCLUDED

NET NEW ANNUAL OPERATIONS IMPACTS:

	CLARK COUNTY	STATE OF NEVADA
Direct Spending	\$530,310,000	\$410,405,000
Total Output	\$869,951,000	\$678,710,000
Jobs (FTEs)	7,987	6,703
EARNINGS	\$335,113,000	\$260,560,000

FISCAL IMPACT SUMMARY – NFL INCLUDED

NET NEW ANNUAL OPERATIONS IMPACTS:

Sales Tax	\$10,868,000	\$13,541,000
Live Entertainment Tax	N/A	\$15,631,000
Modified Business Tax	N/A	\$2,985,000
Hotel Tax	\$4,906,000	\$3,504,000
NV General Fund Gaming Tax	N/A	\$4,573,000
Car Rental Tax	\$243,000	\$1,214,000
Subtotal	\$16,017,000	\$41,448,000
TOTAL COMBINED		\$57,465,000

Source: Rosentraub, Mark. "Economic Impact Estimates." 28 April 2016.

MEDIA EXPOSURE

- The Raiders hired Nielsen Sports (formerly Repucom) to evaluate the potential media exposure value provided by the Raiders to Las Vegas
- **The City of Las Vegas can expect to earn ~\$100M in annual exposure value from the Raiders**
 - Value generated through text and logo exposure and verbal mentions across TV broadcasts, earned media and Raiders-owned digital and social platforms
- Attracting major sporting events can generate an additional \$51.7M in value for the City of Las Vegas
 - Reflects the combined media exposure value associated with the Super Bowl, College Football Championship and Final Four

INTANGIBLE BENEFITS – COLTS CASE STUDY

Indiana residents have firsthand experience with the level of excitement and interest created by sports, which are described as the intangible benefits of sports. In an effort to determine support for the construction of a new stadium in 2005, a research study was commissioned to understand the value of the Colts to the residents of the state of Indiana.

The annual value of the intangible benefits provided by the Colts to Indiana residents was found to be \$83.9M.



Source: Rosentraub, Mark S., and David Swindell. "The Value of the Indianapolis Colts To Indiana Residents and Their Willingness To Pay For A New Stadium." (March 2005). Print.

\$830M+ ANNUAL BENEFIT TO NV

TANGIBLE AND INTANGIBLE BENEFITS (\$M)

Net New Annual Operations Economic Impact – Clark County	\$335.1
Net New Annual Operations Economic Impact – State of NV	\$260.6
Net New Annual Operations Fiscal Impact	\$57.5
Annual Media Exposure Value	\$95.1
Annual Value of Intangible Benefits to Nevada Residents	\$83.9

BENEFITS TO UNLV

1. Changing the identity of UNLV from a commuter school to a residential university
2. Enhancing student competitiveness and attractiveness to compete for students
3. Advancing to a major conference for athletics
4. Further regional economic diversity and enhancement

“What better way to tell our story – about our new medical school, our young but acclaimed law school, our world-class hotel program, our impressive engineering department and the work being done to become a Tier One research university – than through a nationally televised three-hour broadcast on Saturday afternoons while playing in a Power Five conference?”

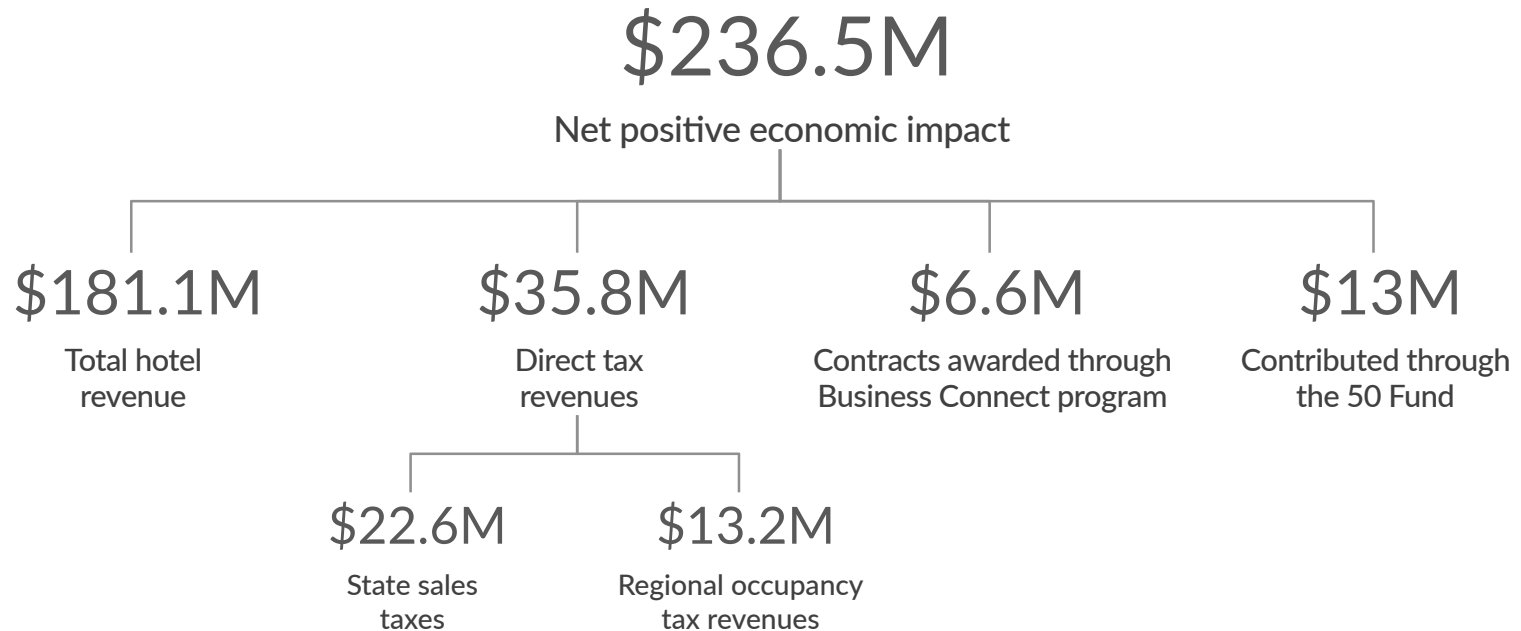
– *Tony Sanchez, UNLV Head Football Coach*

A black and white photograph capturing a moment of intense celebration on a football field. In the foreground, a player wearing a dark jersey with the number 82 is seen from the side, his mouth open in a shout. Behind him, another player in a helmet and dark jersey is also shouting, with his right arm raised high, pointing his index finger towards the sky. The background is filled with a large, out-of-focus crowd of spectators, creating a sense of a high-stakes event. The overall mood is one of triumph and excitement.

**A SUPER BOWL
IN LAS VEGAS**

ECONOMIC IMPACT – SB50 CASE STUDY

An independent study of Super Bowl 50 found that the game and the events that surrounded it had a net positive economic impact on the Bay Area of nearly \$240 million.



Source: Sportsimpacts, "Super Bowl 50: Bay Area Financial Impact Fact Sheet," August 2016.

RESIDENT APPROVAL RATING – SB50 CASE STUDY

The majority of Bay Area residents said they believed that Super Bowl 50 increased tourism, created local business opportunities and showcased the Bay Area as a destination

% of Bay Area Residents Who Agree Super Bowl 50...



Increased Tourism

78%



Provided Opportunities
for Local Businesses

70%



Created Buzz

67%

Source: Sportsimpacts, "Super Bowl 50: Bay Area Financial Impact Fact Sheet," August 2016.

SUPER BOWL MEDIA EXPOSURE

- The Raiders hired Nielsen Sports (formerly Repucom) to evaluate the potential media exposure value provided to Las Vegas by a Super Bowl
- **The City of Las Vegas can expect to earn \$35M in media exposure value from a Super Bowl**
- Value is generated from visual exposure and verbal mentions of the Las Vegas area during the Super Bowl game broadcast and in online and print news articles, local and sports news broadcasts and social media throughout Super Bowl week



LEGISLATIVE REVIEW PROCESS AND APPROVAL





Thank you for selecting The Venetian® as your destination hotel while visiting Las Vegas. We hope your stay was enjoyable and look forward to serving you in the future.

Did you enjoy your stay? We would love to hear from you! Please [click here](#) to share your experience with us on TripAdvisor.

FOLIO DETAILS



Date	Description	Charges	Credits
08/10/2016	Resort Fee	\$35.84	\$0.00
08/10/2016	Room Charge	\$109.00	\$0.00
08/10/2016	Tax	\$14.39	\$0.00
08/10/2016	Fd Visa	\$0.00	\$159.23

If you provided us with your email address we would also like to send you periodic emails with information about special offers and promotions. An opt-out link will be included in each of these emails so that you can change your mind at any time.

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Did you enjoy your stay? We would love to hear from you! Please [click here](#) to share your experience with us on TripAdvisor.

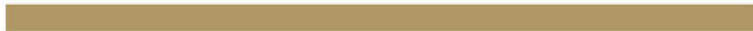
FOLIO DETAILS



Date	Description	Charges	Credits
08/10/2016	Resort Fee	\$35.84	\$0.00
08/10/2016	Room Charge	\$109.00	\$0.00
08/10/2016	Tax	\$14.59	\$0.00
08/10/2016	Fd Visa	\$0.00	\$159.43

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0.70% VS. 0.88%?

	+0.70%	+0.88%
Room Charge	\$109.00	\$109.00
Existing Hotel Tax (12.00%)	\$13.08	\$13.08
Convention Center Tax Increase (0.50%)	\$0.55	\$0.55
Stadium Project Tax Increase	\$0.76	\$0.96
Room Charge with Hotel Tax	\$123.39	\$123.59
Difference		\$0.20



Las Vegas Strip Share of Metropolitan Police Department Funding

LVMPD Budgeted Revenue (FY16-17)

	Revenue	% of Budget
Metro Property Tax	\$121,375,220	19.4%
County Contribution	\$241,327,078	38.5%
City Contribution	\$138,576,776	22.1%
Airport Contract	\$22,120,011	3.5%
Other	\$17,067,594	2.7%
General Fund Revenue Total	\$540,466,679	86.3%
More Cops Sales Tax Revenue	\$85,862,500	13.7%
Total Metro Revenue	\$626,329,179	100.0%

Clark County Budgeted General Fund Revenue (FY16-17)

	Revenue	% of Budget
Property Tax (County Operating)	\$275,213,473	21.6%
C-Tax (County)	\$353,560,000	27.8%
Property Tax (Fire Service District and Towns)	\$94,800,645	7.5%
C-Tax (Fire Service District and Towns)	\$138,466,943	10.9%
Other Revenue	\$408,811,469	32.1%
Total General Fund Revenue	\$1,272,301,573	100.0%

1. Fire District and Town funds contributed a combined \$303.0 million to Clark County General Fund. These funds are largely funded through property tax and C-Tax.

LVMPD Resource Allocation All Budgets (Convention Center Area Command)

Total Expenditure Comparison

	General Fund	More Cops	Total
LVMPD	\$552,134,361	\$98,456,606	\$650,590,967
CCAC	\$18,900,744	\$11,783,586	\$30,684,330
CCAC Share	3.4%	12.0%	4.7%

Authorized Officer Positions All Budgets

	General Fund	More Cops	Total
LVMPD	2,074	774	2,848
CCAC Plus Homeland Security Saturation Team	138	94	232
CCAC Share	6.7%	12.1%	8.1%

Note: Total LVMPD expenditures are higher than revenues due to fund balance usage.

LVMPD Funding (Sourced to Strip)

	Revenue	Share of Overall
Metro Property Tax	\$18,251,884	15.0%
County Contribution	\$44,587,606	18.5%
City Contribution	-	-
Airport Contract	-	-
Other	-	-
General Fund Revenue Total	\$62,839,490	11.6%
More Cops Sales Tax Revenue	\$23,972,083	27.9%
Total Metro Revenue From Strip	\$86,811,573	13.9%

Clark County General Fund (Sourced to Strip)

	Revenue	Share of Overall
Property Tax (County Operating)	\$29,978,720	10.9%
C-Tax Sales Tax Only (County)	\$177,316,342	50.2%
Property Tax (Fire Service District and Towns)	\$27,775,457	29.3%
C-Tax (Fire Service District and Towns)	-	-
Other Revenue	-	-
Total General Fund Revenue From Strip	\$235,070,518	18.5%

1. Property tax totals do not include Personal Property Taxes paid.

2. "Special Districts and Towns" total is comprised of assessments for the Clark County Fire Service District and the Paradise/Winchester Town.

LVMPD Resource Allocation By Area Command (Convention Center Area Command)

Expenditure Comparison Between Area Commands

	General Fund	More Cops	Total
Total All Area Commands	\$182,882,381	\$93,403,037	\$276,285,418
CCAC	\$18,900,744	\$11,783,586	\$30,684,330
CCAC Share	10.3%	12.6%	11.1%

Authorized Position Comparison Between Area Commands

	General Fund	More Cops	Total
Total All Area Commands	1,021	767	1,788
CCAC Plus Homeland Security Saturation Team	138	94	232
CCAC Share	13.5%	12.3%	13.0%



MEETING AGENDA

**September 8, 2016
1:00 p.m.**

**Main Location:
University of Nevada, Las Vegas
Stan Fulton Building
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 August 25, 2016**
4. **Chairman/Committee Comments**
5. **Research Staff Report**
6. **Committee Workshop**
 - a. Las Vegas Stadium Proposal
 - Update by Las Vegas Sands and Majestic Realty regarding NFL-ready stadium proposal
 - Review and discussion of potential stadium funding and legislative options
 - For Possible Action** b. Las Vegas Metropolitan Police Department
 - Review and discussion of recommendation to fund additional police officers
7. **September 15th 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, Caliente City Hall, 100 Depot Ave. 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 Melanie Sheldon, 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 Melanie Sheldon, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101, (702) 486-2700, msheldon@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
August 25, 2016**

The meeting of the Southern Nevada Tourism Infrastructure Committee was called to order by Chairman Hill at 8:06 A.M. in the Stan Fulton Building located at the University of Nevada, Las Vegas.

1. ROLL CALL/CALL TO ORDER/ESTABLISH QUORUM

BOARD MEMBERS PRESENT

Mr. Steve Hill, Committee Chairman
Mr. Len Jessup, Committee Vice Chairman (via telephone)
Ms. Carolyn Goodman, Mayor of Las Vegas
Mr. Steve Sisolak, Chairman of the Clark County Commission
Ms. Kristin McMillan, President and CEO of the Las Vegas Chamber of Commerce
Mr. Bill Noonan, Senior Vice President of Boyd Gaming
Mr. Bill 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. Tom Jenkin, Global President of Caesars Entertainment

ADVISORY COMMITTEE MEMBERS PRESENT

Ms. Betsy Fretwell, City Manager of the City of Las Vegas
Mr. Don Burnette, County Manager of Clark County
Ms. Rosemary Vassiliadis, Director of the Clark County Department of Aviation
Mr. Rossi Ralenkotter, President and CEO of the 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 the Regional Transportation Commission of Southern Nevada

STAFF MEMBERS PRESENT

Ms. Jennifer Cooper, Communication Director for the Governor's Office of Economic Development

Ms. Melanie Sheldon, Executive Assistant and Business Development Specialist for the Governor's Office of Economic Development

Ms. Henna Rasul, Senior Deputy Attorney General, Nevada Office of the Attorney General Boards and Open Government Division

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

Ms. Katherine Duncan, President of the Las Vegas Ward 5 Chamber of Commerce, brings to the attention of the committee a proposed \$1 billion private investment plan for the refurbishment of the Moulin Rouge site and surrounding area. The group would like the monorail extended to both the Moulin Rouge site and Cashman Field. The development group would like to explore what possible tax incentives may be available for them to pursue the development.

Mr. Barnett Sturm states his concern over the expense of the stadium and the public funding of that stadium. Mr. Sturm also details his skepticism of the benefits that the proposed stadium would have to the community.

Ms. Judy Gorney asks the committee why there has been no discussion of a public referendum to decide whether to approve the stadium.

Mr. Jim Sullivan, representing the local Culinary Union, states how important the tourism industry, particularly conventions, are to the union members, and thanks the committee for approving a recommendation to expand the Las Vegas Convention Center. Mr. Sullivan urges the committee to not support public financing of the stadium.

Mr. Todd Kessler, President of the Downtown Las Vegas Alliance, states his strong support for the Cashman Field site as the location for the proposed stadium.

Mr. Patrick Hughes, President of the Fremont Street Experience, states his support for the Cashman Field site for the proposed stadium.

Ms. Rosanne Raliola-Miele states her concerns over the proposed public funding of the stadium, stating that the county and city's priority should be education and other projects that benefit the entire community.

Mr. Ed Uehling states that he doesn't believe the police budget issue should be a component of the committee's focus and voices his concern over the cost of the proposed stadium project.

Chairman Hill closes Agenda Item 2.

3. ACCEPTANCE OF MINUTES FROM JULY 28, 2016: 8:25 A.M.

Chairman Hill opens Agenda Item 3 for a motion to accept the meeting minutes from July 28, 2016. A motion is made by Commissioner Sisolak for acceptance of the minutes. Mr. Noonan seconds the motion. The motion passes unanimously.

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 8:26 A.M.

Chairman Hill thanks the development team for all of their work with regards to the stadium and their attention to detail. Anticipating that the stadium discussion will take a large amount of time, Chairman Hill announces that Agenda Item 6a and 6b will be reversed so that the discussions regarding funding for the Las Vegas Metropolitan Police Department can be addressed first.

Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 8:28 A.M.

Mr. Jeremy Aguero, Principal of Applied Analysis, reviews additions and changes to the materials located in each committee member's binder. Mr. Aguero thanks Mr. Bill Rhoda of CSL and Mr. Guy Hobbs for their help collecting information on Tax Increment Financing areas throughout the country. Mr. Aguero also mentions data collected for Sherriff Lombardo with regards to the funding of extra police officers within the Las Vegas Resort Corridor and the various language changes to the draft stadium legislation that appeared in the previous meeting's materials.

Chairman Hill closes Agenda Item 5.

6. COMMITTEE WORKSHOP

b. Las Vegas Metropolitan Police Department: 8:31 A.M.

Sheriff Joseph Lombardo of the Las Vegas Metropolitan Police Department opens his comments by referencing a news report on Paris tourism after the recent attacks, mentioning that over the past year it has declined 10 percent. Those are the types of catastrophic events that Sheriff Lombardo hopes to prevent by increasing police presence in the resort corridor. Sheriff Lombardo mentions the different possible funding mechanisms that Mr. Aguero had previously presented to him, including a head tax on each employer based on their number of employees, as well as a resort corridor overlay funding

district. Sheriff Lombardo mentions that his preferred method of funding would be the resort corridor overlay. This would allow him to keep those police officers specifically within the resort corridor.

Mr. Aguero explains that the Strip area was analyzed to show what amount of total funding it provides for the Las Vegas Metropolitan Police Department (LVMPD) and how much of the overall LVMPD budget is spent within that area. The first table discussed notes the source of LVMPD funding, totaling slightly over \$600 million. The second table shows how much of LVMPD's budget is dedicated to the Convention Center Area Command (CCAC), which covers the Strip area. Overall, 4.7 percent of the budget is spent at CCAC and 8.1 percent of officers are deployed to CCAC. Total contributions to the LVMPD budget from the Strip area represent 13.9 percent of overall revenue. When just comparing CCAC to other area commands, CCAC represents 11.1 percent of the total budget and 13 percent of officers, much more in line with the revenue the LVMPD receives from the Strip.

Mayor Goodman asks if the proposed increases to the LVMPD budget would get the department to the Sheriff's stated goal of 2 officers per 1,000 residents. Sheriff Lombardo responds that the proposed changes would bring the number up to 1.85 officers per 1,000 residents from the current ratio of 1.8. Mayor Goodman then asks what the necessary budget increase would be to get to the 2 per 1,000. Sheriff Lombardo states that it would require an additional 200 officers, and that each \$1 million added to the budget can support eight officers.

Mr. Sloan asks whether the police services funded by the overlay district would also be allocated to those properties in the overlay district but not directly on the Strip. Sheriff Lombardo states the new officers would also be available for calls at properties in downtown and off-Strip locations such as the Palms or Palace Station.

Mr. Hornbuckle asks what the deployment of the additional officers would look like throughout the resort corridor. Sheriff Lombardo responds that the language of the bill would restrict those officers to be deployed within the overlay zone. Roughly three-fourths would be in the Strip area and one-fourth in downtown/Fremont Street area based on today's service call data. Mr. Hornbuckle asks for clarification on the number of officers that currently patrol the overlay district and how many would be added under the proposed measure. Commissioner Sisolak helps to clarify with information from the previous meeting regarding new officers. Sheriff Lombardo estimates the number of police officers in the overlay district to be 227 if the funding proposal is approved.

Chairman Hill asks for clarification of the police officer numbers. Mr. Rich Hoggan, Chief Financial Officer of LVMPD, explains that the numbers discussed include all authorized officers, some of whom are in support functions rather than patrol. Sheriff Lombardo mentions that the Downtown Area Command would also see an increase in the number of

officers. He also mentions that while there are fewer officers on the Strip than the revenue from the Strip would suggest, he has to deploy officers based on crime trends rather than revenue. He said the suggested increases to resort corridor police staffing would help create a presence to help fight terrorist attacks such as the aforementioned attacks in Paris. Mr. Hoggan assures the committee that the fiscal affairs committee would make sure that officers stay on the Strip.

Mr. Noonan asks about the time horizon of the More Cops sales tax. Sheriff Lombardo says that the tax is set to end in 2025, and that the fund is already running at a deficit. He mentions that he intends to discuss extensions or an elimination of the sunset with the Legislature.

Mayor Goodman states that she wants to make sure there is some mechanism to keep LVMPD funds from being held up as they have in the past. She also asks how many officers in the LVMPD have not yet been equipped with body cameras. Sheriff Lombardo mentions that he has 952 outfitted with cameras, but that outfitting all of the roughly 2,800 officers is not the goal. He is focused on equipping the uniformed officers in the field on a day-to-day basis, and for that he is about 200 short. Mayor Goodman would also like to see LVMPD be higher on the priority list for allocation of possible stadium waterfall revenue. She also suggests a possible charge through cell service providers to help fund the LVMPD. Mr. Hoggan says that they previously had meetings with the city of Henderson about adding such a usage fee to telephone service, so this is a possibility.

Chairman Hill mentions the possible cost of creating the overlay district. The Department of Taxation estimates that it would cost about \$1 million to implement the district and \$150,000 to \$200,000 per year to maintain it. He asks about making the overlay district the same as the proposed stadium funding district to help make the process simpler.

Mr. Aguero states that it is possible to make them the same, but they are not yet defined. The gaming overlay district as-is would likely not work as discussed today, but changes could theoretically be made.

Chairman Hill asks if there are other considerations that had not been mentioned. Mr. Aguero mentions the streamlined sales tax act, which is used across many states to create a more uniform tax rate and allow for taxation of internet sales. Commissioner Sisolak states that it is such a small increase he doesn't believe it would have a major effect. He also proposes increasing the sales tax throughout the county, but still separating the Strip so that the revenue produced there would be used there. The rest of the money could go into the general fund.

Commissioner Sisolak also asks what limits there are on the ability of the LVMPD to train new recruits in a timely manner. Sheriff Lombardo responds that the issues are minor; schedules can be rearranged to train officers more quickly or in larger numbers if necessary.

Chairman Hill suggests that language be added to the proposed bill to identify deterrence as an important public policy and recognizing that as the main goal of the proposal. Commissioner Sisolak asks that removing the More Cops tax sunset be included as well.

Chairman Hill closes Agenda Item 6b.

a. Las Vegas Stadium Proposal: 9:41 A.M.

Mr. Robert Goldstein, President and COO of Las Vegas Sands Corporation, states that real estate should not be an issue with the construction of the proposed stadium and there are two main sites that they are considering. He also states that there is a need for the \$750 million public contribution to make the project work.

Mr. Marc Badain, President of the Oakland Raiders, states that there is a signed purchase and sale agreement on the Russell Road site and, the Bali Hai site is the secondary focus. Mr. Badain then shows a series of renderings of the proposed stadium and explains the layout of the site.

Mr. Bill Rhoda, President of CSL, continues the explanation of the site layout, covering the parking facilities and possibility of ancillary development. Mr. Rhoda also identifies the various costs of the project, totaling \$1.9 billion. The team would contribute \$500 million, the public \$750 million and \$650 million from Las Vegas Sands. Mr. Rhoda outlines the annual economic benefits the stadium would bring in.

Mr. Badain continues the description of benefits, stating the exposure for the city would roughly total \$100 million per year. A study on the Indianapolis Colts measured the intangible benefits to the community to be valued at \$83 million.

Mr. Rhoda mentions the benefits to UNLV and outlines the benefit of hosting a Super Bowl. Mr. Rhoda expects the impact on Las Vegas to be double or triple the \$230 million effect the latest Super Bowl had on San Francisco. Similar effects could be expected from hosting a BCS National Championship Game or NCAA Final Four.

Mr. Goldstein explains increasing the original proposed 0.70 percent room tax to 0.88 percent would on average represent just a \$0.20 per night difference in room costs for tourists.

Mayor Goodman asks if there are any potential issues that have been identified at the Russell Road site. Mr. Goldstein states that there will be necessary excavation, but that no major issues are foreseen.

Mr. Sloan asks how the public can be assured that the Raiders would stay long enough for the debt to be paid off. Mr. Badain responds by saying that their initial lease would be coterminous with the debt payments, but they expect it to be five years longer. He also mentions that the Raiders have never broken a lease. The league would also require a non-relocation agreement to ensure the team does not move again in a short period of time.

Mr. Noonan asks what discussions have been had with UNLV about the location and construction of the stadium. Mr. Andy Abboud, Vice President of Government Relations and Community Development at Las Vegas Sands, responds by saying the stadium would absolutely be the home of UNLV football. He believes that the stadium would significantly help any pitch that UNLV would make to join the Big 12 Conference. Mr. Goldstein also mentions that they have been approached by a Major League Soccer franchise that is interested in moving to Las Vegas and using the stadium.

Ms. McMillan asks if the stadium cost breakdown explained previously applied to both sites. Mr. Rhoda responds that it specifically applied to the Bali Hai site, but that the two were very similar in total cost. Ms. McMillan asks about the cost savings associated with the Cashman site that were mentioned during public comments. Mr. Badain responds that the Russell and Bali Hai sites are their preferred locations, and Cashman is not a primary focus. Mr. Goldstein mentions that while land acquisition cost would be less with Cashman, there is a benefit to being closer to the Strip for all surrounding development. Mr. Rhoda adds that the Cashman site had the lowest favorability ratings of the proposed sites.

Commissioner Sisolak asks if the possibility of acquiring both sites and using one for additional parking is still on the table. Mr. Badain confirms that it is still a possibility. Commissioner Sisolak asks Mr. Ralenkotter to discuss what the media exposure would mean for the area. Mr. Ralenkotter explains it expands the Las Vegas brand and will bring in a larger number and variety of visitors. Commissioner Sisolak asks for clarification about the costs for the training facility. Mr. Badain explains that the Reno facility for summer training camp would be paid for by the team, and the \$100 million facility in Las Vegas for year-round training is what is included in the project.

Commissioner Sisolak asks if it would be possible to recommend a range of public funding to the legislature. Chairman Hill states that is a possibility. Mayor Goodman asks if the range is a possibility for the developers. Mr. Goldstein says that the \$750 million is absolutely necessary. Without the \$750 million he says that Sands will not be involved with the deal. Mayor Goodman asks if the Cashman site would allow for the public financed amount to be decreased. Mr. Goldstein states that the \$750 million remains a constant.

Chairman Hill asks Mr. Goldstein to clarify his statement. Mr. Goldstein states that he speaks for the Adelson family, not the Raiders or Majestic Realty.

Chairman Hill clarifies that the stadium will be publicly owned. Mr. Goldstein emphasizes the importance of that statement. Las Vegas Sands will own nothing when the stadium is completed. Mr. Badain emphasizes the commitment on the NFL's part by allowing the move. Mr. Goldstein mentions that no other private investors are offering to help, it is not an excellent financial investment on the part of the Adelson family, but they think it is important for the community.

Chairman Hill states that he would like to get a consensus on a specific recommendation, as he believes it stands a greater chance of being considered by the Legislature.

Mr. Hornbuckle asks Ms. Vassiliadis about the possible issues with air traffic at McCarran International Airport. Ms. Vassiliadis states that sites further away from the center line of McCarran's runways will be better, therefore the Russell Road site is less likely to be an issue. Bali Hai also seems workable.

Mr. Hornbuckle asks whether the 0.88 percent hotel room tax increase would alone be sufficient to raise the \$750 million. Mr. Aguero confirms that it would. Mr. Hornbuckle asks if there is also a request from the developers to create a Tax Increment Financing (TIF) district around the stadium. Mr. Goldstein responds that the \$750 million is required, and a TIF would be welcomed but not absolutely necessary.

Ms. Sinatra voices concerns over the allocation of money raised from the room tax, citing previous efforts to raise the room tax that were supposed to benefit schools but where the revenue ended up being used for other things.

Chairman Hill states that much of what needs to be finalized with the proposal relates to specifics as to how the process will work, and what must be done before the committee can finalize a recommendation. Chairman Hill asks Mr. Aguero to go over the summary of the bill draft and explain changes. Mr. Aguero reads the bill summary, explaining the necessity of different language throughout.

Chairman Hill directs everyone to Appendix B of the draft of the proposed bill and asks about the structure and status of the Stadium Authority Board and what changes have been requested.

Mr. Aguero explains the different sections and what they include, such as detailing what actions the Stadium Authority Board can take, who appoints the seven board members and what limitations there are on the actions of the Stadium Authority Board. He also states that the developers have concerns over the appointment of board members; initially most members would be appointed by public entities even though the project was mostly privately funded. The Stadium Authority Board has the ability to enter into contracts,

approve designs, enter into lease agreements, and other abilities. The developers believe that those decisions should be subject to review by the developers.

Chairman Hill states that he believes the Stadium Authority Board should remain a majority public body and asks rest of committee for opinions. Mr. Hornbuckle agrees. Mr. Abboud responds that the appointment of the board is not critical to the development team, but it is critical that they have enough flexibility to operate the stadium in an efficient way.

Mr. Hornbuckle asks to clarify what level of representation the public and developers have on the board as originally proposed. Mr. Aguero responds that five members would be publicly appointed and two would be appointed by the developers.

Chairman Hill asks for opinions on whether language should be added to simplify the role of the board as it concerns the approval of stadium sites and designs. Committee members agree that they want to pursue such language.

Mr. Hornbuckle asks for clarification on the powers of the Stadium Events Company. Mr. Dan Ventrelle, Executive Vice President and General Counsel for the Raiders, responds that the roles of the Stadium Events Company would be specified in the lease agreement rather than in the legislation. Mr. Hornbuckle asks whether the Stadium Events Company has the direct power to handle the day-to-day activities of the stadium. Mr. Ventrelle confirms.

Ms. Sinatra states that her understanding is that the Stadium Authority Board negotiates the lease and has oversight responsibilities, but that the day-to-day operations fall to the team and developers. She also asks for research on similar projects to see how they have been structured. Mr. Aguero states that that information can be resubmitted to the committee.

Mr. Hornbuckle asks what topics the developers would bring before the board for approval. Chairman Hill states topics such as stadium design or site choices. Mr. Hornbuckle states that he is more concerned about recurring topics, such as an annual budget and MGM competing against a board where the public has no say. Mr. Abboud acknowledges the concern and states that it is something that should be resolved regarding the structure of the board. He reiterates the developers' willingness to sit down for as long as needed to settle on details. Mr. Hornbuckle asks about the use of a TIF in the project. Mr. Abboud reiterates that a TIF is something the developers would be interested in, but the room tax to cover the \$750 million is the focus.

Commissioner Sisolak asks to clarify what the TIF would be used for if the room tax was to cover the \$750 million. Chairman Hill states that originally the TIF was planned to be a part of the financing, but the new proposal means the TIF would be unnecessary to get the \$750 million. Mr. Abboud states that the development team simply does not want to close

the door on TIF if it becomes useful in the future. Mr. Hobbs states that TIF alone is not a great source of financing because of its speculative nature, therefore it would be more useful for the operations side and bolster the operating revenues if necessary. Commissioner Sisolak states that he doesn't feel the TIF is necessary if the room tax would cover the \$750 million. Mr. Abboud states that the reason they were uncomfortable with the TIF for financing was the uncertainty of the revenue.

Mr. Noonan asks where the \$3.5 million to be allocated to UNLV comes from and where it ranks in the waterfall of things to be funded from excess revenues. Mr. Aguero states that UNLV's placement is after bond repayment, capital projects and the operation of the stadium authority board; but ahead of LVMPD and the events fund.

Chairman Hill states that he would like the language in the recommendation to allow complete authority on the part of the Stadium Authority Board other than specific exclusions, rather than a list of the authorities of the Stadium Authority Board. Mr. Hornbuckle comments that the powers still need to be tied back to the representation.

Commissioner Sisolak proposes that all board members be Clark County residents. Mr. Ventrelle says that the developers are open to all of these discussions. Commissioner Sisolak asks whether after the initial construction, the Stadium Authority Board will approve large capital expenditures. Chairman Hill replies that assuming the Stadium Authority is providing the funding, it has to approve the budgets. Mr. Ventrelle acknowledges that is a reasonable expectation but that there should be allowances for upkeep and upgrades to ensure the stadium remains a premier NFL facility. Mr. Hobbs clarifies that the Stadium Authority Board will be subject to local government requirements. The capital expenditures fund of the waterfall is a subsidiary fund of the Stadium Authority Board, which would have control over it.

Chairman Hill asks if there was a suggestion to eliminate the events fund and replace it with an infrastructure fund. Mr. Ventrelle responds that it may have been a suggestion to maintain flexibility of the funds, but it wasn't a significant change or suggestion. Mr. Hornbuckle expresses his support for redirecting money from promoting events to infrastructure expenditures.

Mr. Hornbuckle asks for an explanation of the options of asking the state to implement the proposed room tax increment, require the room tax be implemented, or enabling the room tax to be implemented. Mr. Hobbs states that the issues relate to taxation and debt. If it is state legislation that implements the tax, the state debt limit and the 20-year debt term limit requirement may be invoked, whereas the current model uses the county's 30-year debt terms. Commissioner Sisolak asks if a decision would require a simple majority of the County Commission. Mr. Hobbs says that as long as the legislation says the county "may" impose the tax and issue the bond, it would require a simple majority. If the state legislation

read “shall” impose, the county vote would likely not matter. If the county issued legislation to impose the tax on its own, it would require a super majority vote.

Chairman Hill asks Mr. Aguero to explain how the funding waterfall is currently structured in the bill proposal. Mr. Aguero says that the waterfall is in order of priority for the allocation of revenue. The first priority is bond repayment and the rest of the options are at the discretion of the Stadium Authority Board.

Commissioner Sisolak asks what the payments, to UNLV, each year are for since the university is no longer donating land to the project. Mr. Aguero states that there is a clause that states it is to be paid only if land was dedicated to the project by the university.

Chairman Hill states that the leftover money from the waterfall should be put in a reserve fund to be used as needed, but only for uses already identified in the waterfall, and that the use would likely be for capital improvements to keep the stadium up to standards. Mr. Ventrelle agrees.

Commissioner Sisolak asks if the Private Seat Licenses (PSLs) are subject to the preferred rate of return for the developers. Mr. Aguero responds that it is a capital item and the developers’ return is unrelated.

President Jessup comments on the \$3.5 million dollars for UNLV, stating that in his mind those payments were not just to offset a lease of land, but also to offset the revenue losses associated with closing Sam Boyd Stadium. Mr. Gerry Bomotti, Senior Vice President of Finance and Business at UNLV, explains that non-football events at Sam Boyd bring in roughly \$3.5 million per year, and without a university-owned stadium, revenue would be lost to the new stadium. Mr. Hornbuckle asks what the situation would be if Sam Boyd didn’t close and chose to compete. Mr. Bomotti responds that the financial analysis on the part of UNLV shows that Sam Boyd won’t be viable if the new stadium is built. Chairman Hill states that the committee will only recommend giving that money to UNLV if Sam Boyd closes.

Commissioner Sisolak asks to clarify who would pay the operating costs for UNLV football games. Mr. Ventrelle states that it relies on the assumption that rent will be paid.

Chairman Hill asks what the makeup of the Stadium Authority Board would look like according to the Campus Improvement Authority Board (CIAB). Mr. Bomotti states that of the 11-member board, four would be approved by the UNLV Board of Regents, one by the Clark County Commission, one by the Governor, one by the Speaker of the Assembly, one by the Nevada Senate leadership, one by the LVCVA and the LVCVA would recommend people in the casino/resort industry for the final two spots to be approved by the nine other members. Chairman Hill asks whether that decision was the result of discussions with legislators or just the result of the CIAB deliberations. Mr. Bomotti says

it did include some discussion but it is the makeup that makes sense for a stadium on their campus.

Chairman Hill asks whether a college stadium, in the event the NFL team does not relocate, would operate at a loss. Mr. Bomotti states that initially he believes it would be difficult for UNLV football to operate at a profit, but that the financials will be much better than with Sam Boyd. It is also dependent on the performance of the football team and the ability of UNLV to join a major conference.

Commissioner Sisolak expresses concern that the use of stadium revenues to fund programs at UNLV might have opposition from the north, feeling it is unfair to fund one university rather than the other. Ms. Sinatra responds by saying the money would be coming from the south, and that UNLV has significant catching up to do.

President Jessup mentions that out of roughly 120 Division I football programs, only approximately 20 are profitable.

Mr. Hornbuckle asks for clarification on whether the stadium location would be changed if the NFL stadium falls through and the collegiate stadium is built. Mr. Hornbuckle also expresses concerns over the air traffic issues with the UNLV site. President Jessup agrees that it must be put on a suitable site.

Chairman Hill asks whether the NFL franchise has the ability to commit before the NFL allows it, since the legislation is dependent on the NFL decision. Mr. Ventrelle states that the Raiders are willing to work out the specific language of the bill, but they have been consistent in their commitment.

Chairman Hill references a comment about specifying the rights of the Stadium Events Company and asks if the team and developers would be willing to sit down and discuss what those might be. Mr. Ventrelle replies that, yes, they are certainly willing, but the specifics are tricky because it is ultimately a function of what the lease agreement says.

Chairman Hill asks for clarification about a comment regarding the location or relocation of an NFL franchise. Mr. Aguero says that it was to cover both an expansion team and a relocation scenario.

Chairman Hill responds to a section in the recommendation regarding future taxes, stating that the committee cannot bind the Legislature or prevent it from passing future bills. Mr. Ventrelle clarifies by stating they only seek the type of protection that is standard in these types of deals.

Commissioner Sisolak expresses concerns over the possibility that, if the college stadium plan is implemented, the language currently leaves students open to the possibility of

tuition increases to fund the stadium. Mr. Bomotti states that UNLV would be willing to change language to make sure the money comes from stadium operating funds or private parties.

Commissioner Sisolak asks what the makeup of the Stadium Authority Board looks like after the day's discussion. Mr. Aguero states that the makeup remains unchanged from the original proposal, but the powers of the board would change to reflect a different balance. Chairman Hill states that no official decision has yet been made, but asks committee members to send Mr. Aguero their suggestions for the makeup of the board so that the different scenarios can be included for the following meetings.

Mr. Hornbuckle asks to clarify the issue with a state verses county vote. Chairman Hill explains that if the legislation simply allows the county to increase the tax, the state would only require a majority of 50 percent plus one. If the state legislation directly implements the tax or requires the county to do so, it would require a two-thirds majority.

Chairman Hill closes Agenda Item 6a.

7. SEPTEMBER 15TH MEETING PREVIEW: 1:00 P.M.

Chairman Hill identifies the September 15th meeting topics as identical to the current meeting, further refining the committee's recommendations and legislation drafts.

Chairman Hill closes Agenda Item 7.

8. COMMITTEE MEMBER COMMENTS: 1:01 P.M.

Commissioner Sisolak asks whether Chairman Hill intends to have a vote on September 15th. Chairman Hill responds by saying that it is too soon to tell whether the committee will be able to make a decision at that point. He would like the committee to have enough time to review a new draft before making such a decision.

9. PUBLIC COMMENT: 1:01 P.M.

Mr. Uehling states that he is surprised that other large gaming corporations are not backing the stadium project. He also expresses concern over the lease status of the Bali Hai site with the Clark County Department of Aviation.

10. ADJOURNMENT

**CHAIRMAN HILL OPENS AGENDA ITEM 10 FOR POSSIBLE ACTION.
MAYOR GOODMAN MAKES THE MOTION TO ADJOURN THE COMMITTEE**

**MEETING. MR. MARKANTONIS SECONDS THE MOTION. THE MOTION
PASSES UNANIMOUSLY.**

DRAFT



Final Report and Recommendations

September 22, 2016



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Tourism Infrastructure in Southern Nevada

In Southern Nevada, no single industry is more important than tourism. The leisure and hospitality sector, which includes the resort, gaming and entertainment industries, directly employs 288,000 Southern Nevadans who account for three out of every ten workers in the region. Those jobs rely on the tens of millions of leisure and business travelers who visit Las Vegas each year. In 2015, the 42.3 million people who visited Las Vegas spent an estimated \$30.5 billion on hotels, gambling, shopping, entertainment, sightseeing and other activities. When visitation rises, so does the number of tourism-related jobs. When it falls, as it did during the global economic downturn, tourism-related jobs decline, creating a ripple effect throughout nearly every sector of the regional and state economy. Today, visitation is on the rise, setting annual records in 2014 and 2015; it is on pace for another new high in 2016.

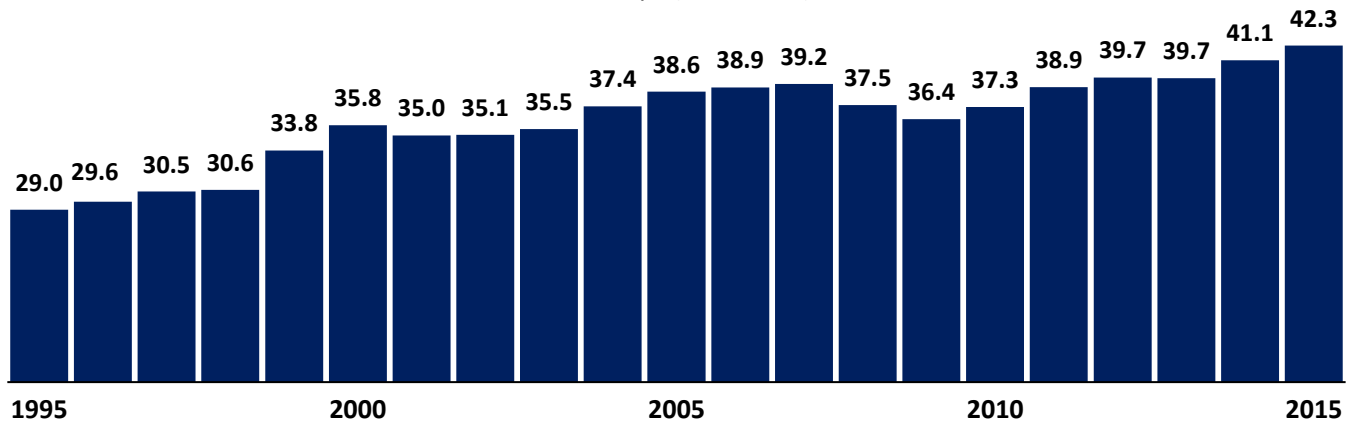
The success of Las Vegas decade after decade can be attributed to its ability to constantly evolve to adapt to the changing competitive marketplace. This evolution has manifested in the growing list of amenities and experiences offered to tourist and business travelers today, including world-class hotels, renowned restaurants, one-of-a-kind entertainment and high-end retail malls. Because of its ability to change, Las Vegas has remained a top global tourism and convention destination even as legalized gambling has proliferated across the United States and around the world.

This position would not have been possible without consistent private and public investment in the underlying infrastructure that supports and enhances the Las Vegas visitor experience. That infrastructure might be directly related to a tourist activity, such as an entertainment venue or convention center, or it might be indirectly related, such as the transportation network that moves visitors to and from Southern Nevada and, after they arrive, to and from their local destinations. Just as the resort hotels and the amenities they offer must evolve to remain competitive, so too must the infrastructure that supports them.

Recognizing the critical role that infrastructure plays in supporting the overall visitor experience and the increasingly competitive environment to attract leisure and business travelers, Governor Brian Sandoval

Las Vegas Annual Visitation

Visitor Trips (in millions)



Source: Las Vegas Convention and Visitors Authority



issued an executive order on June 6, 2015, creating the Southern Nevada Tourism Infrastructure Committee (“SNTIC”). Comprised of leaders from local government, higher education, the business world and the hospitality industry, the committee was charged with evaluating the infrastructure Southern Nevada needs to maintain its position as a global leader in business and leisure travel, and to make formal, prioritized infrastructure recommendations to Governor Sandoval and the Nevada State Legislature. The committee’s initial areas of focus were: (1) McCarran International Airport; (2) Stadiums, Arenas and Event Centers; (3) Convention Centers; (4) Pedestrian Movement in the Resort Corridor; and (5) Roads, Highways and Mass Transit.

Governor Sandoval’s initial executive order gave the SNTIC until July 31, 2016, to issue its final report. That deadline was extended on July 13, 2016, by an executive order that set a new deadline of September 30, 2016. The additional time was granted to allow for further discussion and evaluation of a stadium development proposal as well as to consider the need for increased investment in police resources to protect Southern Nevada’s tourism infrastructure, visitors and residents.

The sections that follow summarize the committee membership and the extensive review its members undertook over 15 months. During that time, the committee held 16 meetings, listened to hours of testimony, asked numerous questions and reviewed hundreds of pages of documents related to the current and future needs for tourism infrastructure in the region. That work culminated in the research compendium attached to this report (see Appendices B and C) and resulted in five primary recommendations. The SNTIC recommends:

Recommendation 1: That the Nevada State Legislature increase the transient lodging tax by 0.5 percent in Clark County to fund construction of the Las Vegas Convention Center expansion and renovation project; implement a cap on the total annual transient lodging tax collection allowance local entities can receive at \$25 million, with any amount greater than that directed to fund construction of the convention center expansion and renovation project; and create a board of construction industry professionals to oversee project plans and expenditures.

Recommendation 2: [Recommendation pending]

Recommendation 3: That the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percent, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population.

Recommendation 4: That the 2025 sunset provision of the Clark County Sales and Use Tax of 2005 be removed, effectively making permanent the incremental sales tax revenue police departments use to retain and equip additional uniformed officers throughout Southern Nevada.

Recommendation 5: That the Nevada State Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the Southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session



of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and Legislature in advance of the 2019 session.

The committee would like to thank the members of the Technical Advisory Committee, not only for their work with the committee, but also for their day in and day out leadership in the community. Their knowledge, experience and input was, as always, invaluable.

The committee also extends its sincere appreciation for the work of Jeremy Aguero and the entire staff of Applied Analysis, particularly Brian Haynes and Melanie Framo. Without their exceptional competence, commitment and diligence, the work of the committee, the breadth and depth of the research and analysis, and the ultimate work product would not have been possible.

Finally, the committee would like to commend Governor Sandoval for his leadership and vision in creating the SNTIC and making tourism infrastructure a strategic priority for the state. The committee members also thank the Governor for the opportunity to participate in this important undertaking and to offer their input toward improving the economic well-being of Southern Nevada.



**ORDER ESTABLISHING THE SOUTHERN NEVADA TOURISM INFRASTRUCTURE
COMMITTEE**

Executive Order 2015-09

WHEREAS, tourism is vitally important to the economy of the State and the general welfare of its inhabitants;

WHEREAS, the economy of Southern Nevada is dependent on the resort, gaming, and convention industries;

WHEREAS, Las Vegas has long been a world class business and recreation destination for millions of visitors a year and Las Vegas repeatedly ranks among the top-five destinations for conventions and business meetings;

WHEREAS, the economic viability of Clark County is dependent upon increasing the number of tourists and business travelers to Las Vegas;

WHEREAS, the growth and success of tourism depends upon continual investment in tourism, entertainment, convention, and transportation infrastructure;

WHEREAS, Las Vegas is in competition with other destinations that are investing significantly in convention and entertainment facilities and related infrastructure;

WHEREAS, investment in tourism infrastructure will result in increased employment and revenue for the State;

WHEREAS, there is critical need to expand, improve, develop, and revitalize public and private tourism infrastructure in Southern Nevada to stay competitive and increase the number of business and pleasure travelers to Las Vegas; and

WHEREAS, Article 5, Section 1 of the Nevada Constitution provides: "The supreme executive power of this State, shall be vested in a Chief Magistrate who shall be Governor of the State of Nevada."

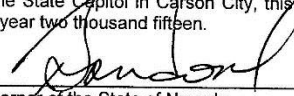
NOW, THEREFORE, by the authority vested in me as Governor by the Constitution and laws of the State of Nevada, I hereby direct and order:

1. The Southern Nevada Tourism Infrastructure Committee ("Committee") is hereby established.
2. The Committee shall make recommendations in a report to the Governor that identifies and prioritizes tourism improvement projects in Southern Nevada and suggests and identifies funding mechanisms for such projects.
3. The Committee shall:
 - Evaluate existing public and private convention facilities and assess and prioritize the need to revitalize existing facilities and construct new facilities;
 - Assess public and private entertainment facilities, including but not limited to, existing and planned sports stadiums and large-scale entertainment facilities, and make recommendations regarding the need and viability of new facilities;
 - Evaluate current tourism related transportation modes and infrastructure, including but not limited to, airport facilities, public and private mass transit, and transportation infrastructure, and identify areas of need and make recommendations for improvements; and
 - Identify and analyze funding for tourism infrastructure improvement projects.
4. The report shall be submitted to the Governor and the Interim Finance Committee of the Nevada Legislature on or before July 31, 2016, and the Committee shall thereafter expire, unless further directed by the Governor.

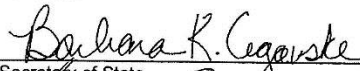


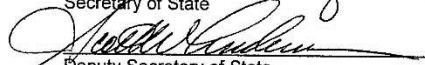
5. Members of the Committee shall be appointed by the Governor and serve at the pleasure of the Governor. The Committee shall include eleven members and be composed of the following:
 - The Executive Director of the Governor's Office of Economic Development;
 - The Mayor of the City of Las Vegas;
 - The Chairman of the Clark County Commission;
 - The President and Chief Executive Officer of the Las Vegas Chamber of Commerce;
 - The President of the University of Nevada, Las Vegas; and,
 - Six representatives of the Nevada Resort Association.
6. The Committee shall be assisted by the non-voting Technical Advisory Committee composed of the following:
 - The City Manager of the City of Las Vegas;
 - The Manager of Clark County;
 - The General Manager of the Regional Transportation Commission of Southern Nevada;
 - The Director of Aviation of McCarran International Airport;
 - The President and Chief Executive Officer of the Las Vegas Convention and Visitors Authority; and
 - An expert in economic and financial analysis appointed by the Chairman of the Committee.
7. The Committee shall be headed by a chair and vice-chair to be appointed by the Governor.
8. The Members of the Committee shall receive no compensation for their service.
9. The Committee may call on any other professionals with expertise in these issues.
10. The Committee shall hold its first meeting no later than July 15, 2015, and thereafter, as often as necessary to complete its report.
11. Any meetings conducted by the Committee shall be subject to the Open Meeting Law, as codified in Nevada Revised Statute Chapter 241.
12. The Governor's Office of Economic Development shall provide administrative support. The Office may hire or retain contractors, sub-contractors, advisors, consultants, and/or agents, and may make and enter into contracts as necessary, in accordance with relevant statutes, rules, and procedures of state regulations.
13. All records documenting the Committee's activities shall be retained and transferred to the State Archives for permanent retention in accordance with the State record retention policy.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 6th day of July, in the year two thousand fifteen.

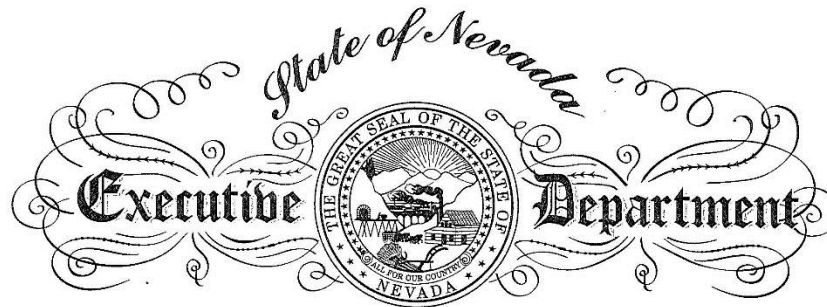

Governor of the State of Nevada

By the Governor:


Secretary of State


Deputy Secretary of State





Executive Order 2016-21

**ORDER AMENDING
THE SOUTHERN NEVADA TOURISM INFRASTRUCTURE COMMITTEE**

WHEREAS, I, as Governor of the State of Nevada, established the Southern Nevada Tourism Infrastructure Committee by issuing Executive Order 2015-09 on July 6, 2015;

WHEREAS, Executive Order 2015-09 directed that the Committee shall expire after it delivers its report to the Governor and the Interim Finance Committee of the Nevada State Legislature on or before July 31, 2016, unless further directed by the Governor; and

WHEREAS, the tourism industry of Southern Nevada, including existing infrastructure and proposed improvement projects, are best served by an adequate law enforcement presence;

WHEREAS, since 2013 the State of Nevada and the local governments of Clark County have sought to address the needs of area law enforcement pursuant to enabling legislation enacted during the 27th Special Session of the Nevada State Legislature;

WHEREAS, the enabling legislation that would have allowed additional funding of law enforcement expired on July 1, 2016;

WHEREAS, maintaining an ever-present vigilance to ensure the continued safety of all tourists and residents within Southern Nevada is an essential function of government;

WHEREAS, increased law enforcement funding is a fundamental component of analyzing any infrastructure investment in Southern Nevada, especially where improvement projects contemplate attracting new visitors and growing business opportunities; and

WHEREAS, Article 5, Section 1 of the Nevada Constitution provides: "The supreme executive power of this State, shall be vested in a Chief Magistrate who shall be Governor of the State of Nevada."

NOW, THEREFORE, by the authority vested in me as the Governor by the Constitution and laws of the State of Nevada, it is hereby ordered as follows:

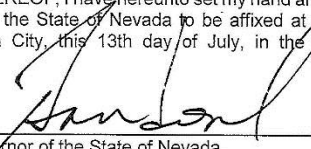
1. Executive Order 2015-09 shall be amended to extend the existence of the Committee and the time period for filing its report to the Governor and the Interim Finance Committee of the Nevada State Legislature from July 31, 2016, until September 30, 2016;
2. Executive Order 2015-09 shall be amended to allow for the Committee to make recommendations regarding funding from appropriate sources to adequately address increased law enforcement and policing needs to support and protect Southern Nevada's vital tourism infrastructure, visitors, and residents; and



3. Executive Order 2015-09 shall remain in force and effect in all other respects.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 13th day of July, in the year two thousand sixteen.





Governor of the State of Nevada

By the Governor:


Secretary of State


Deputy Secretary of State



Southern Nevada Tourism Infrastructure Committee Membership

Steve Hill, Chairman

Executive Director

Governor's Office of Economic Development

Carolyn Goodman

Mayor

City of Las Vegas

Kristin McMillan

President and Chief Executive Officer

Las Vegas Metro Chamber of Commerce

Bill Noonan

Senior Vice President of Industry and

Governmental Affairs

Boyd Gaming

Kim Sinatra

Executive Vice President, General Counsel

and Secretary

Wynn Resorts

Mike Sloan

Senior Vice President of Government Relations

Station Casinos

Len Jessup, Vice Chairman

President

University of Nevada, Las Vegas

Steve Sisolak

Chairman

Clark County Commission

Tom Jenkin

Global President

Caesars Entertainment

Bill Hornbuckle

President

MGM Resorts International

George Markantonis

President and Chief Operating Officer of

The Venetian and The Palazzo

Las Vegas Sands Corporation

Technical Advisory Committee Membership

Don Burnette

County Manager

Clark County

Tina Quigley

General Manager

Regional Transportation Commission

of Southern Nevada

Rosemary Vassiliadis

Director of Aviation

Clark County Department of Aviation

Elizabeth "Betsy" Fretwell

City Manager

City of Las Vegas

Rossi Ralenkotter

President and Chief Executive Officer

Las Vegas Convention and Visitors Authority

Guy Hobbs

Managing Director

Hobbs, Ong & Associates



Meeting Structure, Process and Organization

The SNTIC held 16 meetings between July 2015 and September 2016. The committee approached the meetings in three general phases. The first phase centered on a series of meetings that involved information gathering on the primary infrastructure areas of focus. These meetings were designed to explore relevant trends, existing challenges and potential opportunities within each infrastructure area. Meetings typically involved informational presentations from a mix of industry experts, government agency representatives and other stakeholders. Some stakeholders returned before the committee multiple times to provide additional follow-up information in response to committee inquiries. The second phase of meetings generally involved committee workshops to consider additional information, facilitate discussion, consider proposed projects and refine the salient issues. The third phase focused on developing and finalizing recommendations and this committee report.

The following table summarizes the schedule and primary topics of each SNTIC meeting. A complete index of topics as well as copies of all committee documentation, research, speaker presentations and proposals are included in the research compendium provided in Appendices B and C of this report.

	Date	Primary Meeting Topics
Phase I: Preliminary Data Gathering	July 14, 2015	Southern Nevada Economic Baseline
	August 27, 2015	McCarran International Airport
	September 24, 2015	Stadiums, Arenas and Event Centers
	October 22, 2015	Convention Centers Future of Transportation
	December 3, 2015	Pedestrian Movement Within the Resort Corridor Las Vegas Convention Center District Proposal
	January 28, 2016	Roads, Highways and Mass Transit
	Phase II: Workshops & Issue Refinement	February 25, 2016
March 24, 2016		Workshop on Stadiums, Arenas and Event Centers
April 28, 2016		Workshop on Las Vegas Convention Center District Proposal Stadium Proposal Las Vegas Monorail Request
May 26, 2016		Workshop on Las Vegas Convention Center District Proposal Stadium Proposal Follow-Up Presentation



	Date	Primary Meeting Topics
Phase III: Recommendation Development	June 23, 2016	McCarran International Airport Legislative Recommendation Las Vegas Convention Center Legislative Recommendation Stadium Proposal Alternatives
	July 11, 2016	Las Vegas Convention Center Legislative Recommendation Workshop on Stadium Proposal
	July 28, 2016	Potential Stadium Site Analysis Workshop on Stadium Proposal Workshop on Resort Corridor Police Funding
	August 25, 2016	Workshop on Stadium Proposal Workshop on Resort Corridor Police Funding
	September 8, 2016	Stadium Legislative Recommendation Resort Corridor Police Funding Legislative Recommendation
	September 15, 2016	[TBD]

Committee Findings and Recommendations

The following sections summarize the committee’s findings and recommendations regarding each infrastructure area of focus.

Convention Centers

For more than two decades, Las Vegas has been the leading trade show destination in the United States. In 2015, the city hosted 54 of the nation’s 250 largest trade shows, earning the Trade Show News’ top ranking for the 22nd consecutive year. This designation is a result of the ever-growing investment in convention and meeting facilities throughout Southern Nevada. Today, the region is home to three of the 10 largest convention centers in the country that, along with many smaller facilities, drew roughly 6 million business travelers to the region last year.

The largest local facility, the Las Vegas Convention Center (“LVCC”), is the third-biggest in the United States at 1.9 million square feet of exhibit space. Locally, it hosts approximately one in every five convention attendees. The Las Vegas Convention and Visitors Authority (“LVCVA”), which owns and operates the convention center, developed a master plan to expand and renovate the facility about a decade ago, but the plan was suspended when the economic crisis triggered significant drops in convention attendance. The convention business, and the economy as a whole, have rebounded in recent years, prompting the LVCVA to move forward with its plan to expand and renovate the LVCC to remain competitive with other facilities around the country.

As proposed by the LVCVA, phase one of the LVCC expansion and renovation plan involved purchasing the Riviera Hotel site and demolishing the existing buildings to create outdoor exhibit space. Phase two



would add a new 1.4 million-square-foot convention hall featuring 600,000 square feet of exhibit space and 150,000 square feet of meeting space. Phase three involves renovating and modernizing the existing LVCC convention halls, including upgrading technology and food services. To ensure minimal disruption of existing trade show schedules and the potential loss of clients, the LVCVA would use the new hall to host shows during the phase three renovations. Finally, phase four would involve future improvements based on customer feedback and market conditions.

Rossi Ralenkotter, president and chief executive officer of the LVCVA, testified before the committee that the expansion and renovation are critical for the LVCC to remain competitive in the convention and trade show market. In recent years other cities, including Chicago, Houston and San Francisco, have invested in their convention facilities to make them more competitive in the marketplace. Additionally, operators of major trade shows such as the International Consumer Electronics Show, the National Association of Broadcasters and SEMA testified that the LVCC is not large enough to accommodate their growing show demands, and the aging facility had fallen behind many competitors in terms of its technology infrastructure and amenities. These shortcomings could lead to shows moving all or part of their conventions to other locations, the show operators told the committee.

The LVCVA funded phase one through existing revenue streams but lacks the bonding capacity to pay for the other phases. The total cost of phase two and phase three is projected at \$1.4 billion.

Recommendation 1

Based on these findings, the SNTIC recommends that the Nevada State Legislature increase the transient lodging tax by 0.5 percent in Clark County to fund construction of the LVCC expansion and renovation project; implement a cap on the total annual LVCVA collection allowance local entities can receive at \$25 million, with any amount greater than that directed to fund construction of the LVCC expansion and renovation project; and create a board of construction industry professionals to oversee project plans and expenditures.

Stadiums, Arenas and Events Centers

As legalized casino 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. Among those offerings are special events such as concerts and sporting contests, which play an increasingly important role in the diversity of the visitor experience and the economy of Southern Nevada. Today, millions of visitors flock to the region each year to attend concerts, music festivals, awards shows and high-profile sporting events such as National Finals Rodeo, UFC, championship boxing, NBA Summer League and NASCAR racing.

This era of special events began more than 30 years ago with the opening of the Thomas & Mack Center. Since then, multiple venues have been built to accommodate the growing demand for special events. Today, Southern Nevada is home to some of the highest-grossing venues in the world, according to the



Top Stops of the Decade list released in 2012 by industry publication *Venues Today*. That list ranked Thomas & Mack Center, Mandalay Bay Events Center and Orleans Arena among the top 15 highest-grossing venues within their respective size categories. The publication also ranked UNLV's Sam Boyd Stadium fifth in the largest-venue category. These and other facilities provide a diverse mix of venues that allow the region to play host to the Electric Daisy Carnival and its more than 130,000 attendees at the Las Vegas Motor Speedway on the same weekend as the Indian National Finals Rodeo at South Point Arena.

Despite the growing number of venues within Southern Nevada, tourism officials, resort representatives and event promoters all noted during SNTIC meetings that the region lacks a state-of-the-art stadium with the seating capacity to host large-scale events such as international soccer matches, national political conventions, NFL games, neutral-site college football games and large stadium concerts. Although Las Vegas has more hotel rooms than any other U.S. market, worldwide appeal and a history of hosting major events, the absence of a modern stadium prohibits it from competing against the likes of Houston (NRG Stadium, 71,795 capacity); Phoenix (University of Phoenix Stadium, 63,400 capacity); Dallas (AT&T Stadium, 85,000 capacity) and other cities that have modern stadiums. This equates to the potential loss of large events and the hundreds of millions of dollars in economic activity they would create. The region's existing stadium, Sam Boyd Stadium, has undergone two major renovations since it was built in 1971; however, its current capacity of up to 40,000 spectators remains a limiting factor in attracting large events and enabling current events to expand.

In recent years, the University of Nevada, Las Vegas ("UNLV") has explored options for building a stadium that would serve as the home field for Rebel football games, host large-scale third-party events and provide a key selling point for the university to gain acceptance into the Pac-12 or another Power Five athletic conference. The most recent effort, the UNLV Campus Improvement Authority Board ("CIAB"), empaneled a committee of public- and private-sector leaders to study stadium needs and alternatives. The CIAB, which will continue to meet through September 2017, issued a report in 2014 summarizing the competitive landscape for large-scale events, potential stadium design options and the estimated economic impacts that a new stadium would generate. Overall, the CIAB report and speaker testimony before the SNTIC suggests that a domed stadium holds greater potential economic impact than an open-air stadium because it could host more events in its climate-controlled environment.

Whether domed or open-air, a state-of-the-art stadium will be a critical component of special events growth in Southern Nevada, both by attracting new events that are now out of reach and by supporting the expansion of current events that are constrained by the limitations of Sam Boyd Stadium. For UNLV, a new stadium within closer proximity to campus and the resort corridor would also increase interest in the football program and attendance at games, aiding its long-term goal of joining a Power Five conference and moving the university closer to aspired Top Tier status.

During the course of SNTIC meetings, a development team consisting of the Adelson family, Majestic Realty Company and The Oakland Raiders organization proposed a public-private partnership to build a 65,000-seat NFL-ready stadium in Southern Nevada. Under the proposal, the hotel room tax would be increased to fund a \$750 million public contribution to the total stadium construction cost. The development team would fund the balance of construction costs, including related infrastructure costs



and any additional cost overruns. The privately funded portion would consist of \$500 million from The Oakland Raiders City with the remaining costs shared by Las Vegas Sands and Majestic Realty.

[Details of proposal are pending.]

<u>Recommendation 2</u>
Pending

Police Protection in the Resort Corridor

Responsibility for maintaining public safety within the resort corridor lies with the Las Vegas Metropolitan Police Department, which has primary law enforcement duties in the City of Las Vegas and unincorporated Clark County. For many years, department leaders have sought alternative funding sources to increase officer staffing throughout the agency’s jurisdiction and within the resort corridor. At present, the Metropolitan Police Department deploys 1.8 officers per 1,000 residents, well below the national ratio of 2.2 officer per 1,000 residents. This ratio does not include the nearly 43 million annual visitors who swell the population by more than 300,000 on a typical day.

During testimony before the SNTIC, Clark County Sheriff Joseph Lombardo said visitors along the Las Vegas Strip and in Downtown Las Vegas account for about 9 percent of his agency’s calls for service, and as visitation grows, so do the demands on his department and the officers patrolling the resort corridor. The Metropolitan Police Department does not have a dedicated funding source to support officers deployed within the resort corridor, so during the busy summer months, Sheriff Lombardo testified that he must solicit private donations from resort hotels to fund the Safe Strip program to boost police presence along Las Vegas Boulevard.

Compared with other cities with iconic tourism destinations, such as New York and New Orleans, Las Vegas has fewer officers assigned over a greater distance to police its primary tourist zone. Police presence in these high-profile areas is particularly important in today’s homeland security environment where terrorist attacks have targeted tourist destinations around the globe. Additional police officers would provide greater presence for deterring crime, responding quickly to in-progress incidents and increasing public safety for both visitors and residents in the resort corridor.



Recommendation 3

Based on these findings, the SNTIC recommends that the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percent, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population.

Recommendation 4

Based on these same findings, the SNTIC further recommends that the 2025 sunset provision of the Clark County Sales and Use Tax of 2005 be removed, effectively making permanent the incremental sales tax revenue police departments use to retain and equip additional uniformed officers throughout Southern Nevada.

McCarran International Airport

Within Southern Nevada’s tourism-based economy, perhaps no single element of the region’s tourism infrastructure is more critical than McCarran International Airport (“McCarran”). Since its creation in 1948, the airport has evolved and grown along with the community while providing a convenient and popular link between Southern Nevada and cities across the United States and around the globe. Today, that link brings 45 million passengers a year through McCarran, ranking it as the eighth-busiest airport in the country and the 26th-busiest in the world. When measured by the number of origin and destination (“O&D”) passengers, the airport was the third-busiest in the U.S. The majority of the airport’s passengers, 80 percent, consists of tourists and business travelers, making it the first and last stop in Las Vegas for roughly 18 million visitors each year.

During testimony, committee members heard from representatives of McCarran, commercial air carriers, air tour operators and ground transportation providers who spoke about their operations and potential infrastructure improvements. The primary infrastructure issue identified during testimony was Southern Nevada’s reliance on a single source of aviation fuel. Currently, the region’s only source of aviation fuel is the CALNEV pipeline, a 248-mile pipeline system that runs generally along Interstate 15 between Colton, California, and Las Vegas. The pipeline consists of two pipes: an 8-inch diameter pipe used exclusively to ship commercial aviation fuel (Jet-A), and a 14-inch diameter pipe that handles a variety of fuel types, including gasoline, diesel, military jet fuel and Jet-A fuel.

A reserve supply of aviation fuel is stored in Southern Nevada; however, that supply is limited and would not be able to serve the region’s aviation fuel needs in the event of a long-term disruption to the CALNEV pipeline operation. In recent years, McCarran’s aviation fuel supply has been interrupted many times because of accidents, natural disasters or other events.



May 1989 – A Southern Pacific freight train derailed in San Bernardino County, California, damaging the underground 14-inch pipe adjacent to the railroad tracks. A subsequent fire caused the pipeline to be shut down for several days.

January 2001 – Rolling power shortages in California caused several disruptions to the pipeline’s electricity supply over a period of weeks.

January 2002 – A computer glitch caused a 36-hour shutdown of the pipeline.

January 2005 – Heavy rains and mudslides in Southern California shut down the pipeline for nearly a week.

March 2014 – McCarran experienced a weeklong fuel shortage after a five-day supply of jet fuel that didn’t meet standards was delivered to the airport.

These disruptions required emergency measures, such as restructuring aircraft fueling to only what was necessary for the next flight segment, reducing fuel exports to outlying areas and delivering fuel to the valley using trucks. These types of measures, along with McCarran’s 10-day supply of fuel in reserve, allow for the short-term management of a pipeline disruption. That said, they would be difficult to sustain over a prolonged timeframe.

Recommendation 5

Based on these findings, the SNTIC recommends that the Nevada State Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the Southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and Legislature in advance of the 2019 session.

Pedestrian Movement in the Resort Corridor

The Las Vegas Strip is a one-of-a-kind pedestrian environment, regularly accommodating tens of thousands of walkers concentrated along four miles of Las Vegas Boulevard. Walking along the Strip remains a popular method of transportation for many visitors, despite long blocks that stretch a half mile or more and the often lengthy distances between resort entrances. In Downtown Las Vegas, heavy pedestrian movement is concentrated around the Fremont Street Experience and the Fremont East Entertainment District.

During the SNTIC meeting on the topic, representatives of Clark County and the City of Las Vegas provided testimony about their recent efforts to reduce pedestrian congestion along Las Vegas Boulevard and in downtown Las Vegas. Along Las Vegas Boulevard between Russell Road and Sahara Avenue, generally known as the Las Vegas Strip, the quality of pedestrian movement can be influenced by many factors. Although sidewalk width is generally considered the primary factor, the effective width



of a sidewalk can be reduced by permanent obstacles such as light poles, trash cans and bus stop shelters, or non-permanent obstacles such as street performers, handbillers and vendors. The greater the number of obstacles along a sidewalk, the more congested it can become when demand is heavy.

Since 2012, Clark County has empaneled a blue ribbon working group, enacted law changes and undertaken public works projects to improve pedestrian movement on the Strip. Recent ordinance changes banned pets during peak pedestrian traffic times and prohibited unlicensed vendors from selling goods on pedestrian bridges and Strip sidewalks. Additionally, ongoing construction projects are focused on widening sidewalks and relocating sign posts, fire hydrants and other physical obstructions to improve the flow of foot traffic.

The City of Las Vegas provided a presentation on investments and improvements in the downtown area to enhance the pedestrian experience. Those include numerous lighting and sidewalk improvements, a downtown circulator vehicle to help move people between various downtown destinations and an ordinance restricting busker activity at the Fremont Street Experience to 38 designated locations.

A key component of reducing pedestrian congestion along Las Vegas Boulevard or the Fremont Street area involves police enforcement of existing laws related to obstructing sidewalks and other pedestrian walkways. This enforcement is one of many responsibilities of Las Vegas Metropolitan Police Department officers assigned to the resort corridor. To help enforce these laws as well as provide improved police protection and response in the state's most-important area of economic activity, Clark County Sheriff Joseph Lombardo requested additional funding to increase staffing resources and monitoring equipment in the resort corridor. Police funding was discussed in greater detail during subsequent committee meetings and is addressed as a standalone recommendation from the SNTIC later in this document.

Currently, the actions being undertaken by local governments are actively addressing necessary infrastructure projects related to pedestrian movement within the resort corridor, therefore no further action is required by or requested of the state.

Roads, Highways and Mass Transit

For decades, Southern Nevada's rapid growth and expansion coincided with the addition of new lanes of roads and highways to accommodate the growing demand for vehicular travel throughout the area. As in many metropolitan areas across the U.S., Southern Nevada's roadway capacity has not kept pace with the increasing demands of one of the fastest-growing regions in the nation. This has led to rising congestion, particularly within the resort corridor, and growing frustration among residents and visitors alike.

This was a common refrain during committee meetings. Both committee members and speakers noted issues with traffic congestion impeding the efficient movement of visitors to and from McCarran International Airport and throughout the resort corridor. For a destination built on world-class experiences in accommodations, dining and entertainment, the experience of getting from one destination to another is frequently considered anything but world class.



During its meeting on the topic, the SNTIC heard testimony from representatives of the Regional Transportation Commission of Southern Nevada (“RTC”) specific to its Transportation Investment Business Plan (“TIBP”), a three-year effort to identify the community’s transportation infrastructure needs over the next 30 years to remain economically competitive. The TIBP included 65 recommended transportation projects within seven suites designed to increase mobility and connections between the economic centers within the central area of Las Vegas. Those economic centers include the Las Vegas Strip, Downtown Las Vegas, McCarran International Airport and the University of Nevada, Las Vegas. A number of projects are dedicated to improving mobility within the resort corridor, such as a light rail system connecting McCarran and the Strip, additional pedestrian bridges along Las Vegas Boulevard and increased public transit options for the workforce commuting to and from the corridor every day.

The committee also heard testimony from a panel of leaders from regional transportation agencies around the United States about their experiences in financing and building major transportation infrastructure projects in their respective cities.

Representatives from Clark County and the City of Las Vegas provided presentations on transportation improvements they have made and plan to make within the resort corridor, and the Las Vegas Monorail Company detailed plans to extend service to Mandalay Bay and add a stop at the Sands Expo Center, which would connect three of the largest convention centers in the nation. XpressWest also provided a status update on its plans to establish a high-speed rail line that would eventually connect Las Vegas with Los Angeles and provide a travel alternative for the 10 million annual visitors from Southern California.

Currently, the actions being undertaken by local governments and regional agencies are actively addressing necessary infrastructure projects related to roads, highways and mass transit, therefore no further action is required by or requested of the state.



Appendix A

Committee Recommendations



Committee Recommendations

The Southern Nevada Tourism Infrastructure Committee recommends the following actions be undertaken by the Nevada State Legislature.

Recommendation 1: *Increase the Transient Lodging Tax to Expand and Renovate the Las Vegas Convention Center*

The committee recommends that the Nevada State Legislature increase the transient lodging tax by 0.5 percent in Clark County to fund construction of the LVCC expansion and renovation project; implement a cap on the total annual LVCVA collection allowance local entities can receive at \$25 million, with any amount greater than that directed to fund construction of the LVCC expansion and renovation project; and create a board of construction industry professionals to oversee and approve project plans and expenditures.

Recommendation 2: *Increase the Transient Lodging Tax to Fund \$750 Million Toward Construction of a Stadium Under a Public-Private Partnership*

[Pending]

Recommendation 3: *Increase the Sales Tax Rate in Clark County and Dedicate a Specified Portion to Funding Additional Police Officers Within the Resort Corridor*

The committee recommends that the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percent, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population.

Recommendation 4: *Remove the 2025 Sunset Provision of the Clark County Sales and Use Tax of 2005*

The committee recommends that the 2025 sunset provision of the Clark County Sales and Use Tax of 2005 be removed, effectively making permanent the incremental sales tax revenue police departments use to retain and equip additional uniformed officers throughout Southern Nevada.

Recommendation 5: *Authorize Study of Aviation Fuel Resources*

The committee recommends that the Nevada State Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the Southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and Legislature in advance of the 2019 session.



**Convention Center Expansion and Renovation
Legislative Recommendation**



Convention Center Expansion and Renovation
Legislative Recommendation

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTION 1 amends NRS 244 to increase the room tax by one-half of one percentage point (0.5 percent) in counties with 700,000 people or more. **SECTION 2** specifies allowable uses of the additional room tax revenue created in **SECTION 1**. **SECTION 3** enumerates prohibited uses of the additional room tax revenue created in **SECTION 1**. **SECTION 4** amends NRS 244A to cap the local government collection allowance for the transient lodging tax to an amount not greater than \$25 million per year in counties with a population of 700,000 or more; establishes the allowable uses and prohibited uses for the revenues in excess of the maximum collection allowance in Section 4. **SECTION 5** creates a committee for convention facilities in counties with a population of 700,000 or more. **SECTION 6** establishes the duty of the county fair and recreation board to provide support and information to an oversight committee for convention facilities. **SECTION 7** establishes certain reporting and duties of an oversight committee for convention facilities. **SECTION 8** amends NRS 268 to increase the room tax by one-half of one percentage point (0.5 percent) in all cities in a county with 700,000 people or more. **SECTION 9** specifies the allowable uses of the additional room tax revenue created in **SECTION 8**. **SECTION 10** enumerates prohibited uses for the additional room tax revenue created in **SECTION 8**. **SECTION 11** exempts the imposition of the increases in room tax as set forth in this Act from the business impact statement requirement. **SECTION 12** and **SECTION 13** exempt the Act from the legislative limitation on the imposition of additional transient lodging taxes. **SECTION 14** makes the Act effective upon passage and approval with ninety (90) days to implement the increase in room tax and sunsets the tax when the notes, bonds or other securities issued to fund the cost of the project have been paid in full or thirty-three (33) years, whichever occurs first, unless the state legislature determines it is in the best interest of the state's tourism industry to extend the tax for a longer period of time.

LANGUAGE FOR CONSIDERATION

SECTION 1. *NRS 244.335X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.*

1. The board of county commissioners:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that county upon all persons in the business of providing lodging. This tax must be imposed by the board of county commissioners in each county, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 244.335.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

SECTION 2. *NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.*



1. The proceeds of the tax imposed by Section 1 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 1 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 3. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 1 may not be used:

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 2;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or

7. For any other purpose inconsistent with Section 2.

SECTION 4. NRS 244A.645 Powers of board concerning license taxes assigned or appropriated by cities, towns and counties. In connection with any license taxes assigned or appropriated by any city, town or county, or any combination thereof, for use in connection with NRS 244A.597 to 244A.655, inclusive, the county fair and recreation board of any county, upon behalf of the county, in addition to powers elsewhere conferred, may:

1. Collect the proceeds of such taxes from time to time, receive, control, invest and order the expenditure of all money pertaining thereto, prescribe a procedure therefor, including, but not limited to:

(a) Enforcing the collection of any delinquent taxes and providing penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a transient lodging facility and the closure of a transient lodging facility for failure to pay the tax on transient lodging; and

(b) Creating an office and hiring personnel therefor.

2. Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected, excluding from this limitation and from those gross revenues any costs of collecting any delinquent taxes borne by any delinquent taxpayer.

(a) In a county whose population is 700,000 or more:

(1) The incorporated cities collectively and any county shall enter into an agreement with the board for the payment of collection fees, which may not exceed 10 percent of the proceeds of the license taxes collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed \$25 million in any single fiscal year.

(b) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a) which would have been paid to the collecting entities shall be pledged revenues for the purpose of subsection 3 of NRS 350.020 and accounted for separately and used only:

(1) To expand an existing convention center owned and operated by the county fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve and renovate the facilities of the county fair and recreation board; and

(2) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in Subsection 1.

(c) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a), which would have been paid to the collecting entities shall not be used:



- (1) As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;*
- (2) To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;*
- (3) To operate and maintain recreational facilities under the jurisdiction of the county fair and recreation board;*
- (4) To improve and expand recreational facilities other than those authorized in Section 2;*
- (5) To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or*
- (6) For any other purpose inconsistent with Section 2.*

SECTION 5. NRS 244A.XXX Oversight panel for convention facilities: Establishment in counties whose population is 700,000 or more; membership; terms of members; meetings.

- 1. The oversight committee shall be comprised of seven (7) members that live in the county.*
- 2. Oversight committee members shall be nominated by the board of county commissioners, city councils of any incorporated city in the county, the Majority Leader of the Nevada State Senate, the Speaker of the Nevada State Assembly, and the association of gaming establishments whose membership in the county collectively paid the most gross revenue fees pursuant to NRS 463.370 in the preceding year, and shall be appointed by the Governor.*
- 3. The seven (7) members appointed by the Governor shall include:*
 - (a) Five members who are executives and/or directors of construction of active commercial hotel resort properties who have experience managing the design, engineering, cost estimating and construction of commercial conference and/or convention facilities; and*
 - (b) Two members who are experienced in the financing of capital projects within the State of Nevada.*
- 4. No two members of the oversight panel for convention facilities shall be representatives of the same company.*
- 5. The initial term for members appointed under Section 5(3)(a) shall end on June 30, 2018, and the initial term for members appointed under Section 5(3)(b) shall end on June 30, 2019. After the initial terms, the term of each member of the oversight panel is two (2) years. Members of the oversight panel are eligible for reappointment.*
- 6. The chair and vice chair of the oversight panel shall be appointed by the Governor.*
- 7. The oversight panel for convention facilities may meet at the call of the chair of the oversight panel, but is not required to hold meetings except for the purposes of carrying out its duties pursuant to this Act, or at the request of the Legislature, the Governor or county fair and recreation board.*
- 8. The oversight panel shall comply with NRS Chapter 239 and will dissolve upon the earlier of ten (10) years after the date of passage of the Act or the completion of the expansion and renovation projects as set forth in Section 2, as certified by an independent public accountant.*

SECTION 6. NRS 244A.XXX Oversight panel for convention facilities: Duty of county fair and recreation board to provide support and information. The county fair and recreation board in a county whose population is 700,000 or more shall:

- 1. Provide administrative support to the oversight panel for convention facilities to ensure its ability to fulfill the duties and responsibilities pursuant to this Act;*
- 2. Comply with all requests by the oversight panel for information;*
- 3. Prepare a 3-year plan for the renovation and expansion of convention facilities and a 5-year plan for the construction of convention facilities funded by this Act for submission to the oversight panel for its review and recommendations on or before June 30 of each even-numbered fiscal year;*
- 4. Provide an annual progress update of all projects undertaken pursuant to Sections 2 and 9 of this Act.*
 - (a) The annual progress update shall have been accepted by the fair and recreation board before being submitted to the oversight panel for convention facilities.*
- 5. Consider each recommendation, approval or disapproval of the oversight panel for convention facilities.*
 - (a) The fair and recreation board may reject the recommendation, approval or disapproval of the oversight panel for convention facilities. If the recommendation, approval or disapproval of the oversight panel for convention facilities is rejected by less than 67 percent of the voting members of the fair and recreation board, the fair and recreation board shall revise and resubmit the recommendation, approval or disapproval to the oversight panel for convention facilities before taking any further action on that recommendation.*
- 6. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all construction or renovation payments made with the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the immediately preceding fiscal year; and*



7. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all bond activity and uses related to the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the preceding fiscal year.

SECTION 7. NRS 244A.XXX Duty to review and submit recommendations for convention facility expansion and renovation plans; oversight panel required to approve or deny request for issuance of certain bonds.

- 1. The oversight panel for convention facilities shall review and, within 30 days approve or disapprove plans for expansions to or renovation of any convention facilities undertaken pursuant to this Act.*
- 2. In a county whose population is 700,000 or more, the oversight panel for convention facilities shall review and, within 30 days, approve or disapprove a request of the county fair and recreation board for the issuance of bonds or any other form of indebtedness pursuant to this Act.*
- 3. The oversight panel's approval of any issuance of bonds or any other form of indebtedness as set forth in subsection 2 shall be made after the approval, if any, required by any debt management commission and prior to adoption of a resolution of intent pursuant to subsection 3 of NRS 350.020.*

SECTION 8. NRS 268.09X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.

- 1. The city council or other governing body of each incorporated city:
 - (a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that city upon all persons in the business of providing lodging. This tax must be imposed by the city council or other governing body of each incorporated city, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.*
 - 2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 268.095.*
 - 3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.*
 - 4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:
 - (a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and*
 - (b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.***
- 5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.*

SECTION 9. NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.

- 1. The proceeds of the tax imposed by Section 8 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 8 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:
 - (a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board of the county fair and recreation board; and*
 - (b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.**
- 2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.*

SECTION 10. NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of



proceeds. The proceeds of the tax imposed pursuant to Section 8 may not be used:

- 1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;*
- 2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;*
- 3. To fund operating activities;*
- 4. To fund any or general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;*
- 5. To improve and expand recreational facilities other than those authorized in Section 9;*
- 6. To construct, purchase or acquire recreational facilities other than those authorized in Section 9; or*
- 7. For any other purpose inconsistent with Section 9.*

SECTION 11. *Exemption from Business Impact Statement requirements. Any ordinance or other action of the board of county commissioners or city councils taken pursuant this Act is exempt from the requirements of NRS 237.030 thru 237.150.*

SECTION 12. NRS 244.3359 Taxes on rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration; exceptions.

1. A county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.3351, 244.3352, ~~and~~ 244.33561 *and Section 1 of this Act.*
2. A county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.33561.
3. Except as otherwise provided in subsection 2 and NRS 387.191, the Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for the promotion of tourism or for the construction or operation of tourism facilities by a convention and visitors authority.

SECTION 13. NRS 268.0968 Tax on revenues from rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration.

1. Except as otherwise provided in NRS 268.096, ~~and~~ 268.801 to 268.808 *and Section 8 of this Act*, inclusive, a city located in a county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.
2. Except as otherwise provided in NRS 268.7845, a city located in a county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.
3. The Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for:
 - (a) The promotion of tourism;
 - (b) The construction or operation of tourism facilities by a convention and visitors authority; or
 - (c) The acquisition, establishment, construction or expansion of one or more railroad grade separation projects.

SECTION 14. 1. *This Act shall become effective upon passage and approval except that Sections 1 and 8 shall be imposed ninety (90) days after passage and approval.*

2. *Transient lodging taxes created in Sections 1 and 8 of this Act shall sunset:*

(a) When the notes, bonds or other securities issued pursuant to Section 2(b) and Section 9(b) of this Act have been fully paid; or

(b) Thirty-three (33) years from the effective date of this Act, whichever occurs first.

3. *On a date not less than three years prior to the sunset of the transient lodging tax as set forth in subsection 2, the Nevada State Legislature shall consider in a public hearing whether it is in the best interest of the state's tourism industry to extend the imposition of the transient lodging taxes set forth in Sections 1 and 8 for a longer period of time.*



**Stadium Funding Construction and Oversight
Legislative Recommendation**



**Resort Corridor Police Funding
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Impact Summary

Las Vegas Convention Center | Expansion and Renovation

Project Highlights

- 1.4 million square foot expansion of the Las Vegas Convention Center
- Complete renovation of existing 3.2 million square foot facility
- Total project cost: \$1.4 billion
 - 0.5% room tax increase will fund \$420 million bond issuance
 - Cap on local government collection allowance will fund \$132 million
 - Remaining \$848 million will be funded through existing sources

Economic Summary

Annual Economic Impact (Output):	\$810 Million
Annual Incremental Visitors:	610,000
Annual Incremental Room Nights:	1,130,000
Construction Employment:	13,800
Permanent Jobs (Incremental):	7,850
Avg. Annual Wage of New Jobs:	\$39,000

Fiscal (Revenue) Summary

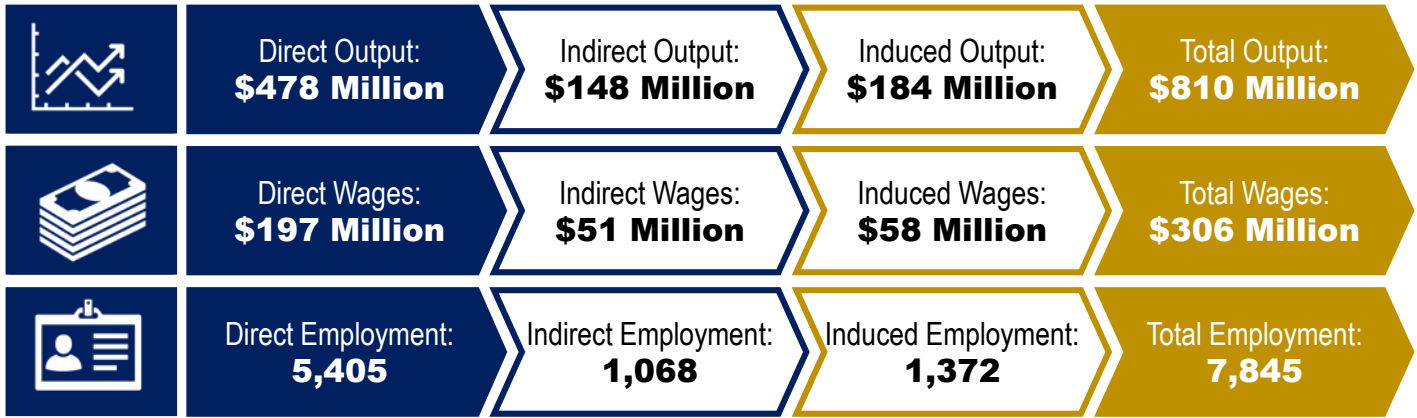
State General Fund Revenue:	\$14.6 Million
Local Government Revenue:	\$34.6 Million
Total Fiscal (Revenue) Impacts:	\$49.2 Million
Education Funding (State & Local):	\$19.0 Million



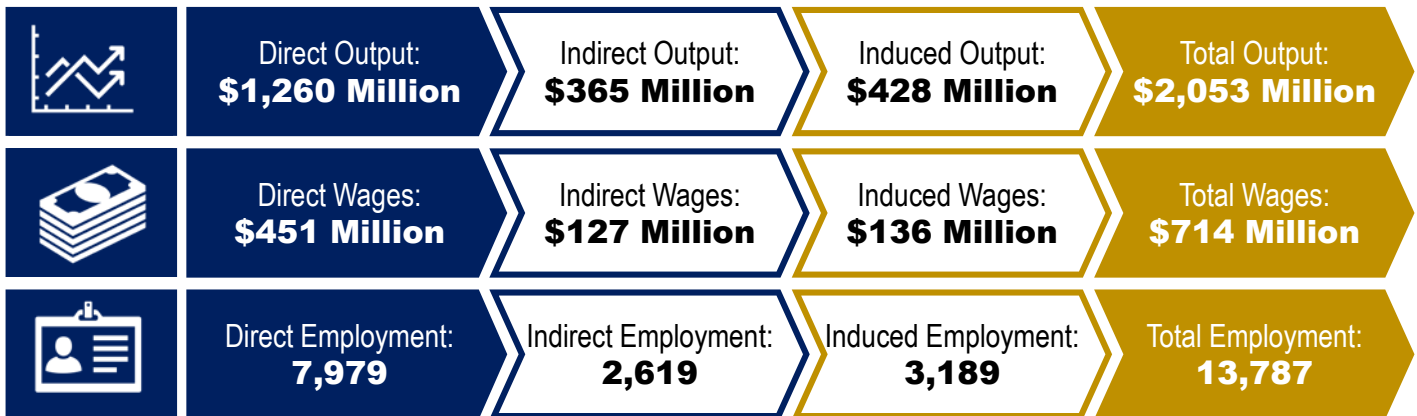
Impact Summary

Las Vegas Convention Center | Expansion and Renovation

Economic Impacts (Recurring Annual Impacts During Operations)

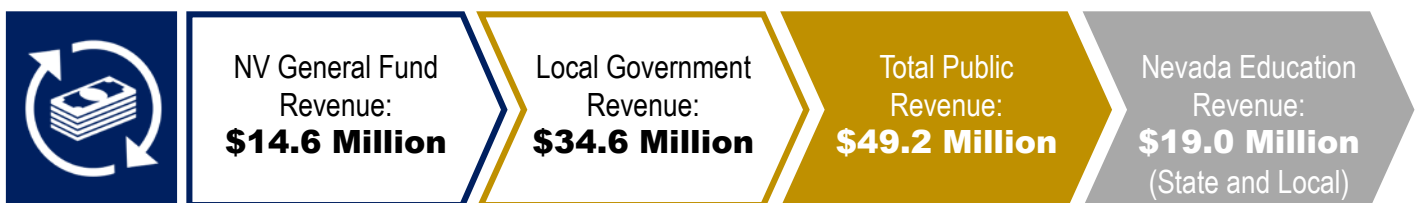


Economic Impacts (One-Time Impacts During Construction)



Note: Employment impacts during the construction phase are stated in person-years of employment (i.e., one person employed full time for a year).

Fiscal (Public Revenue) Impacts (Recurring Annual During Operations)



Economic impacts are sourced to IMPLAN, an input-output model that utilizes complex economic equations to explain how the "outputs" of one industry become the "inputs" of others, and vice versa. This relationship is sometimes referred to as the "multiplier effect," illustrating how changes in one sector of the economy can affect other sectors. Input-output models, as is the case with all econometric models, are not without their limitations; the statistical model used in this analysis, IMPLAN, for example, assumes that capital and labor are used in fixed proportions. Fiscal impacts were quantified for the largest categories sourced to new consumer spending and potentially lost spending. Fiscal impacts are only estimated on direct spending to avoid double counting.



Stadium Project Funding, Administration and Oversight

Stadium Recommendation Working Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTION 1 to **SECTION 25** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League (NFL) stadium project in a county whose population is 700,000 or more (currently Clark County). **SECTION 11** through **SECTION 19** create a stadium authority as a public body and establish its powers and authorities. **SECTION 20** creates a stadium district to finance an NFL stadium project or a collegiate stadium project in such a county and provides that the stadium district consists of all property that is located within the county that is within 25 miles of the center of the stadium project site. **SECTION 20** of this bill also provides for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the stadium district at a specified rate of the gross receipts from the rental of transient lodging in the stadium district. **SECTION 21** and **SECTION 22** of this bill require the stadium authority for the county in which the stadium district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project within the stadium district. **SECTION 23** of this bill provides number of special conditions that the stadium authority must include in any agreements with the developer and operator of the NFL stadium project. **SECTION 24** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project, if an NFL franchise commits to relocate to the stadium district. **SECTION 25** defines exemptions from and applicability of certain Nevada Revised Statutes dealing with public works. **SECTION 26** transfers collected tax dollars, in the event a NFL franchise does not commit to locate or relocate to the stadium district or other conditions are not met, to a university within the stadium district where that university obtains a commitment of at least \$200,000,000 in funding for a collegiate stadium on its campus. If the conditions for the use of the proceeds of the tax for a NFL stadium project or a collegiate stadium project are not satisfied, **SECTION 26** then requires that the proceeds of the tax be distributed to the county fair and recreation board to pay debts incurred for capital facilities and that all stadium project-related tax increases sunset. **SECTION 27** defines an undertaking for the development of a collegiate stadium project to include the collegiate stadium itself and any supporting projects, improvements or facilities. **SECTION 28** to **SECTION 35** create a campus improvement authority as a public body and defines its powers and authorities. **SECTION 36** reduces the room lodging tax rate imposed by **SECTION 20** in the event the proceeds of the tax will be used to construct a collegiate stadium project as opposed to an NFL stadium project. **SECTION 37** through **SECTION 39** of this bill require the campus improvement authority for the county in which the stadium district is located to use the proceeds of the lodging tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium within the stadium district. **SECTION 40** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium if an NFL franchise does not commit to locate or relocate to the district and a university within the stadium district obtains a commitment of at least \$200,000,000 in private funding for a collegiate stadium on its campus. **SECTION 41** of this bill clarifies that no provision of this bill

shall infringe on rights and powers of university or its board of regents. **SECTION 42** establishes the terms of stadium authority board members. **SECTION 43** establishes the terms of campus improvement authority board members. **SECTION 44** provides a timeline for certain actions required by the NFL franchise, stadium developers and the stadium authority board. **SECTION 45** establishes effective dates for each section of the act.

LANGUAGE FOR CONSIDERATION

DEFINITIONS

SECTION 1. *As used in section 1 to 45, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 through 45 of this act have the meanings so ascribed to them in those sections.*

SECTION 2. *“Developer partner” means one or more private parties providing funds needed to construct the stadium project or providing all or a portion of funds needed to make capital improvements to the stadium project in the District. The developer partner, or its affiliate, may also be a part owner or owner of the Stadium Events Company.*

SECTION 3. *“Stadium district” means the district to finance a stadium project that is created by section 20 of this act.*

SECTION 4. *“NFL team” means the National Football League franchise that has committed to relocate to the District and utilize the stadium project for its home National Football League games and related activities. The NFL team, or its affiliate, may also be a part owner or owner of the Stadium Events Company and may be a developer partner.*

SECTION 5. *“Stadium authority” means the stadium authority for the county in which a district is located and is inclusive of its appointed board pursuant to this act.*

SECTION 6. *“Stadium Events Company” means the legal entity owned by and comprised of the NFL team, or its affiliate, and/or any other developer partner, or its affiliate, contributing equity to pay a portion of construction costs of the NFL stadium project. Stadium Events Company will lease the NFL stadium project pursuant to a long-term lease with the stadium authority. Stadium Events Company will be responsible for all stadium cost overruns.*

SECTION 7. *“NFL stadium project” means a domed stadium developed within the stadium district containing not less than 60,000 seats constructed by one or more developer partners in cooperation with an NFL team. The location, design, fit and finish of the NFL stadium project shall be consistent with first class, premier National Football League facilities currently in operation or approved for construction by the National Football League.*

SECTION 8. *“Collegiate stadium project” means a stadium developed within the district containing not less than 40,000 seats constructed by a public university. The location, design, fit and finish of the stadium project shall be consistent with similar competitive facilities existing at universities in Power*

Five athletic conferences within National Collegiate Athletic Association Division I Football Bowl Subdivision.

SECTION 9. *“Campus improvement authority” mean the improvement authority created by a university located within the stadium district and is inclusive of its appointed board pursuant to this act.*

SECTION 10. *“System” means the Nevada System of Higher Education.*

NFL STADIUM PROJECT

PART I | STADIUM AUTHORITY BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 11. 1. *In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:*

(a) Three members appointed by the Governor;

(b) Two members appointed by the board of county commissioners of the county in which the stadium district is located;

(c) Two members representing the public at-large shall be appointed by members of the stadium authority appointed pursuant to paragraphs (a) and (b), with consideration given to appointment recommendations made by the Stadium Events Company and the NFL Team.

2. *The stadium authority constitutes:*

(a) A body corporate and politic;

(b) A political subdivision of the county in which the stadium district is located; and

(c) A political subdivision of this State, the boundaries of which are coterminous with the boundaries of the stadium district.

3. *A vacancy on the stadium authority occurs when a member:*

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the person or entity who appointed that member.

4. *A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.*

5. *A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.*

6. *The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.*

7. *All members of the stadium authority shall reside in the county in which the stadium district is created.*

SECTION 12. 1. *The Governor shall appoint one of the stadium authority members as Chair.*

2. *The stadium authority shall appoint:*

(a) One of its members as Vice Chair; and

(b) A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.

3. *The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.*

4. The stadium authority shall meet regularly in the stadium district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.

5. Except as otherwise provided in subsection 5 of NRS 281A.420:

(a) Five of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.

(b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least five members of the stadium authority when a quorum is present, and only actions complying with this act may be taken by the stadium authority.

6. The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.

SECTION 13. 1. The Secretary of the stadium authority shall keep:

(a) Audio recordings or transcripts of all meetings of the stadium authority;

(b) Minutes of all the meetings of the stadium authority;

(c) A record of all the proceedings and actions of the stadium authority;

(d) Any certificates issued or received by the stadium authority;

(e) Any contracts made by the stadium authority; and

(f) Any bonds required by the stadium authority from its employees.

2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.

3. The Treasurer of the stadium authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the stadium authority.

4. The Secretary and Treasurer of the stadium authority do not constitute a part of the staff of the stadium authority for the purposes of section 14 of this act.

5. The board of the stadium authority may direct staff of the stadium authority, retained pursuant to section 14, of this act to provide the services necessary for the Secretary and Treasurer to fulfill their respective duties as set forth in this section.

SECTION 14. 1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:

(a) Hire the members of its staff as employees;

(b) Contract with any governmental entity or other person to provide the persons to serve as its staff;
or

(c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).

2. The stadium authority shall specify:

(a) The powers and duties of the members of its staff; and

(b) The amount and basis of compensation for the members of its staff.

SECTION 15. The stadium authority:

1. May adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of section 14 to section 19 of this act, for carrying out its business and affairs; and

3. Shall create a stadium tax account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of this act.

SECTION 16. 1. *In addition to the duties and powers granted to the stadium authority in sections 14 and 15, the stadium authority shall:*

(a) Certify that the National Football League has authorized an NFL team to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.

(b) Certify that the NFL team identified in paragraph (a) has committed to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.

(c) Certify that the Stadium Events Company has been properly formed in this State. Certification of the Stadium Events Company shall include, but may not be limited to, a disclosure of all owners and operators of the Stadium Events Company.

(d) Identify and qualify the developer partners as a matter of public record.

(1) Identification of the developer partners shall include, but may not be limited to, a disclosure of all participating entities.

(2) Qualification of the developer partners shall include, but may not be limited to, documented affiliation with the NFL team certified by the stadium authority pursuant to subparagraph (b) and a demonstrated ability to successfully construct the development project.

(e) Prior to approving a development agreement with developer partners, the stadium authority shall ensure that the developer partners have provided suitable financial security for the developer partners' funding obligations as a part of the NFL stadium project financing. This shall include, but may not be limited to, that the assurances required by subsections 4 through 6, inclusive, of section 24 of this act are provide in advance of the issuance of any bonds or other forms of indebtedness by the stadium authority.

2. After all certification and qualifications set forth in subsection 1 have been completed, the stadium authority shall negotiate and may approve a development agreement with the developer partners or the Stadium Events Company for the construction of a NFL stadium project. The development agreement may be combined with the lease to create a development and lease agreement as determined by the stadium authority.

(a) The development agreement shall identify the site of the NFL stadium project.

(b) The development agreement shall set forth the overall design, scope and specifications of the undertaking.

(c) The development agreement shall set forth the sources of funding for the NFL stadium project in a manner consistent with the provisions of this act.

(d) The development agreement shall establish a process and criteria for periodic progress reporting by the developer partners to the stadium authority on the construction and development status of the NFL stadium project.

(e) The development agreement shall state that any and all construction and development cost overruns incurred in the construction and development of the NFL stadium project shall be the sole responsibility of the developer partners. The sole exception to this provision shall be any cost overruns caused by a design or other change mandated by the stadium authority or other governmental entity subsequent to the approval of the development agreement required by this section, excluding any change required subsequent to the development agreement related to building or public safety.

(f) The development agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.

(g) The development agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.

3. Once all certification and qualifications set forth in subparagraph 1 have been completed, the stadium authority shall negotiate and may approve a lease agreement, which may be combined with the development agreement to create a development and lease agreement, with the Stadium Events Company and/or an NFL Team or its affiliate.

(a) The lease agreement(s) shall set forth all of the requirements and responsibilities of the Stadium Events Company and/or NFL Team or its affiliate as the operator(s) of the NFL stadium project and empower such lessee the right to engage a stadium operations company to operate the NFL stadium on a day-to-day basis as determined by the lessee.

(b) The lease agreement(s) shall establish minimum standards for capital reinvestment and maintenance of the NFL stadium project, ensuring that the design and development standards set forth in this act are maintained or enhanced throughout the life of the lease agreement(s).

(c) The lease agreement(s) shall provide for the annual allocation of revenues and expenses consistent with this act.

(d) The lease agreement(s) shall state that all operating losses generated by the NFL stadium project or the Stadium Events Company shall be the sole responsibility of the Stadium Events Company the developer partners, and/or the NFL Team or its affiliate.

(e) Should a public university with a Division I football program exist within the stadium district, the lease agreement(s) shall provide for accommodation of a sufficient number of dates to host the university's regular and post-season home games at the NFL stadium project, with the express understanding that NFL events shall have absolute priority of use and the NFL team shall have priority in terms of the stadium, the playing surfaces and all related stadium assets.

(1) These dates shall be mutually agreed upon by the university and the Stadium Events Company and shall be approved by the stadium authority board, respecting the requirement set forth in paragraph (e) that such dates may not interfere with the NFL schedule.

(2) The stadium authority shall establish and include in the lease agreement(s) a reasonable rent for the university's use of the NFL stadium project.

(3) During these dates, the university shall be given access to the stadium, its facilities and its amenities commensurate with the access that a university in a Power Five athletic conference within the National Collegiate Athletic Association Division I Football Bowl Subdivision would otherwise have.

(4) The stadium authority shall have final discretion in any disputes relative to the provisions of paragraph (e) of subsection 3.

(f) The lease agreement(s) shall establish a process and criteria for periodic progress reporting by the Stadium Events Company to the stadium authority on the operations of the stadium and the revenues and expenditures and profitability of Stadium Events Company. This reporting shall be sufficient to ensure that the stadium is being properly maintained, operated in a manner consistent with this act and in the best interests of the State.

(g) The lease agreement(s) shall include the requirement that a lease or sublease with the NFL team certified in subsection 1 of this section, or its affiliate, shall be for a period of not less than 30 years.

(h) The lease agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.

(i) The lease agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.

4. In furtherance of the specific duties and responsibilities of the stadium authority as set forth in subsections 1 through 3 of this section, the stadium authority may:

(a) Enter into any contracts and other agreements with any person or other entity.

(b) Sue and be sued.

(c) Acquire by purchase, lease, gift, devise, condemnation or otherwise and own, in its own name, all necessary right, title, and interest in and to land and the improvements upon that land as well as any associated air rights and personal property.

(d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable.

(e) Enter into a lease, ground lease, sublease or management agreement with any party.

(f) Receive any public and private resources necessary to fund, finance and develop the undertaking.

(g) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of this act. This may include an audit of the lessee(s), but shall not include in any event any right to audit the business of the NFL team generally or the business of any of the developer partners generally.

(h) Consider and approve or disapprove an annual capital improvement budget submitted by the lessee(s) and approve or disapprove specific requests for capital improvements made by the lessee(s) or the NFL team.

(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.

SECTION 17. 1. *The stadium authority shall retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builders' licenses or other similar instruments for any and all seats in the NFL stadium project to generate revenues used for construction of the NFL stadium project.*

2. The stadium authority may not grant any other person the right to enter into such agreements, but it may in its contract with the developer partners, agree that any agreements regarding seat licenses will be made only in consultation with the developer partners, or if applicable, the Stadium Events Company and the NFL team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the NFL stadium project, including the NFL team's home games.

3. Proceeds from the sale of such personal seat licenses or similar instruments shall be collected by or on behalf of the stadium authority for the benefit of the NFL stadium project and are a payment by purchasers to the owner of the NFL stadium project for special rights of access to events at the NFL stadium project.

4. The stadium authority may contract with, or appoint as its sales agent, a third party sales agency, subject to the approval of the NFL team, or an affiliate of the NFL team, for the sale of such licenses or similar instruments. The lessees and sublessees of the NFL stadium project shall agree to honor the rights granted by the stadium authority to purchasers of these personal seat licenses or similar instruments.

SECTION 18. 1. *The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:*

(a) Expend or authorize the expenditure of more than \$1,000,000 from the stadium tax account unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) subsection 3 of section 16 of this act, or a combined development and lease agreement.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) pursuant to subsection 3 of section 16 of this act, or a combined development and lease agreement.

- SECTION 19. 1.** *The stadium authority shall dissolve and wind down its affairs in the event that:*
- (a) The stadium authority is unable to certify that an NFL team has committed to locate or relocate to the stadium district as required by subparagraphs (a) and (b) of subsection 1 of section 16 of this act;*
 - (b) The stadium authority is unable to certify that the Stadium Events Company has been properly formed pursuant to subparagraph (c) of subsection 1 of section 16 of this act;*
 - (c) The stadium authority does not approve a development agreement with the developer partners within 18 months of the passage and approval of this act, such agreement may be combined with the lease;*
 - (d) The stadium authority does not approve a lease agreement with the Stadium Events Company and/or an NFL Team or its affiliate within 18 months of the passage and approval of this act, such agreement may be combined with the development agreement; or*
 - (e) Seven of the stadium authority board members vote to dissolve the stadium authority, and the stadium authority has no outstanding financial obligations.*
- 2.** *If any of the conditions of subsection 1 are met:*
- (a) The stadium authority shall have 60 days to dissolve and wind down its affairs.*
 - (b) The Chair of the stadium authority shall provide notice to the office of the Governor of that the stadium authority intends to dissolve and wind down its affairs.*
 - (c) The Chair of the stadium authority shall provide notice to the presidents of all public universities within the stadium district that the stadium authority intends to dissolve and wind down its affairs.*
- 3.** *All funds remaining in the stadium tax account, stadium capital fund and stadium authority operating accounts shall be transferred to the campus improvement district collegiate stadium tax account created pursuant to subsection 3 of section 37 of this act.*

NFL STADIUM PROJECT

PART II | CREATION OF A STADIUM DISTRICT AND IMPOSITION OF ROOM TAX

- SECTION 20. 1.** *In each county whose population is 700,000 or more, the board of county commissioners shall, by ordinance, create a stadium district to finance a NFL stadium project or a collegiate stadium project. The stadium district consists of all property that is within the county and that is located within a radius of 25 miles from the center of the location or the proposed location of a NFL stadium project or a collegiate stadium project in the county.*
- 2.** *If a stadium district is created, the board of county commissioners shall impose upon all persons in the business of providing lodging in the district a tax at the rate of:*
- (a) Eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.*
 - (b) One-half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of the primary gaming corridor within the stadium district.*
- 3.** *The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the stadium district is located for the tax whether or not it is actually collected from a paying guest.*
- 4.** *The taxes imposed by subsection 2 must:*
- (a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;*

- (b) Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and*
- (c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 21 of this act.*
- (d) Be imposed and collected in each incorporated city in the county in addition to being imposed in the portion of the district which is not in an incorporated city.*
- 5. The tax imposed in subsection 2 of this act shall be effective on the first day of the month that is not less than 3 nor more than 4 months after the adoption of the ordinance imposing the tax.*
- 6. The provisions of NRS 237.030 through 237.150 shall not apply to the adoption of any ordinance creating a stadium district or imposing a tax under this section or any amendment thereof or any other action of the board of county commissioners relating thereto.*
- 7. Any parcel of land, building or other structure which is partially within a district created under this section or the primary gaming corridor described in paragraph (a) of section 10 section shall be treated as being wholly within the applicable district or corridor for the purposes of the tax imposed by this section.*
- 8. Taxes imposed by this section shall sunset:*
- (a) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full; or*
- (b) Thirty-three years,*
Whichever occurs first.
- 9. As used in this section:*
- (a) "Primary gaming corridor" shall be defined as the geographic area comprising the submarket with the greatest amount of gross gaming revenue within the stadium district as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract. Gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging shall be subject to the taxes imposed by subsection 2 whether or not they are included in the Nevada Gaming Control Board Gaming Abstract.*
- (b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.*

NFL STADIUM PROJECT
PART III | STADIUM AUTHORITY USE OF FUNDS

- SECTION 21. 1.** *The stadium authority shall create a stadium tax account and deposit into such account any proceeds of the taxes imposed by subsection 2 of section 20 of this act received by the stadium authority.*
- 2.** *Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 24 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 20 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district a NFL stadium project or to establish a bond reserve fund and other reserves to secure any bonds or other securities issued pursuant to section 24 of this act, or any combination thereof, as directed by the stadium authority.*
- 3.** *Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection 2 of section 20 of this act to pay any costs to acquire,*

construct, lease, improve, equip, operate or maintain a NFL stadium project unless all of the requirements of section 13 of this act have been met.

4. The stadium authority may expend up to \$1,000,000 from the stadium tax account to execute its duties as set forth in sections 13 through 19 of this act prior to the issuance of bonds or other securities pursuant to section 24 of this act. After the issuance of bonds or other securities pursuant to section 24, stadium authority expenditures shall be governed by section 22 of this act.

SECTION 22. 1. *After bonds or other securities are issued under Section 24 of this act, the stadium authority shall use the proceeds of the tax imposed under subsection 2 of section 20 of this act, and any penalties or interest only for the following:*

(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years;

(b) Payment of the administrative costs of the stadium authority of not more than \$2,000,000 per year;

(c) Contributions to the police department in the stadium district to support enhanced police protective services within one or more resort corridors within the district of \$4,000,000 per year;

(d) Payments to a public university in the event that university operated a stadium in the district prior to the construction of the NFL stadium project to mitigate demonstrated losses to that university as a result of the operations of the NFL stadium project of not more than \$3,500,000 per year, but only to the extent the university can demonstrate that such losses have not been offset by increases in revenue related to playing its home football games in the new stadium, and in no case for more than 10 years;

(e) Creation of and contributions to a debt service reserve fund in an amount of \$9,000,000 per year for a minimum of 5 years or until \$45,000,000 in debt service reserves has been accumulated. Such reserves will be available to fund stadium authority debt service in the event that there is a revenue shortfall in any future year. Once the bonds have been repaid, the reserve will be transferred to the stadium capital improvement fund;

(f) Upon completion of the NFL stadium project, Creation and contribution to a stadium capital improvement fund in an amount of at least \$5,000,000 per year.

(g) All remaining amounts shall be contributed to the creation and maintenance of a fund to provide early debt retirement, additional capital improvements to the stadium in an amount determined by the stadium authority, and to fund any required infrastructure on or around the site of the NFL stadium project.

2. Allocations of funds available after all bond and other current debt obligations of the stadium authority are paid shall be at sole discretion of the stadium authority but those expenditures shall be restricted to those items set forth in paragraphs (b), (e) and (g) of subsection 1.

3. Not-to-exceed and minimum payment amounts set forth in paragraphs (b), (c) and (f) of subsection 1 shall be adjusted annually by the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor, between the effective date of this act and July 1 of each subsequent fiscal year.

NFL STADIUM PROJECT
PART IV | SPECIAL PROVISIONS ON THE FUNDING, FINANCING
AND ALLOCATION OF AVAILABLE FUNDS SOURCED TO THE STADIUM PROJECT

SECTION 23. 1. *Any development agreement entered into pursuant to subsection 2 of section 16 of this act, any lease agreement(s) entered into pursuant to subsection 3 of section 16 of this act and any and all other agreements of any kind entered into between the stadium authority and one or more developer partners, NFL team, or any affiliate, subsidiary or related entity of a developer partner or NFL team, shall include the following:*

(a) The stadium authority's contribution to the construction cost of the NFL stadium project shall not:

(1) Exceed \$750,000,000 exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto; or

(2) The maximum amount that can be raised from the issuance of bonds issued pursuant to section 24 of this act, secured by revenues generated by the tax imposed in subsection 2 of section 16 of this act, whichever is less.

(b) The total debt undertaken by the stadium authority shall not, at any given point in time, exceed the stadium authority's contribution limits set forth in paragraph (a) of subsection 1.

(c) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall not exceed 39 percent of the total cost of the stadium project.

(1) The following shall be included in determining the construction and development cost of the NFL stadium project:

(I) All design, development, and construction costs related to the NFL stadium project;

(II) Land costs;

(III) All infrastructure costs on and around the NFL stadium project site paid funded through the capital contributions made by the developer partners and/or the stadium authority;

(IV) NFL practice facility costs, regardless of whether such facility is constructed in the same site as the stadium project, up to \$100,000,000; and

(V) Other soft costs related to the stadium project.

(2) Stadium authority's contribution to the construction and development cost of the NFL stadium project shall be exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto.

(d) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the developer partners' contribution to the construction and development costs of the NFL stadium project.

(e) The developer partners shall be entitled to receive a preferred return of not more than X% annually on the amount of their capital contribution to the NFL stadium project as set forth in paragraph (b)(1) of subsection 1.

(1) The amount upon which the preferred return shall be calculated shall not exceed \$650,000,000.

(2) Operating losses, construction cost overruns or any other losses incurred by the developer partners or the NFL team shall not be added to or otherwise adjust the basis upon which the preferred returns

described in paragraph (e) of subsection 1, or any other payments to the developer partners or the NFL team, are calculated.

(f) The preferred return as set forth in paragraph (e) of subsection 1 shall be paid annually out of the net operating income of the Stadium Events Company. The net operating income shall be the difference between normal operating revenues and normal operating expenditures of the Stadium Events Company. Notwithstanding any other provision of this section, the revenues of Stadium Events Company shall include only those NFL event revenues that the NFL team as agreed will be paid to the Stadium Events Company and in no event shall any other distribution of NFL team or NFL event revenues be otherwise included in this calculation.

(g) Should any net operating income of the Stadium Event Company remain after the payment of the preferred return made to the developer partners pursuant to paragraph (e) of subsection 1, the residual amount shall be distributed equally between the developer partners and a stadium capital construction and improvement fund.

(h) Any return to the developer partners in excess of the preferred return set forth in paragraph (e) shall be considered return of capital and shall lower the developer partners' basis used to calculate preferred returns in later years.

(i) No payments of any kind shall be due to the developer partners or the NFL team after the term of the master lease agreement(s) set forth in subsection 3 of section 16 of this act expires.

NFL STADIUM PROJECT

PART V | ISSUANCE OF STADIUM PROJECT CONSTRUCTION BONDS

SECTION 24. 1. If:

(a) All certifications and other requirements of subsection 1 of section 16 have been met; and the stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 20 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain an NFL stadium project, the board of county commissioners in which the stadium district is located, at the request of the stadium authority, shall issue general obligations of the county in an amount not to exceed \$750,000,000 payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 20 of this act.

2. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.

3. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the NFL stadium project.

4. The board of county commissioners shall not issue the bonds authorized by paragraph (a) of subsection 1:

(a) Unless an agreement between the stadium authority and the developer partners, including provisions that provide adequate assurances that the NFL stadium project, as approved, will be completed as required by section 13 of this act. Such assurances must provide security to the county and the stadium authority that there will be adequate funds:

(1) To pay the portion of the estimated cost of the project that is to be paid from sources other than the county bonds issued pursuant to this act; and

(2) To provide a contingency amount of ten percent of the estimated cost of the project or such higher percentage as is determined to be adequate by the stadium authority.

(b) Security provided guarantees timely performance of the construction of the project, if so required in the agreement between the stadium authority and the developer partners.

(c) Aggregate security provided is equal to the portion of the cost to be paid from sources other than the county bonds plus the contingency amount determined by the stadium authority as set forth in paragraph (a)(2), and must be in the form of one or more of the following, provided that in the case of security other than an irrevocable deposit of cash into an escrow held in trust by a commercial bank with trust powers that cannot be used for any purpose other than the payment of project costs, the entity obligated under the security instrument must be rated "A" or better by Moody's or Standard and Poor's or have an equivalent rating from another rating agency that provides ratings on security of the type being provided:

(1) A personal guarantee from the principals of the development partner or development partnership;

(2) A cash deposit made into an escrow account by the development partner;

(3) An irrevocable letter of credit provided by the development partner; and

(4) A performance or completion bond provided by the development partner.

(d) A finding by a vote of the board of county commissioners that the prerequisite for issuing the bonds described in this subsection has been met, absent fraud, shall be required prior to the issuance of any bonds for this project.

5. In the event that the board of county commissioners have issued the bonds pursuant to this section, and the developer partners fail to perform by either withdrawing from their obligation to complete the project or by any other circumstance that would result from the developer partners not committing all funds as required by their agreement with the stadium authority, the stadium authority shall have the right to act upon any letters of credit, completion and performance bonds, cash deposits made to a project escrow account, personal guarantees or other forms of security agreed to as required by this section and included as part of any agreement or lease created pursuant to section 16 of this act.

6. In addition to acting upon the agreed upon security as set forth in subsection 5, there is hereby imposed an additional liquidated damages penalty of not less than \$50,000,000 upon the developer partner to compensate for any delays and cost increases that may result from the developer partners' failure to fulfill their obligation to fully perform.

NFL STADIUM PROJECT

PART VI | APPLICABILITY OF STATE PUBLIC WORKS PROVISIONS

SECTION 25. 1. *Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the stadium authority, the developer partners or any related entity relating to the NFL stadium project financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

- (1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;*
- (2) Specifying procedures for the procurement of goods or services; or*
- (3) Limiting the term of any agreements of a type described in this paragraph.*
- (b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that the provisions of paragraph (a) of subsection 9 of NRS 341.100 and of NRS 341.105 apply to any such undertaking.*
- (c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:*
- (1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;*
- (2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and*
- (3) The stadium authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.*
- 2. The stadium authority and any prime contractor, construction manager or project manager selected by the stadium authority shall competitively bid all subcontracts involving construction which the stadium authority determines can be competitively bid without affecting the quality of the project. Any determination by the that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The shall establish one or more procedures for competitive bidding which:*
- (a) Must prohibit bidders from engaging in bid-shopping;*
- (b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and*
- (c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.*
- 3. Any determination by the regarding the establishment of one or more procedures for competitive bidding, and any determination by the developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.*
- 4. For purposes of this section, "undertaking" refers to an NFL stadium project as defined in section 7 of this act.*

TRANSITION: TRANSFERRING UNUSED REVENUES FROM THE NFL STADIUM PROJECT TO COLLEGIATE STADIUM PROJECT TO FAIR AND RECREATION BOARD

SECTION 26. 1. In the event that the requirements of section 16 of this act are not met, and an NFL stadium project is not constructed:

(a) After having received notice of this fact pursuant to paragraph (c) subsection 2 of section 19 of this act that an NFL stadium project will not be constructed, a university in the district shall have 90 days to notify the Governor and the director of Legislative Counsel Bureau of the university's intent to construct a collegiate stadium project with the district.

(b) That university will have 24 months from the date the president of the university receives the notice pursuant to paragraph (c) subsection 2 of section 19 of this act to secure a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a collegiate stadium within the boundaries of the district.

2. If the funding commitment required by paragraph (b) of subsection 1 are met within the established timeframe, the stadium authority may use the remaining proceeds of the taxes imposed by subsection 2 of section 20 of this act and the proceeds of the tax imposed by subsection 1 of section 36 of this act to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project within the boundaries of the stadium district, and to pay for any bonds or other securities issued for that purpose, including refunding securities.

3. If, within the period prescribed by paragraph (b) of subsection 1, no university within the boundaries of the stadium district has raised the required private funding, the remaining taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act shall be distributed to the county fair and recreation board for the payment of outstanding securities issued to finance the renovation and expansion of its facilities located with the stadium district.

4. The board of county commissioners shall, within 60 days of funds being transferred to the county fair and recreation board pursuant to subsection 2, sunset any taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act.

COLLEGIATE STADIUM PROJECT
ADDITIONAL, SECTION-SPECIFIC DEFINITION

SECTION 27. *For purposes of sections 28 through 39 of this act, "undertaking" means any enterprise to acquire, construct, improve, equip, operate or maintain, or any combination thereof, a collegiate stadium project and such other projects, improvements or facilities related to the development of a collegiate stadium deemed necessary or desirable by the campus improvement authority.*

COLLEGIATE STADIUM PROJECT
PART I | CAMPUS IMPROVEMENT BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 28. 1. *Upon receiving notice that stadium authority intends to dissolve and wind down its affairs pursuant to paragraph (c) of subsection 2 of section 19 of this act, the president of a public university within the stadium district may create a campus improvement authority.*

(a) The campus improvement authority shall be comprised of nine members appointed as follows:

(1) Four members appointed by the university's board of regents.

(I) One of these members must be either a member of the university's board of regents or an officer of the university and the remainder must be members of the university's board of regents.

(2) One member appointed by the Governor.

(3) One member appointed by the board of county commission commissioners for the county in which the stadium district is located and must be either a member of the board of county commissioners or an officer of that county.

(4) One member appointed by the county fair and recreation board of the county in which the stadium district is located and must be a member of the county fair and recreation board who is not also a member of a board of county commissioners.

(5) Two members appointed by the members appointed pursuant to paragraphs (1) to (4), inclusive. Each of these members must be employed in an executive position in the county by a business in the tourism, hotel and gaming industry in which the stadium district.

2. A vacancy on the board occurs when a member:

(a) Dies or resigns;

(b) Is removed, with or without cause, by the person or entity who appointed that member; or

(c) Ceases to be qualified for appointment as a member pursuant to the pertinent provisions of subsection 1.

3. The campus improvement authority constitutes:

(a) A body corporate and politic; and

(b) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the stadium district.

4. A vacancy in the campus authority board must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1, except that, notwithstanding any provision of this section to the contrary, a member appointed pursuant to paragraph (5) of subsection 1 whose position becomes vacant as the result of his or her cessation of employment in an executive position in the county by a business in the tourism, hotel and gaming industry may be reappointed to serve the remainder of his or her unexpired term.

5. No member of the campus improvement authority may receive any compensation for serving as a member or officer of the board.

6. The members of the campus improvement authority constitute public officers for the purposes of chapter 281A of NRS.

SECTION 29. 1. At the initial meeting of the campus improvement authority the board of the campus improvement district shall appoint:

(a) One of its members as Chair;

(b) One of its members as Vice Chair; and

(c) A Secretary and a Treasurer, who may be one person.

2. The Vice Chair shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.

3. The campus improvement authority shall meet regularly in the stadium district at such times and places as it designates.

(a) Special meetings may be held at the call of the Chair, upon notice to each member of the campus improvement authority, as often as the needs of the campus improvement authority require.

(i) Except as otherwise provided in subsection 5 of 19 NRS 281A.420:

(b) Six of the members of campus improvement authority shall constitute a quorum.

(c) The campus improvement authority may take action only by a motion or resolution adopted with the approval of at least six members of its membership.

4. The campus improvement district constitutes a public body for the purposes of chapter 241 of NRS.

SECTION 30. 1. *The Secretary of the campus improvement authority shall keep:*

- (a) Audio recordings or transcripts of all meetings of the campus improvement authority;*
- (b) Minutes of all the meetings of the campus improvement authority;*
- (c) A record of all the proceedings and actions of the campus improvement authority;*
- (d) Any certificates issued or received by the campus improvement authority;*
- (e) Any contracts made by the campus improvement authority; and*
- (f) Any bonds required by the campus improvement authority from its employees.*

2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.

3. The Treasurer of the campus improvement authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the campus improvement authority.

4. The Secretary and Treasurer of the campus improvement authority do not constitute a part of the staff of the campus improvement authority for the purposes of section 30 of this act.

SECTION 31. 1. *The campus improvement authority may retain such staff as it determines to be necessary to conduct the activities of the campus improvement authority. It may:*

- (a) Hire the members of its staff as employees;*
- (b) Contract with any governmental entity or other person to provide the persons to serve as its staff;*
or
- (c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).*

2. The campus improvement authority shall specify:

- (a) The powers and duties of the members of its staff; and*
- (b) The amount and basis of compensation for the members of its staff; and*
- (c) May delegate any of its powers and duties to any member of its staff as it determines to be appropriate, except that the campus improvement authority shall not delegate:*

(1) Any of the specific obligations or responsibilities of the campus improvement authority imposed by sections 28 to 31, inclusive, paragraph (d) or (e) of subsection 1 of section 33, subsection 2 of section 34 or section 35 of this act; or

(2) Any ability to bind the campus improvement authority to a contract that could require an expenditure by the campus improvement authority in excess of such an amount as the campus improvement authority determines to be appropriate, which amount must not exceed the sum \$500,000, as adjusted by the percentage change between the effective date of this act and July 1 of the fiscal year the delegation is made in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor.

SECTION 32. *The campus improvement authority:*

- 1. Shall adopt a seal;*
- 2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of this act, for carrying on the business and affairs of the campus authority board; and*
- 3. Shall create a tax increment account, a collegiate stadium capital projects fund and a collegiate stadium authority operating account to carry out the provisions of this act.*

SECTION 33. 1. *Except as otherwise provided in section 34 of this act, the board of the campus improvement authority may:*

(a) Enter into any contracts and other agreements with any person or other entity that the campus improvement authority determines to be necessary or desirable to conduct the business of the campus improvement authority.

(b) Sue and be sued.

(c) Proceed with any undertaking and enter into any contracts or other agreements that the campus improvement authority determines to be necessary or desirable therefor. The contracts and other agreements authorized by this subsection:

(1) May include, without limitation, contracts or other agreements relating to the construction, acquisition, lease, lease- purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and

(2) Are not subject to the limitations of subsection 1 of NRS 354.626.

(d) Enter into a lease, ground lease or management agreement with the Nevada System of Higher Education authorizing the campus improvement authority to lease from the System any portion of the land in the tax increment area owned by the System and any improvements thereon, or to manage any such land or improvements for the System, on such terms as may be acceptable to the campus improvement authority and the university's board of regents and which do not violate any covenants concerning any securities issued by the board of regents, provided that:

(1) The property subject to the lease, ground lease or management agreement is limited to:

(I) Land and improvements that will be developed and used to carry out the development of a collegiate stadium project; and

(II) Any other land, improvements and appurtenances that the university's board of regents determines to be necessary or desirable to carry out the development of a collegiate stadium project;

(2) The university's board of regents is entitled to limit any uses, rates, charges or other factors pertaining to the property subject to the lease, ground lease or management agreement by including the limitations in the agreement; and

(3) After any indebtedness incurred to improve the property subject to the lease, ground lease or management agreement has been retired or defeased and any other contracts and obligations of the campus improvement authority pertaining to that property have been satisfied and terminated, the improvements will become the property of the Nevada System of Higher Education and will no longer be subject to the lease, ground lease or management agreement.

(e) Enter into, with any person or other entity:

(1) One or more subleases of all or any portion of any land or improvement leased to the campus improvement authority;

(2) One or more management agreements to provide for the management by that person or other entity of any land or improvement that the campus improvement authority is authorized to manage, control or occupy;

(3) One or more leases or management agreements pertaining to any undertaking or any facility owned by the campus improvement authority; or

(4) Any combination of the agreements described in subparagraphs (1), (2) and (3), on such terms as may be acceptable to the campus improvement authority and which are not inconsistent with the terms of the lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to which the campus improvement authority has possession or control of the subject property. The leases, subleases and management agreements authorized by this subsection are not subject to the limitations of subsection 1 of NRS 354.626.

(f) Fix, and from time to time increase or decrease, fees, rates, tolls, rents or charges for services or facilities furnished in connection with any undertaking and take such action as may be necessary or desirable to affect their collection or, by contract or other agreement described in paragraph (d) or (e), authorize another person or entity to fix, from time to time increase or decrease, and collect all or any designated portion of such fees, rates, tolls, rents or charges. Such fees, rates, tolls, rents or charges must be consistent with or allowed by the lease, ground lease or management agreement with the System pursuant to which the campus improvement authority has possession or control of the land or improvements upon which the undertaking is located.

(g) Receive, control, invest and order the expenditure of pledged revenues and any other money pertaining to or derived from any undertaking, including, without limitation, any grants from the Federal Government, the State, the County or any incorporated cities in the County, or from any other person or entity, for the purposes described in section 37 of this act.

(h) Except as otherwise provided in this act, exercise all or any part or combination of the powers and duties of the campus improvement authority set forth in this act.

(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the purposes and provisions of this act.

2. If the campus improvement authority has no indebtedness or other financial obligations, the campus improvement authority board, by an affirmative vote of at least six of its members, may dissolve.

SECTION 34. 1. *The board of the campus improvement authority and any person to whom the campus improvement authority delegates any of its powers or duties shall not:*

(a) Expend or authorize the expenditure of any money in the tax increment account unless the board of the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes a specific undertaking.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.

2. The campus improvement authority shall not own any land, but may own improvements on land located in the tax increment area if the Board of Regents, in its sole discretion, allows that ownership.

SECTION 35. 1. *Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the campus improvement authority, the Nevada System of Higher Education or any related entity relating to any undertaking financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

- (3) Limiting the term of any agreements of a type described in this paragraph.*
- (b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that the provisions of paragraph (a) of subsection 9 of NRS 341.100 and of NRS 341.105 apply to any such undertaking.*
- (c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:*
- (1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;*
- (2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and*
- (3) The campus improvement authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.*
- 2. The campus improvement authority and any prime contractor, construction manager or project manager selected by the campus improvement authority shall competitively bid all subcontracts involving construction which the campus improvement authority determines can be competitively bid without affecting the quality of the project. Any determination by the campus improvement authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The campus improvement authority shall establish one or more procedures for competitive bidding which:*
- (a) Must prohibit bidders from engaging in bid-shopping;*
- (b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and*
- (c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.*
- 3. Any determination by the campus improvement authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the campus improvement authority or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.*

COLLEGIATE STADIUM PROJECT

PART II | REDUCTION OF ROOM TAX DEDICATED TO COLLEGIATE STADIUM PROJECT

- SECTION 36. 1.** *If the stadium authority has provided notice of its intent to dissolve and wind down its affairs pursuant to section of this act and a campus improvement authority has been created pursuant to section 28 of this act, the board of county commissioners in the stadium district shall reduce the taxes imposed under subsection 2 of section 20 to the following rates:*
- (a) Three-eighths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.*

(b) One-quarter of one percent of the gross receipts from the rental of transient lodging in areas within the stadium district but outside of a primary gaming corridor.

2. Taxes imposed by this section shall sunset:

(a) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full; or

*(b) Thirty-three years,
Whichever occurs first.*

3. In addition to the rate sunset requirements set forth in subsection 2, in the event tax rates are reduced pursuant to subsection 1, taxes imposed by this section shall not be reduced further or otherwise modified for a period of two years following the rate reduction.

4. As used in this section:

(a) "Primary gaming corridor" shall be defined as the geographic area comprising the submarket with the greatest amount of gross gaming revenue within the stadium district as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract. Gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging shall be subject to the taxes imposed by subsection 1 whether or not they are included in the Nevada Gaming Control Board Gaming Abstract.

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

COLLEGIATE STADIUM PROJECT
PART III | STADIUM AUTHORITY USE OF FUNDS

SECTION 37. 1. *The campus improvement authority shall create a collegiate stadium tax account and deposit into such account any proceeds of the taxes imposed by section 36 of this act received by the campus improvement authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 40 of this act, the campus improvement authority shall use the proceeds of the taxes imposed by subsection section 36 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the stadium district a collegiate stadium project or to establish a bond reserve fund and other reserves to secure any securities issued pursuant to section 40 of this act, or any combination thereof, as directed by the campus improvement authority.

3. The campus improvement authority shall not expend any of the proceeds of the taxes imposed by section 36 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project until campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.

SECTION 38. 1. *After bonds or other securities are issued under Section 40 hereof, the campus improvement authority shall use the proceeds of the tax imposed under section 36 of this act, any funds transferred from the stadium authority to the campus improvement authority pursuant to subsection 3 of section 19 of this act and any penalties or interest received only for the following:*
(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium, including any reserve

funds created to secure the payment of such bonds, and including any past due amounts from any prior years; and

(b) Costs of capital improvements to the collegiate stadium and the creation and maintenance of a fund to provide capital improvements to the collegiate stadium in an amount determined by the campus improvement authority.

SECTION 39. 1. *If the campus improvement authority does not raise funds required by paragraph (b) of subsection 1 of section 26 of this act within the time allocated by that section, notwithstanding any other provision of this act to the contrary, the campus improvement authority shall:*

(a) Remit all funds deposited in the stadium infrastructure account to the fair and recreation board within the stadium district;

(b) Wind up the affairs of the campus improvement authority; and

(c) Dissolve the campus improvement authority pursuant to subsection 2 of section 33 of this act.

2. *After dissolution, all the remaining assets of the campus improvement authority shall become property of the Nevada System of Higher Education.*

COLLEGIATE STADIUM PROJECT

PART IV | ISSUANCE OF COLLEGIATE STADIUM BONDS

SECTION 40. 1. *If:*

(a) General obligations of the county are not issued pursuant to section 24 of this act;

(b) Within 24 months after notice has been provided pursuant to paragraph (c) of subsection 3 of section 19 of this act, a university located within the stadium district has secured a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district; and

(c) The stadium authority determines that the proceeds of the taxes imposed by section 36 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a collegiate football stadium, board of county commissioners of the county in which the district is located at the request of the stadium authority may issue general obligations of the county in an amount not to exceed \$300,000,000 payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by section 36 of this act.

(1) The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.

(2) The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated pursuant to section 38 of this act.

COLLEGIATE STADIUM PROJECT

PART V | NONINTERFERENCE WITH EXISTING RIGHTS, POWERS AND AUTHORITIES OF THE UNIVERSITY OR ITS BOARD OF REGENTS

SECTION 41. 1. *The provisions of this act do not:*

- (a) Require the any university or its board of regents to enter into any lease, ground lease, management agreement or any other contract or agreement.*
- (b) Limit the conditions or other provisions which a university or its board of regents many, in their sole discretion, determine to include in any lease, ground lease, management agreement or any other contract or agreement.*

ADMINISTRATIVE PROVISIONS

PART I | TIMING AND TERMS OF AUTHORITY APPOINTMENTS

SECTION 42. 1. For a stadium authority created by section 11 of this act in Clark County:

- (a) The Governor shall, on or before January 1, 2017, appoint the three members of the stadium authority pursuant to paragraph (a) of subsection 1 or section 11 of this act to initial terms that, for two of the appointees, commences on January 1, 2017, and expires on December 31, 2018, and for the third appointee commences on January 1, 2017, and expires on December 31, 2017; and*
 - (b) The Board of County Commissioners of Clark County shall, on or before January 1, 2017 appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of section 11 of this act to an initial term that, for one appointee commences on January 1, 2017, and expires on December 31, 2018, and for the second appointee commences on January 1, 2017, and expires on December 31, 2017;*
 - (c) The stadium authority shall within 30 days after the effective date of the lease agreement(s) and any other contracts or agreements between Stadium Events Company and the stadium authority entered into pursuant to section 16 of this act, appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 11 of this act to an initial term that, for one appointee, will commence immediately upon appointment and will expire on December 31 of that same year, and, for the second appointee, will commence immediately upon appointment and will expire on December 31 of the following year.*
- 2. After each stadium authority initial term, each subsequent stadium authority appointment shall be for a period of three years;*
- 3. The same person may be appointed to serve multiple consecutive or not consecutive terms as a member of the stadium authority.*
- 4. The stadium authority appointed pursuant to this section shall hold an organizational meeting during January 2017. At that meeting, the stadium authority shall elect:*
- (a) One of its members as Vice Chair; and*
 - (b) A Secretary and Treasurer.*

SECTION 43. 1. For the campus improvement authority created by section 28 of this act:

- (a) The board of regents shall appoint:*
 - (1) Two of the members of the campus improvement authority pursuant to paragraph (a) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment, and expire on September 30 of that same year; and*
 - (2) Two of the members to the campus improvement authority pursuant to paragraph (a) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment, and expire on September 30 of the following year.*
- (b) The member of the campus improvement authority appointed by the Governor pursuant to paragraph (b) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of the following year.*

- (c) The member of the campus improvement authority appointed by the board of county commissioners pursuant to paragraph (c) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of that same year;*
 - (d) The member of the campus improvement authority appointed by the fair and recreation board pursuant to paragraph (d) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of the subsequent year;*
 - (e) The members of the campus improvement authority appointed by the pursuant to paragraph (e) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires September 30 of the following year;*
- 2. After the initial terms, each member of the campus authority board shall be appointed for a 4-year term.*

ADMINISTRATIVE PROVISIONS

PART II | TIME REQUIREMENTS FOR NFL ACTION AND AGREEMENTS

SECTION 44. 1. *The NFL team and the developer partners shall have twelve months from the effective date of the act as set forth in subparagraph (1) of section 45 to secure the rights and any necessary approvals to locate or relocate an NFL team into the district created pursuant to section 20 of this act.*

(a) The stadium authority shall have the ability to grant one, six-month extension to the established timeline for securing the rights to locate or relocate an NFL franchise into the stadium district.

2. Once the rights to locate or relocate an NFL franchise have been secured pursuant to subsection 1, the developer partners and the NFL team shall have six months to form the Stadium Events Company and to enter into all required contracts and agreements with the stadium authority as set forth in section 16 of this act.

(a) The stadium authority shall have the ability to grant one, six-month extension to the timeline established for forming the Stadium Events Company and entering into all required contracts and agreements with the stadium authority.

ADMINISTRATIVE PROVISIONS

PART III | EFFECTIVE DATES

SECTION 45. 1. *Section 1 to section 44, inclusive, of this act become effective upon passage and approval of this act, and expire by limitation:*

(a) If general obligations of the county are issued pursuant to section 24 of this act or by the state of Nevada pursuant to section 40 of this act, on the date on which those obligations are fully paid.

(b) If general obligations of the county pursuant to section 24 of this act or pursuant to section 40 of this act on the date which is 24 months after the end of the period prescribed by paragraph (b) of subsection 1 of section 26 of this act.

END

Stadium Project Funding, Administration and Oversight

Stadium Recommendation Working Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~fomitted material!~~ is material to be removed.

OVERVIEW

SECTION 1 to **SECTION 25** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League (NFL) stadium project in a county whose population is 700,000 or more (currently Clark County). **SECTION 11** through **SECTION 19** create a stadium authority as a public body and establish its powers and authorities. **SECTION 20** creates a stadium district to finance an NFL stadium project or a collegiate stadium project in such a county and provides that the stadium district consists of all property that is located within the county that is within 25 miles of the center of the stadium project site. **SECTION 20** of this bill also provides for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the stadium district at a specified rate of the gross receipts from the rental of transient lodging in the stadium district. **SECTION 21** and **SECTION 22** of this bill require the stadium authority for the county in which the stadium district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project within the stadium district. **SECTION 23** of this bill provides number of special conditions that the stadium authority must include in any agreements with the developer and operator of the NFL stadium project. **SECTION 24** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project, if an NFL franchise commits to relocate to the stadium district. **SECTION 25** defines exemptions from and applicability of certain Nevada Revised Statutes dealing with public works. **SECTION 26** transfers collected tax dollars, in the event a NFL franchise does not commit to locate or relocate to the stadium district or other conditions are not met, to a university within the stadium district where that university obtains a commitment of at least \$200,000,000 in funding for a collegiate stadium on its campus. If the conditions for the use of the proceeds of the tax for a NFL stadium project or a collegiate stadium project are not satisfied, **SECTION 26** then requires that the proceeds of the tax be distributed to the county fair and recreation board to pay debts incurred for capital facilities and that all stadium project-related tax increases sunset. **SECTION 27** defines an undertaking for the development of a collegiate stadium project to include the collegiate stadium itself and any supporting projects, improvements or facilities. **SECTION 28** to **SECTION 35** create a campus improvement authority as a public body and defines its powers and authorities. **SECTION 36** reduces the room lodging tax rate imposed by **SECTION 20** in the event the proceeds of the tax will be used to construct a collegiate stadium project as opposed to an NFL stadium project. **SECTION 37** through **SECTION 39** of this bill require the campus improvement authority for the county in which the stadium district is located to use the proceeds of the lodging tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium within the stadium district. **SECTION 40** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium if an NFL franchise does not commit to locate or relocate to the district and a university within the stadium district obtains a commitment of at least \$200,000,000 in private funding for a collegiate stadium on its campus. **SECTION 41** of this bill clarifies that no provision of this bill

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shall infringe on rights and powers of university or its board of regents. **SECTION 42** establishes the terms of stadium authority board members. **SECTION 43** establishes the terms of campus improvement authority board members. **SECTION 44** provides a timeline for certain actions required by the NFL franchise, stadium developers and the stadium authority board. **SECTION 45** establishes effective dates for each section of the act.

LANGUAGE FOR CONSIDERATION

DEFINITIONS

SECTION 1. *As used in section 1 to 45, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 through 45 of this act have the meanings so ascribed to them in those sections.*

SECTION 2. *“Developer partner” means one or more private parties providing funds needed to construct the stadium project or providing all or a portion of funds needed to make capital improvements to the stadium project in the District. The developer partner, or its affiliate, may also be a part owner or owner of the Stadium Events Company.*

SECTION 3. *“Stadium district” means the district to finance a stadium project that is created by section 20 of this act.*

SECTION 4. *“NFL team” means the National Football League franchise that has committed to relocate to the District and utilize the stadium project for its home National Football League games and related activities. The NFL team, or its affiliate, may also be a part owner or owner of the Stadium Events Company and may be a developer partner.*

SECTION 5. *“Stadium authority” means the stadium authority for the county in which a district is located and is inclusive of its appointed board pursuant to this act.*

SECTION 6. *“Stadium Events Company” means the legal entity owned by and comprised of the NFL team, or its affiliate, and/or any other developer partner, or its affiliate, contributing equity to pay a portion of construction costs of the NFL stadium project. Stadium Events Company will lease the NFL stadium project pursuant to a long-term lease with the stadium authority. Stadium Events Company will be responsible for all stadium cost overruns.*

SECTION 7. *“NFL stadium project” means a domed stadium developed within the stadium district containing not less than 60,000 seats constructed by one or more developer partners in cooperation with an NFL team. The location, design, fit and finish of the NFL stadium project shall be consistent with first class, premier National Football League facilities currently in operation or approved for construction by the National Football League.*

SECTION 8. *“Collegiate stadium project” means a stadium developed within the district containing not less than 40,000 seats constructed by a public university. The location, design, fit and finish of the stadium project shall be consistent with similar competitive facilities existing at universities in Power*

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Five athletic conferences within National Collegiate Athletic Association Division I Football Bowl Subdivision.

SECTION 9. *“Campus improvement authority” mean the improvement authority created by a university located within the stadium district and is inclusive of its appointed board pursuant to this act.*

SECTION 10. *“System” means the Nevada System of Higher Education.*

NFL STADIUM PROJECT

PART I | STADIUM AUTHORITY BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 11. 1. *In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:*

(a) Three members appointed by the Governor;

(b) Two members appointed by the board of county commissioners of the county in which the stadium district is located;

(c) Two members representing the public at-large shall be appointed by members of the stadium authority appointed pursuant to paragraphs (a) and (b), with consideration given to appointment recommendations made by the Stadium Events Company and the NFL Team.

2. *The stadium authority constitutes:*

(a) A body corporate and politic;

(b) A political subdivision of the county in which the stadium district is located; and

(c) A political subdivision of this State, the boundaries of which are coterminous with the boundaries of the stadium district.

3. *A vacancy on the stadium authority occurs when a member:*

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the person or entity who appointed that member.

4. *A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.*

5. *A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.*

6. *The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.*

7. *All members of the stadium authority shall reside in the county in which the stadium district is created.*

SECTION 12. 1. *The Governor shall appoint one of the stadium authority members as Chair.*

2. *The stadium authority shall appoint:*

(a) One of its members as Vice Chair; and

(b) A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.

3. *The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.*

4. *The stadium authority shall meet regularly in the stadium district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.*

5. *Except as otherwise provided in subsection 5 of NRS 281A.420:*

(a) Five of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.

(b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least five members of the stadium authority when a quorum is present, and only actions complying with this act may be taken by the stadium authority.

6. *The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.*

SECTION 13. *1. The Secretary of the stadium authority shall keep:*

(a) Audio recordings or transcripts of all meetings of the stadium authority;

(b) Minutes of all the meetings of the stadium authority;

(c) A record of all the proceedings and actions of the stadium authority;

(d) Any certificates issued or received by the stadium authority;

(e) Any contracts made by the stadium authority; and

(f) Any bonds required by the stadium authority from its employees.

2. *Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.*

3. *The Treasurer of the stadium authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the stadium authority.*

4. *The Secretary and Treasurer of the stadium authority do not constitute a part of the staff of the stadium authority for the purposes of section 14 of this act.*

5. *The board of the stadium authority may direct staff of the stadium authority, retained pursuant to section 14, of this act to provide the services necessary for the Secretary and Treasurer to fulfill their respective duties as set forth in this section.*

SECTION 14. *1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:*

(a) Hire the members of its staff as employees;

(b) Contract with any governmental entity or other person to provide the persons to serve as its staff;
or

(c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).

2. *The stadium authority shall specify:*

(a) The powers and duties of the members of its staff; and

(b) The amount and basis of compensation for the members of its staff.

SECTION 15. *The stadium authority:*

1. *May adopt a seal;*

2. *May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of section 14 to section 19 of this act, for carrying out its business and affairs; and*

3. *Shall create a stadium tax account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of this act.*

SECTION 16. 1. In addition to the duties and powers granted to the stadium authority in sections 14 and 15, the stadium authority shall:

- (a) Certify that the National Football League has authorized an NFL team to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.*
- (b) Certify that the NFL team identified in paragraph (a) has committed to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.*
- (c) Certify that the Stadium Events Company has been properly formed in this State. Certification of the Stadium Events Company shall include, but may not be limited to, a disclosure of all owners and operators of the Stadium Events Company.*
- (d) Identify and qualify the developer partners as a matter of public record.*
 - (1) Identification of the developer partners shall include, but may not be limited to, a disclosure of all participating entities.*
 - (2) Qualification of the developer partners shall include, but may not be limited to, documented affiliation with the NFL team certified by the stadium authority pursuant to subparagraph (b) and a demonstrated ability to successfully construct the development project.*
- (e) Prior to approving a development agreement with developer partners, the stadium authority shall ensure that the developer partners have provided suitable financial security for the developer partners' funding obligations as a part of the NFL stadium project financing. This shall include, but may not be limited to, that the assurances required by subsections 4 through 6, inclusive, of section 24 of this act are provide in advance of the issuance of any bonds or other forms of indebtedness by the stadium authority.*

2. After all certification and qualifications set forth in subsection 1 have been completed, the stadium authority shall negotiate and may approve a development agreement with the developer partners or the Stadium Events Company for the construction of a NFL stadium project. The development agreement may be combined with the lease to create a development and lease agreement as determined by the stadium authority.

- (a) The development agreement shall identify the site of the NFL stadium project.*
- (b) The development agreement shall set forth the overall design, scope and specifications of the undertaking.*
- (c) The development agreement shall set forth the sources of funding for the NFL stadium project in a manner consistent with the provisions of this act.*
- (d) The development agreement shall establish a process and criteria for periodic progress reporting by the developer partners to the stadium authority on the construction and development status of the NFL stadium project.*
- (e) The development agreement shall state that any and all construction and development cost overruns incurred in the construction and development of the NFL stadium project shall be the sole responsibility of the developer partners. The sole exception to this provision shall be any cost overruns caused by a design or other change mandated by the stadium authority or other governmental entity subsequent to the approval of the development agreement required by this section, excluding any change required subsequent to the development agreement related to building or public safety.*
- (f) The development agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.*
- (g) The development agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.*

Commented [BH1]: Security of Developer Performance. Note that subsections 4, 5 and 6 of section 24 relate to security requiring the developer to perform prior to the issuance of bonds. This remains an unsettled issue.

3. Once all certification and qualifications set forth in subparagraph 1 have been completed, the stadium authority shall negotiate and may approve a lease agreement, which may be combined with the development agreement to create a development and lease agreement, with the Stadium Events Company and/or an NFL Team or its affiliate.

(a) The lease agreement(s) shall set forth all of the requirements and responsibilities of the Stadium Events Company and/or NFL Team or its affiliate as the operator(s) of the NFL stadium project and empower such lessee the right to engage a stadium operations company to operate the NFL stadium on a day-to-day basis as determined by the lessee.

(b) The lease agreement(s) shall establish minimum standards for capital reinvestment and maintenance of the NFL stadium project, ensuring that the design and development standards set forth in this act are maintained or enhanced throughout the life of the lease agreement(s).

(c) The lease agreement(s) shall provide for the annual allocation of revenues and expenses consistent with this act.

(d) The lease agreement(s) shall state that all operating losses generated by the NFL stadium project or the Stadium Events Company shall be the sole responsibility of the Stadium Events Company the developer partners, and/or the NFL Team or its affiliate.

(e) Should a public university with a Division I football program exist within the stadium district, the lease agreement(s) shall provide for accommodation of a sufficient number of dates to host the university's regular and post-season home games at the NFL stadium project, with the express understanding that NFL events shall have absolute priority of use and the NFL team shall have priority in terms of the stadium, the playing surfaces and all related stadium assets.

(1) These dates shall be mutually agreed upon by the university and the Stadium Events Company and shall be approved by the stadium authority board, respecting the requirement set forth in paragraph (e) that such dates may not interfere with the NFL schedule.

(2) The stadium authority shall establish and include in the lease agreement(s) a reasonable rent for the university's use of the NFL stadium project.

(3) During these dates, the university shall be given access to the stadium, its facilities and its amenities commensurate with the access that a university in a Power Five athletic conference within the National Collegiate Athletic Association Division I Football Bowl Subdivision would otherwise have.

(4) The stadium authority shall have final discretion in any disputes relative to the provisions of paragraph (e) of subsection 3.

(f) The lease agreement(s) shall establish a process and criteria for periodic progress reporting by the Stadium Events Company to the stadium authority on the operations of the stadium and the revenues and expenditures and profitability of Stadium Events Company. This reporting shall be sufficient to ensure that the stadium is being properly maintained, operated in a manner consistent with this act and in the best interests of the State.

(g) The lease agreement(s) shall include the requirement that a lease or sublease with the NFL team certified in subsection 1 of this section, or its affiliate, shall be for a period of not less than 30 years.

(h) The lease agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.

(i) The lease agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.

4. In furtherance of the specific duties and responsibilities of the stadium authority as set forth in subsections 1 through 3 of this section, the stadium authority may:

(a) Enter into any contracts and other agreements with any person or other entity.

(b) Sue and be sued.

Commented [JA2]: Audit and Confidentiality. Note that there is general agreement that the Stadium Events Company will be subject to an annual audit and the traditional and customary confidentiality provisions will be added. This section has yet to be redrafted to reflect these changes.

(c) Acquire by purchase, lease, gift, devise, condemnation or otherwise and own, in its own name, all necessary right, title, and interest in and to land and the improvements upon that land as well as any associated air rights and personal property.

(d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable.

(e) Enter into a lease, ground lease, sublease or management agreement with any party.

(f) Receive any public and private resources necessary to fund, finance and develop the undertaking.

(g) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of this act. This may include an audit of the lessee(s), but shall not include in any event any right to audit the business of the NFL team generally or the business of any of the developer partners generally.

(h) Consider and approve or disapprove an annual capital improvement budget submitted by the lessee(s) and approve or disapprove specific requests for capital improvements made by the lessee(s) or the NFL team.

(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.

SECTION 17. 1. The stadium authority shall retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builders' licenses or other similar instruments for any and all seats in the NFL stadium project to generate revenues used for construction of the NFL stadium project.

2. The stadium authority may not grant any other person the right to enter into such agreements, but it may in its contract with the developer partners, agree that any agreements regarding seat licenses will be made only in consultation with the developer partners, or if applicable, the Stadium Events Company and the NFL team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the NFL stadium project, including the NFL team's home games.

3. Proceeds from the sale of such personal seat licenses or similar instruments shall be collected by or on behalf of the stadium authority for the benefit of the NFL stadium project and are a payment by purchasers to the owner of the NFL stadium project for special rights of access to events at the NFL stadium project.

4. The stadium authority may contract with, or appoint as its sales agent, a third party sales agency, subject to the approval of the NFL team, or an affiliate of the NFL team, for the sale of such licenses or similar instruments. The lessees and sublessees of the NFL stadium project shall agree to honor the rights granted by the stadium authority to purchasers of these personal seat licenses or similar instruments.

SECTION 18. 1. The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:

(a) Expend or authorize the expenditure of more than \$1,000,000 from the stadium tax account unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) subsection 3 of section 16 of this act, or a combined development and lease agreement.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) pursuant to subsection 3 of section 16 of this act, or a combined development and lease agreement.

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Commented [JA3]: Treatment of PSLs. This issue relates to how personal seat licenses will be treated and whether a bridge loan or some other form of indebtedness will be issued that is secured by PSL revenue. The developer partners would like the clause, "including the ability to enter into loans," added to the end of this document.

Commented [JA4]: Audit and Confidentiality. Cross reference also needs to be included here.

Commented [JA5]: Treatment of PSLs. Similar issue as noted above, the developers would like the following language to be added to the end of subsection 2 of section 17: "In addition, the stadium authority may allow purchasers to finance their personal seat license or similar instrument over a period of time that extends beyond the opening of the stadium. Terms for such financing shall be consistent with those imposed by other stadium authorities throughout the country."

Commented [JA6]: Treatment of PSLs. Similar issue as noted above, the developers would like the following language to be added as subsection 5 of section 17: "The stadium authority may take appropriate measures to securitize revenues from the sale of personal seat licenses or similar instruments, including securing any bridge financing (i.e., a construction loan secured solely by personal seat license or similar instruments revenues), to ensure that such funds will be available during the construction period of the stadium project."

SECTION 19. *1. The stadium authority shall dissolve and wind down its affairs in the event that:*

- (a) The stadium authority is unable to certify that an NFL team has committed to locate or relocate to the stadium district as required by subparagraphs (a) and (b) of subsection 1 of section 16 of this act;*
- (b) The stadium authority is unable to certify that the Stadium Events Company has been properly formed pursuant to subparagraph (c) of subsection 1 of section 16 of this act;*
- (c) The stadium authority does not approve a development agreement with the developer partners within 18 months of the passage and approval of this act, such agreement may be combined with the lease;*
- (d) The stadium authority does not approve a lease agreement with the Stadium Events Company and/or an NFL Team or its affiliate within 18 months of the passage and approval of this act, such agreement may be combined with the development agreement; or*
- (e) Seven of the stadium authority board members vote to dissolve the stadium authority, and the stadium authority has no outstanding financial obligations.*

2. If any of the conditions of subsection 1 are met:

- (a) The stadium authority shall have 60 days to dissolve and wind down its affairs.*
- (b) The Chair of the stadium authority shall provide notice to the office of the Governor of that the stadium authority intends to dissolve and wind down its affairs.*
- (c) The Chair of the stadium authority shall provide notice to the presidents of all public universities within the stadium district that the stadium authority intends to dissolve and wind down its affairs.*

3. All funds remaining in the stadium tax account, stadium capital fund and stadium authority operating accounts shall be transferred to the campus improvement district collegiate stadium tax account created pursuant to subsection 3 of section 37 of this act.

NFL STADIUM PROJECT

PART II | CREATION OF A STADIUM DISTRICT AND IMPOSITION OF ROOM TAX

SECTION 20. *1. In each county whose population is 700,000 or more, the board of county commissioners shall, by ordinance, create a stadium district to finance a NFL stadium project or a collegiate stadium project. The stadium district consists of all property that is within the county and that is located within a radius of 25 miles from the center of the location or the proposed location of a NFL stadium project or a collegiate stadium project in the county.*

2. If a stadium district is created, the board of county commissioners shall impose upon all persons in the business of providing lodging in the district a tax at the rate of:

- (a) Eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.*
- (b) One-half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of the primary gaming corridor within the stadium district.*

3. The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the stadium district is located for the tax whether or not it is actually collected from a paying guest.

4. The taxes imposed by subsection 2 must:

- (a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;*

- (b) Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and*
- (c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 21 of this act.*
- (d) Be imposed and collected in each incorporated city in the county in addition to being imposed in the portion of the district which is not in an incorporated city.*
- 5. The tax imposed in subsection 2 of this act shall be effective on the first day of the month that is not less than 3 nor more than 4 months after the adoption of the ordinance imposing the tax.*
- 6. The provisions of NRS 237.030 through 237.150 shall not apply to the adoption of any ordinance creating a stadium district or imposing a tax under this section or any amendment thereof or any other action of the board of county commissioners relating thereto.*
- 7. Any parcel of land, building or other structure which is partially within a district created under this section or the primary gaming corridor described in paragraph (a) of section 10 section shall be treated as being wholly within the applicable district or corridor for the purposes of the tax imposed by this section.*
- 8. Taxes imposed by this section shall sunset:*
- (a) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full; or*
- (b) Thirty-three years,*
- Whichever occurs first.*
- 9. As used in this section:*
- (a) "Primary gaming corridor" shall be defined as the geographic area comprising the submarket with the greatest amount of gross gaming revenue within the stadium district as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract. Gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging shall be subject to the taxes imposed by subsection 2 whether or not they are included in the Nevada Gaming Control Board Gaming Abstract.*
- (b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.*

NFL STADIUM PROJECT

PART III | STADIUM AUTHORITY USE OF FUNDS

- SECTION 21.** *1. The stadium authority shall create a stadium tax account and deposit into such account any proceeds of the taxes imposed by subsection 2 of section 20 of this act received by the stadium authority.*
- 2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 24 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 20 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district a NFL stadium project or to establish a bond reserve fund and other reserves to secure any bonds or other securities issued pursuant to section 24 of this act, or any combination thereof, as directed by the stadium authority.*
- 3. Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection 2 of section 20 of this act to pay any costs to acquire,*

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construct, lease, improve, equip, operate or maintain a NFL stadium project unless all of the requirements of section 13 of this act have been met.

4. The stadium authority may expend up to \$1,000,000 from the stadium tax account to execute its duties as set forth in sections 13 through 19 of this act prior to the issuance of bonds or other securities pursuant to section 24 of this act. After the issuance of bonds or other securities pursuant to section 24, stadium authority expenditures shall be governed by section 22 of this act.

SECTION 22. *1. After bonds or other securities are issued under Section 24 of this act, the stadium authority shall use the proceeds of the tax imposed under subsection 2 of section 20 of this act, and any penalties or interest only for the following:*

(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years;

(b) Payment of the administrative costs of the stadium authority of not more than \$2,000,000 per year;

(c) Contributions to the police department in the stadium district to support enhanced police protective services within one or more resort corridors within the district of \$4,000,000 per year;

(d) Payments to a public university in the event that university operated a stadium in the district prior to the construction of the NFL stadium project to mitigate demonstrated losses to that university as a result of the operations of the NFL stadium project of not more than \$3,500,000 per year, but only to the extent the university can demonstrate that such losses have not been offset by increases in revenue related to playing its home football games in the new stadium, and in no case for more than 10 years;

(e) Creation of and contributions to a debt service reserve fund in an amount of \$9,000,000 per year for a minimum of 5 years or until \$45,000,000 in debt service reserves has been accumulated. Such reserves will be available to fund stadium authority debt service in the event that there is a revenue shortfall in any future year. Once the bonds have been repaid, the reserve will be transferred to the stadium capital improvement fund;

(f) Upon completion of the NFL stadium project, Creation and contribution to a stadium capital improvement fund in an amount of at least \$5,000,000 per year.

(g) All remaining amounts shall be contributed to the creation and maintenance of a fund to provide early debt retirement, additional capital improvements to the stadium in an amount determined by the stadium authority, and to fund any required infrastructure on or around the site of the NFL stadium project.

2. Allocations of funds available after all bond and other current debt obligations of the stadium authority are paid shall be at sole discretion of the stadium authority but those expenditures shall be restricted to those items set forth in paragraphs (b), (e) and (g) of subsection 1.

3. Not-to-exceed and minimum payment amounts set forth in paragraphs (b), (c) and (f) of subsection 1 shall be adjusted annually by the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor, between the effective date of this act and July 1 of each subsequent fiscal year.

Commented [JA7]: UNLV Payment from the Waterfall. The UNLV payment has been moved above the debt service reserve fund. The developers believe it may be more appropriately located below the debt service reserve fund.

Commented [JA8]: Debt Service Reserve Fund Declining as Coverage Increases. The SNTIC would like to see the debt service reserve fund decline as the coverage ratio of the bonds gets larger. This would free up funds over time as opposed to locking them up in a fund that would, at that point in time, be unnecessary. The proposed schedule is as follows:

- a. Less than 2.0x, \$9M per year to \$45 million
- b. 2.0x to 2.5x, \$5M per year to \$25 million
- c. 2.6x to 3.0x, \$1.0M per year to \$10 million
- d. Above 3.0x, no debt service reserve fund required

This remains an unsettled issue.

NFL STADIUM PROJECT
PART IV | SPECIAL PROVISIONS ON THE FUNDING, FINANCING
AND ALLOCATION OF AVAILABLE FUNDS SOURCED TO THE STADIUM PROJECT

SECTION 23. *1. Any development agreement entered into pursuant to subsection 2 of section 16 of this act, any lease agreement(s) entered into pursuant to subsection 3 of section 16 of this act and any and all other agreements of any kind entered into between the stadium authority and one or more developer partners, NFL team, or any affiliate, subsidiary or related entity of a developer partner or NFL team, shall include the following:*

(a) The stadium authority's contribution to the construction cost of the NFL stadium project shall not:
(1) Exceed \$750,000,000 exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto; or

(2) The maximum amount that can be raised from the issuance of bonds issued pursuant to section 24 of this act, secured by revenues generated by the tax imposed in subsection 2 of section 16 of this act, whichever is less.

(b) The total debt undertaken by the stadium authority shall not, at any given point in time, exceed the stadium authority's contribution limits set forth in paragraph (a) of subsection 1.

(c) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall not exceed 39 percent of the total cost of the stadium project.

(1) The following shall be included in determining the construction and development cost of the NFL stadium project:

(I) All design, development, and construction costs related to the NFL stadium project;

(II) Land costs;

(III) All infrastructure costs on and around the NFL stadium project site paid funded through the capital contributions made by the developer partners and/or the stadium authority;

(IV) NFL practice facility costs, regardless of whether such facility is constructed in the same site as the stadium project, up to \$100,000,000; and

(V) Other soft costs related to the stadium project.

(2) Stadium authority's contribution to the construction and development cost of the NFL stadium project shall be exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto.

(d) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the developer partners' contribution to the construction and development costs of the NFL stadium project.

(e) The developer partners shall be entitled to receive a preferred return of not more than X% annually on the amount of their capital contribution to the NFL stadium project as set forth in paragraph (b)(1) of subsection 1.

(1) The amount upon which the preferred return shall be calculated shall not exceed \$650,000,000.

(2) Operating losses, construction cost overruns or any other losses incurred by the developer partners or the NFL team shall not be added to or otherwise adjust the basis upon which the preferred returns

Commented [JA9]: Total Debt Limit. This is related in part to the PSL issue; however, the intent of this provision is to ensure that the total debt of the stadium authority never exceeds \$750M. This issue remains unsettled.

Commented [JA10]: Calculation of Total Costs. The developers want to ensure that everything that is included in the \$1.9 billion cost reviewed with the SNTIC is included as the cost of construction and development. This issue remains unsettled.

Commented [JA11]: Preferred Return Amount. Developers are requesting 15%. This issue remains unsettled.

Commented [JA12]: Basis Upon Which the Preferred Return is Calculated. Developers are opposed to the hard cap of \$650M. They submit that they should not be penalized in the event costs are higher than expected. This issue remains unsettled.

described in paragraph (e) of subsection 1, or any other payments to the developer partners or the NFL team, are calculated.

(f) The preferred return as set forth in paragraph (e) of subsection 1 shall be paid annually out of the net operating income of the Stadium Events Company. The net operating income shall be the difference between normal operating revenues and normal operating expenditures of the Stadium Events Company. Notwithstanding any other provision of this section, the revenues of Stadium Events Company shall include only those NFL event revenues that the NFL team as agreed will be paid to the Stadium Events Company and in no event shall any other distribution of NFL team or NFL event revenues be otherwise included in this calculation.

(g) Should any net operating income of the Stadium Event Company remain after the payment of the preferred return made to the developer partners pursuant to paragraph (e) of subsection 1, the residual amount shall be distributed equally between the developer partners and a stadium capital construction and improvement fund.

(h) Any return to the developer partners in excess of the preferred return set forth in paragraph (e) shall be considered return of capital and shall lower the developer partners' basis used to calculate preferred returns in later years.

(i) No payments of any kind shall be due to the developer partners or the NFL team after the term of the master lease agreement(s) set forth in subsection 3 of section 16 of this act expires.

Commented [JA13]: Basis Upon Which the Preferred Return is Calculated. Developers would like cost overruns and operating losses to be added to the basis upon which the preferred return is calculated. This issue is unsettled.

Commented [JA14]: Definition of Net Operating Income. Key concept here is "asset stripping." We believe this language provides the necessary protections for the NFL; however, this is pending confirmation. Note also, the developers have proposed alternative definitions for net operating income. This issue is unsettled.

Commented [JA15]: Return on Investment vs. Return of Investment. Currently, any distributions to the development partners in excess of the preferred return would be considered return of capital and would reduce the base upon which the preferred payment would be calculated in subsequent years. The developers are opposed to this and submit that the basis should not be reduced irrespective of actual returns.

Commented [JA16]: Period for Which Returns Can Be Earned. Currently, the developer partners' returns are limited to a period coterminous with the lease agreements between the Stadium Events Company and the stadium authority. The developers are opposed to this provision and have proposed the following:

"Upon full repayment of the general obligation bonds used to finance the NFL stadium project construction, the requirements of this Section 23, including but not limited to any obligation to calculate a developer return or deposit any monies into the capital improvement account, shall immediately cease."

This issue remains unsettled.

NFL STADIUM PROJECT

PART V | ISSUANCE OF STADIUM PROJECT CONSTRUCTION BONDS

SECTION 24. 1. If:

(a) All certifications and other requirements of subsection 1 of section 16 have been met; and the stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 20 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain an NFL stadium project, the board of county commissioners in which the stadium district is located, at the request of the stadium authority, shall issue general obligations of the county in an amount not to exceed \$750,000,000 payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 20 of this act.

2. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.

3. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the NFL stadium project.

4. The board of county commissioners shall not issue the bonds authorized by paragraph (a) of subsection 1:

(a) Unless an agreement between the stadium authority and the developer partners, including provisions that provide adequate assurances that the NFL stadium project, as approved, will be completed as required by section 13 of this act. Such assurances must provide security to the county and the stadium authority that there will be adequate funds:

(1) To pay the portion of the estimated cost of the project that is to be paid from sources other than the county bonds issued pursuant to this act; and

Commented [JA17]: Security of Developer Performance. The SNTIC would ensure that there is sufficient security that the developer will perform as required and cannot unilaterally back out of the deal. This remains an unsettled issue.

Note that subsections 4, 5 and 6 of section 24 relate to security requiring the developer to perform prior to the issuance of bonds. This remains an unsettled issue.

(2) To provide a contingency amount of ten percent of the estimated cost of the project or such higher percentage as is determined to be adequate by the stadium authority.

(b) Security provided guarantees timely performance of the construction of the project, if so required in the agreement between the stadium authority and the developer partners.

(c) Aggregate security provided is equal to the portion of the cost to be paid from sources other than the county bonds plus the contingency amount determined by the stadium authority as set forth in paragraph (a)(2), and must be in the form of one or more of the following, provided that in the case of security other than an irrevocable deposit of cash into an escrow held in trust by a commercial bank with trust powers that cannot be used for any purpose other than the payment of project costs, the entity obligated under the security instrument must be rated "A" or better by Moody's or Standard and Poor's or have an equivalent rating from another rating agency that provides ratings on security of the type being provided:

(1) A personal guarantee from the principals of the development partner or development partnership;

(2) A cash deposit made into an escrow account by the development partner;

(3) An irrevocable letter of credit provided by the development partner; and

(4) A performance or completion bond provided by the development partner.

(d) A finding by a vote of the board of county commissioners that the prerequisite for issuing the bonds described in this subsection has been met, absent fraud, shall be required prior to the issuance of any bonds for this project.

5. In the event that the board of county commissioners have issued the bonds pursuant to this section, and the developer partners fail to perform by either withdrawing from their obligation to complete the project or by any other circumstance that would result from the developer partners not committing all funds as required by their agreement with the stadium authority, the stadium authority shall have the right to act upon any letters of credit, completion and performance bonds, cash deposits made to a project escrow account, personal guarantees or other forms of security agreed to as required by this section and included as part of any agreement or lease created pursuant to section 16 of this act.

6. In addition to acting upon the agreed upon security as set forth in subsection 5, there is hereby imposed an additional liquidated damages penalty of not less than \$50,000,000 upon the developer partner to compensate for any delays and cost increases that may result from the developer partners' failure to fulfill their obligation to fully perform.

Commented [JA18]: Exemption from New Taxes. Note that the developers would like to have a section exempting the stadium project, the NFL team and NFL events from any new or additional taxes.

NFL STADIUM PROJECT

PART VI | APPLICABILITY OF STATE PUBLIC WORKS PROVISIONS

SECTION 25. *1. Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the stadium authority, the developer partners or any related entity relating to the NFL stadium project financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

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(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreements of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that the provisions of paragraph (a) of subsection 9 of NRS 341.100 and of NRS 341.105 apply to any such undertaking.

(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The stadium authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.

2. The stadium authority and any prime contractor, construction manager or project manager selected by the stadium authority shall competitively bid all subcontracts involving construction which the stadium authority determines can be competitively bid without affecting the quality of the project. Any determination by the stadium authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The stadium authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the stadium authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

4. For purposes of this section, "undertaking" refers to an NFL stadium project as defined in section 7 of this act.

TRANSITION: TRANSFERRING UNUSED REVENUES FROM THE NFL STADIUM PROJECT TO COLLEGIATE STADIUM PROJECT TO FAIR AND RECREATION BOARD

SECTION 26. 1. In the event that the requirements of section 16 of this act are not met, and an NFL stadium project is not constructed:

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(a) After having received notice of this fact pursuant to paragraph (c) subsection 2 of section 19 of this act that an NFL stadium project will not be constructed, a university in the district shall have 90 days to notify the Governor and the director of Legislative Counsel Bureau of the university's intent to construct a collegiate stadium project with the district.

(b) That university will have 24 months from the date the president of the university receives the notice pursuant to paragraph (c) subsection 2 of section 19 of this act to secure a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a collegiate stadium within the boundaries of the district.

2. If the funding commitment required by paragraph (b) of subsection 1 are met within the established timeframe, the stadium authority may use the remaining proceeds of the taxes imposed by subsection 2 of section 20 of this act and the proceeds of the tax imposed by subsection 1 of section 36 of this act to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project within the boundaries of the stadium district, and to pay for any bonds or other securities issued for that purpose, including refunding securities.

3. If, within the period prescribed by paragraph (b) of subsection 1, no university within the boundaries of the stadium district has raised the required private funding, the remaining taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act shall be distributed to the county fair and recreation board for the payment of outstanding securities issued to finance the renovation and expansion of its facilities located with the stadium district.

4. The board of county commissioners shall, within 60 days of funds being transferred to the county fair and recreation board pursuant to subsection 2, sunset any taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act.

COLLEGIATE STADIUM PROJECT
ADDITIONAL, SECTION-SPECIFIC DEFINITION

SECTION 27. *For purposes of sections 28 through 39 of this act, "undertaking" means any enterprise to acquire, construct, improve, equip, operate or maintain, or any combination thereof, a collegiate stadium project and such other projects, improvements or facilities related to the development of a collegiate stadium deemed necessary or desirable by the campus improvement authority.*

COLLEGIATE STADIUM PROJECT

PART I | CAMPUS IMPROVEMENT BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 28. 1. *Upon receiving notice that stadium authority intends to dissolve and wind down its affairs pursuant to paragraph (c) of subsection 2 of section 19 of this act, the president of a public university within the stadium district may create a campus improvement authority.*

(a) The campus improvement authority shall be comprised of nine members appointed as follows:

(1) Four members appointed by the university's board of regents.

(1) One of these members must be either a member of the university's board of regents or an officer of the university and the remainder must be members of the university's board of regents.

(2) One member appointed by the Governor.

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- (3) One member appointed by the board of county commission commissioners for the county in which the stadium district is located and must be either a member of the board of county commissioners or an officer of that county.*
- (4) One member appointed by the county fair and recreation board of the county in which the stadium district is located and must be a member of the county fair and recreation board who is not also a member of a board of county commissioners.*
- (5) Two members appointed by the members appointed pursuant to paragraphs (1) to (4), inclusive. Each of these members must be employed in an executive position in the county by a business in the tourism, hotel and gaming industry in which the stadium district.*
- 2. A vacancy on the board occurs when a member:*
- (a) Dies or resigns;*
- (b) Is removed, with or without cause, by the person or entity who appointed that member; or*
- (c) Ceases to be qualified for appointment as a member pursuant to the pertinent provisions of subsection 1.*
- 3. The campus improvement authority constitutes:*
- (a) A body corporate and politic; and*
- (b) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the stadium district.*
- 4. A vacancy in the campus authority board must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1, except that, notwithstanding any provision of this section to the contrary, a member appointed pursuant to paragraph (5) of subsection 1 whose position becomes vacant as the result of his or her cessation of employment in an executive position in the county by a business in the tourism, hotel and gaming industry may be reappointed to serve the remainder of his or her unexpired term.*
- 5. No member of the campus improvement authority may receive any compensation for serving as a member or officer of the board.*
- 6. The members of the campus improvement authority constitute public officers for the purposes of chapter 281A of NRS.*

- SECTION 29. 1. At the initial meeting of the campus improvement authority the board of the campus improvement district shall appoint:**
- (a) One of its members as Chair;*
- (b) One of its members as Vice Chair; and*
- (c) A Secretary and a Treasurer, who may be one person.*
- 2. The Vice Chair shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.**
- 3. The campus improvement authority shall meet regularly in the stadium district at such times and places as it designates.**
- (a) Special meetings may be held at the call of the Chair, upon notice to each member of the campus improvement authority, as often as the needs of the campus improvement authority require.*
- (1) Except as otherwise provided in subsection 5 of 19 NRS 281A.420:**
- (b) Six of the members of campus improvement authority shall constitute a quorum.*
- (c) The campus improvement authority may take action only by a motion or resolution adopted with the approval of at least six members of its membership.*
- 4. The campus improvement district constitutes a public body for the purposes of chapter 241 of NRS.**

SECTION 30. 1. The Secretary of the campus improvement authority shall keep:

- (a) Audio recordings or transcripts of all meetings of the campus improvement authority;*
 - (b) Minutes of all the meetings of the campus improvement authority;*
 - (c) A record of all the proceedings and actions of the campus improvement authority;*
 - (d) Any certificates issued or received by the campus improvement authority;*
 - (e) Any contracts made by the campus improvement authority; and*
 - (f) Any bonds required by the campus improvement authority from its employees.*
- 2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.*
- 3. The Treasurer of the campus improvement authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the campus improvement authority.*
- 4. The Secretary and Treasurer of the campus improvement authority do not constitute a part of the staff of the campus improvement authority for the purposes of section 30 of this act.*

SECTION 31. 1. The campus improvement authority may retain such staff as it determines to be necessary to conduct the activities of the campus improvement authority. It may:

- (a) Hire the members of its staff as employees;*
 - (b) Contract with any governmental entity or other person to provide the persons to serve as its staff;*
- or*
- (c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).*
- 2. The campus improvement authority shall specify:**
- (a) The powers and duties of the members of its staff; and*
 - (b) The amount and basis of compensation for the members of its staff; and*
 - (c) May delegate any of its powers and duties to any member of its staff as it determines to be appropriate, except that the campus improvement authority shall not delegate:*
- (1) Any of the specific obligations or responsibilities of the campus improvement authority imposed by sections 28 to 31, inclusive, paragraph (d) or (e) of subsection 1 of section 33, subsection 2 of section 34 or section 35 of this act; or*
 - (2) Any ability to bind the campus improvement authority to a contract that could require an expenditure by the campus improvement authority in excess of such an amount as the campus improvement authority determines to be appropriate, which amount must not exceed the sum \$500,000, as adjusted by the percentage change between the effective date of this act and July 1 of the fiscal year the delegation is made in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor.*

SECTION 32. The campus improvement authority:

- 1. Shall adopt a seal;*
- 2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of this act, for carrying on the business and affairs of the campus authority board; and*
- 3. Shall create a tax increment account, a collegiate stadium capital projects fund and a collegiate stadium authority operating account to carry out the provisions of this act.*

SECTION 33. 1. *Except as otherwise provided in section 34 of this act, the board of the campus improvement authority may:*

(a) Enter into any contracts and other agreements with any person or other entity that the campus improvement authority determines to be necessary or desirable to conduct the business of the campus improvement authority.

(b) Sue and be sued.

(c) Proceed with any undertaking and enter into any contracts or other agreements that the campus improvement authority determines to be necessary or desirable therefor. The contracts and other agreements authorized by this subsection:

(1) May include, without limitation, contracts or other agreements relating to the construction, acquisition, lease, lease-purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and

(2) Are not subject to the limitations of subsection 1 of NRS 354.626.

(d) Enter into a lease, ground lease or management agreement with the Nevada System of Higher Education authorizing the campus improvement authority to lease from the System any portion of the land in the tax increment area owned by the System and any improvements thereon, or to manage any such land or improvements for the System, on such terms as may be acceptable to the campus improvement authority and the university's board of regents and which do not violate any covenants concerning any securities issued by the board of regents, provided that:

(1) The property subject to the lease, ground lease or management agreement is limited to:

(I) Land and improvements that will be developed and used to carry out the development of a collegiate stadium project; and

(II) Any other land, improvements and appurtenances that the university's board of regents determines to be necessary or desirable to carry out the development of a collegiate stadium project;

(2) The university's board of regents is entitled to limit any uses, rates, charges or other factors pertaining to the property subject to the lease, ground lease or management agreement by including the limitations in the agreement; and

(3) After any indebtedness incurred to improve the property subject to the lease, ground lease or management agreement has been retired or defeased and any other contracts and obligations of the campus improvement authority pertaining to that property have been satisfied and terminated, the improvements will become the property of the Nevada System of Higher Education and will no longer be subject to the lease, ground lease or management agreement.

(e) Enter into, with any person or other entity:

(1) One or more subleases of all or any portion of any land or improvement leased to the campus improvement authority;

(2) One or more management agreements to provide for the management by that person or other entity of any land or improvement that the campus improvement authority is authorized to manage, control or occupy;

(3) One or more leases or management agreements pertaining to any undertaking or any facility owned by the campus improvement authority; or

(4) Any combination of the agreements described in subparagraphs (1), (2) and (3), on such terms as may be acceptable to the campus improvement authority and which are not inconsistent with the terms of the lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to which the campus improvement authority has possession or control of the subject property. The leases, subleases and management agreements authorized by this subsection are not subject to the limitations of subsection 1 of NRS 354.626.

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(f) Fix, and from time to time increase or decrease, fees, rates, tolls, rents or charges for services or facilities furnished in connection with any undertaking and take such action as may be necessary or desirable to affect their collection or, by contract or other agreement described in paragraph (d) or (e), authorize another person or entity to fix, from time to time increase or decrease, and collect all or any designated portion of such fees, rates, tolls, rents or charges. Such fees, rates, tolls, rents or charges must be consistent with or allowed by the lease, ground lease or management agreement with the System pursuant to which the campus improvement authority has possession or control of the land or improvements upon which the undertaking is located.

(g) Receive, control, invest and order the expenditure of pledged revenues and any other money pertaining to or derived from any undertaking, including, without limitation, any grants from the Federal Government, the State, the County or any incorporated cities in the County, or from any other person or entity, for the purposes described in section 37 of this act.

(h) Except as otherwise provided in this act, exercise all or any part or combination of the powers and duties of the campus improvement authority set forth in this act.

(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the purposes and provisions of this act.

2. If the campus improvement authority has no indebtedness or other financial obligations, the campus improvement authority board, by an affirmative vote of at least six of its members, may dissolve.

SECTION 34. *1. The board of the campus improvement authority and any person to whom the campus improvement authority delegates any of its powers or duties shall not:*

(a) Expend or authorize the expenditure of any money in the tax increment account unless the board of the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes a specific undertaking.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.

2. The campus improvement authority shall not own any land, but may own improvements on land located in the tax increment area if the Board of Regents, in its sole discretion, allows that ownership.

SECTION 35. *1. Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the campus improvement authority, the Nevada System of Higher Education or any related entity relating to any undertaking financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreements of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that the provisions of paragraph (a) of subsection 9 of NRS 341.100 and of NRS 341.105 apply to any such undertaking.

(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The campus improvement authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.

2. The campus improvement authority and any prime contractor, construction manager or project manager selected by the campus improvement authority shall competitively bid all subcontracts involving construction which the campus improvement authority determines can be competitively bid without affecting the quality of the project. Any determination by the campus improvement authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The campus improvement authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the campus improvement authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the campus improvement authority or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

COLLEGIATE STADIUM PROJECT

PART II | REDUCTION OF ROOM TAX DEDICATED TO COLLEGIATE STADIUM PROJECT

SECTION 36. *1. If the stadium authority has provided notice of its intent to dissolve and wind down its affairs pursuant to section of this act and a campus improvement authority has been created pursuant to section 28 of this act, the board of county commissioners in the stadium district shall reduce the taxes imposed under subsection 2 of section 20 to the following rates:*

(a) Three-eighths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.

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(b) One-quarter of one percent of the gross receipts from the rental of transient lodging in areas within the stadium district but outside of a primary gaming corridor.

2. Taxes imposed by this section shall sunset:

(a) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full; or

(b) Thirty-three years,

Whichever occurs first.

3. In addition to the rate sunset requirements set forth in subsection 2, in the event tax rates are reduced pursuant to subsection 1, taxes imposed by this section shall not be reduced further or otherwise modified for a period of two years following the rate reduction.

4. As used in this section:

(a) "Primary gaming corridor" shall be defined as the geographic area comprising the submarket with the greatest amount of gross gaming revenue within the stadium district as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract. Gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging shall be subject to the taxes imposed by subsection 1 whether or not they are included in the Nevada Gaming Control Board Gaming Abstract.

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

COLLEGIATE STADIUM PROJECT

PART III | STADIUM AUTHORITY USE OF FUNDS

SECTION 37. *1. The campus improvement authority shall create a collegiate stadium tax account and deposit into such account any proceeds of the taxes imposed by section 36 of this act received by the campus improvement authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 40 of this act, the campus improvement authority shall use the proceeds of the taxes imposed by subsection section 36 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the stadium district a collegiate stadium project or to establish a bond reserve fund and other reserves to secure any securities issued pursuant to section 40 of this act, or any combination thereof, as directed by the campus improvement authority.

3. The campus improvement authority shall not expend any of the proceeds of the taxes imposed by section 36 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project until campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.

SECTION 38. *1. After bonds or other securities are issued under Section 40 hereof, the campus improvement authority shall use the proceeds of the tax imposed under section 36 of this act, any funds transferred from the stadium authority to the campus improvement authority pursuant to subsection 3 of section 19 of this act and any penalties or interest received only for the following:*
(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium, including any reserve

funds created to secure the payment of such bonds, and including any past due amounts from any prior years; and
(b) Costs of capital improvements to the collegiate stadium and the creation and maintenance of a fund to provide capital improvements to the collegiate stadium in an amount determined by the campus improvement authority.

SECTION 39. 1. *If the campus improvement authority does not raise funds required by paragraph (b) of subsection 1 of section 26 of this act within the time allocated by that section, notwithstanding any other provision of this act to the contrary, the campus improvement authority shall:*
(a) Remit all funds deposited in the stadium infrastructure account to the fair and recreation board within the stadium district;
(b) Wind up the affairs of the campus improvement authority; and
(c) Dissolve the campus improvement authority pursuant to subsection 2 of section 33 of this act.
2. *After dissolution, all the remaining assets of the campus improvement authority shall become property of the Nevada System of Higher Education.*

COLLEGIATE STADIUM PROJECT
PART IV | ISSUANCE OF COLLEGIATE STADIUM BONDS

SECTION 40. 1. *If:*
(a) General obligations of the county are not issued pursuant to section 24 of this act;
(b) Within 24 months after notice has been provided pursuant to paragraph (c) of subsection 3 of section 19 of this act, a university located within the stadium district has secured a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district; and
(c) The stadium authority determines that the proceeds of the taxes imposed by section 36 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a collegiate football stadium, board of county commissioners of the county in which the district is located at the request of the stadium authority may issue general obligations of the county in an amount not to exceed \$300,000,000 payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by section 36 of this act.
(1) The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.
(2) The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated pursuant to section 38 of this act.

COLLEGIATE STADIUM PROJECT
**PART V | NONINTERFERENCE WITH EXISTING RIGHTS, POWERS AND
AUTHORITIES OF THE UNIVERSITY OR ITS BOARD OF REGENTS**

SECTION 41. 1. *The provisions of this act do not:*

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It is intended for discussion purposes only.

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- (a) Require the any university or its board of regents to enter into any lease, ground lease, management agreement or any other contract or agreement.*
- (b) Limit the conditions or other provisions which a university or its board of regents many, in their sole discretion, determine to include in any lease, ground lease, management agreement or any other contract or agreement.*

ADMINISTRATIVE PROVISIONS

PART I | TIMING AND TERMS OF AUTHORITY APPOINTMENTS

SECTION 42. 1. For a stadium authority created by section 11 of this act in Clark County:

- (a) The Governor shall, on or before January 1, 2017, appoint the three members of the stadium authority pursuant to paragraph (a) of subsection 1 or section 11 of this act to initial terms that, for two of the appointees, commences on January 1, 2017, and expires on December 31, 2018, and for the third appointee commences on January 1, 2017, and expires on December 31, 2017; and*
 - (b) The Board of County Commissioners of Clark County shall, on or before January 1, 2017 appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of section 11 of this act to an initial term that, for one appointee commences on January 1, 2017, and expires on December 31, 2018, and for the second appointee commences on January 1, 2017, and expires on December 31, 2017;*
 - (c) The stadium authority shall within 30 days after the effective date of the lease agreement(s) and any other contracts or agreements between Stadium Events Company and the stadium authority entered into pursuant to section 16 of this act, appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 11 of this act to an initial term that, for one appointee, will commence immediately upon appointment and will expire on December 31 of that same year, and, for the second appointee, will commence immediately upon appointment and will expire on December 31 of the following year.*
- 2. After each stadium authority initial term, each subsequent stadium authority appointment shall be for a period of three years;**
 - 3. The same person may be appointed to serve multiple consecutive or not consecutive terms as a member of the stadium authority.**
 - 4. The stadium authority appointed pursuant to this section shall hold an organizational meeting during January 2017. At that meeting, the stadium authority shall elect:**
 - (a) One of its members as Vice Chair; and*
 - (b) A Secretary and Treasurer.*

SECTION 43. 1. For the campus improvement authority created by section 28 of this act:

- (a) The board of regents shall appoint:*
 - (1) Two of the members of the campus improvement authority pursuant to paragraph (a) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment, and expire on September 30 of that same year; and*
 - (2) Two of the members to the campus improvement authority pursuant to paragraph (a) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment, and expire on September 30 of the following year.*
- (b) The member of the campus improvement authority appointed by the Governor pursuant to paragraph (b) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of the following year.*

- (c) The member of the campus improvement authority appointed by the board of county commissioners pursuant to paragraph (c) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of that same year;*
 - (d) The member of the campus improvement authority appointed by the fair and recreation board pursuant to paragraph (d) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of the subsequent year;*
 - (e) The members of the campus improvement authority appointed by the pursuant to paragraph (e) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires September 30 of the following year;*
- 2. After the initial terms, each member of the campus authority board shall be appointed for a 4-year term.*

ADMINISTRATIVE PROVISIONS

PART II | TIME REQUIREMENTS FOR NFL ACTION AND AGREEMENTS

- SECTION 44.** *1. The NFL team and the developer partners shall have twelve months from the effective date of the act as set forth in subparagraph (1) of section 45 to secure the rights and any necessary approvals to locate or relocate an NFL team into the district created pursuant to section 20 of this act.*
- (a) The stadium authority shall have the ability to grant one, six-month extension to the established timeline for securing the rights to locate or relocate an NFL franchise into the stadium district.*
- 2. Once the rights to locate or relocate an NFL franchise have been secured pursuant to subsection 1, the developer partners and the NFL team shall have six months to form the Stadium Events Company and to enter into all required contracts and agreements with the stadium authority as set forth in section 16 of this act.*
- (a) The stadium authority shall have the ability to grant one, six-month extension to the timeline established for forming the Stadium Events Company and entering into all require contracts and agreements with the stadium authority.*

ADMINISTRATIVE PROVISIONS

PART III | EFFECTIVE DATES

- SECTION 45.** *1. Section 1 to section 44, inclusive, of this act become effective upon passage and approval of this act, and expire by limitation:*
- (a) If general obligations of the county are issued pursuant to section 24 of this act or by the state of Nevada pursuant to section 40 of this act, on the date on which those obligations are fully paid.*
 - (b) If general obligations of the county pursuant to section 24 of this act or pursuant to section 40 of this act on the date which is 24 months after the end of the period prescribed by paragraph (b) of subsection 1 of section 26 of this act.*

END

Stadium Project Funding, Administration and Oversight

Stadium Recommendation Working Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~{omitted material}~~ is material to be removed.

OVERVIEW

SECTION 1 to **SECTION 25** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League (NFL) stadium project in a county whose population is 700,000 or more (currently Clark County). **SECTION 11** through **SECTION 19** create a stadium authority as a public body and establish its powers and authorities. **SECTION 20** creates a stadium district to finance an NFL stadium project or a collegiate stadium project in such a county and provides that the stadium district consists of all property that is located within the county that is within 25 miles of the center of the stadium project site. **SECTION 20** of this bill also provides for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the stadium district at a specified rate of the gross receipts from the rental of transient lodging in the stadium district. **SECTION 21** and **SECTION 22** of this bill require the stadium authority for the county in which the stadium district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project within the stadium district. **SECTION 23** of this bill provides number of special conditions that the stadium authority must include in any agreements with the developer and operator of the NFL stadium project. **SECTION 24** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project, if an NFL franchise commits to relocate to the stadium district. **SECTION 25** defines exemptions from and applicability of certain Nevada Revised Statutes dealing with public works. **SECTION 26** transfers collected tax dollars, in the event an NFL franchise does not commit to locate or relocate to the stadium district or other conditions are not met, to a university within the stadium district where that university obtains a commitment of at least \$200,000,000 in funding for a collegiate stadium on its campus. If the conditions for the use of the proceeds of the tax for an NFL stadium project or a collegiate stadium project are not satisfied, **SECTION 26** then requires that the proceeds of the tax be distributed to the county fair and recreation board to pay debts incurred for capital facilities and that all stadium project-related tax increases sunset. **SECTION 27** defines an undertaking for the development of a collegiate stadium project to include the collegiate stadium itself and any supporting projects, improvements or facilities. **SECTION 28** to **SECTION 35** create a campus improvement authority as a public body and defines its powers and authorities. **SECTION 36** reduces the room lodging tax rate imposed by **SECTION 20** in the event the proceeds of the tax will be used to construct a collegiate stadium project as opposed to an NFL stadium project. **SECTION 37** through **SECTION 39** of this bill require the campus improvement authority for the county in which the stadium district is located to use the proceeds of the lodging tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium within the stadium district. **SECTION 40** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium if an NFL franchise does not commit to locate or relocate to the district and a university within the stadium district obtains a commitment of at least \$200,000,000 in private funding for a collegiate stadium on its campus. **SECTION 41** of this bill clarifies that no provision of this bill

shall infringe on rights and powers of university or its board of regents. **SECTION 42** establishes the terms of stadium authority board members. **SECTION 43** establishes the terms of campus improvement authority board members. **SECTION 44** provides a timeline for certain actions required by the NFL franchise, stadium developers and the stadium authority board. **SECTION 45** establishes effective dates for each section of the act.

LANGUAGE FOR CONSIDERATION

DEFINITIONS

SECTION 1. *As used in section 1 to 45, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 through 45 of this act have the meanings so ascribed to them in those sections.*

SECTION 2. *“Developer partner” means one or more private parties providing funds needed to construct the stadium project or providing all or a portion of funds needed to make capital improvements to the stadium project in the District. The developer partner, or its affiliate, may also be a part owner or owner of the Stadium Events Company.*

SECTION 3. *“Stadium district” means the district to finance a stadium project that is created by section 20 of this act.*

SECTION 4. *“NFL team” means the National Football League franchise that has committed to relocate to the District and utilize the stadium project for its home National Football League games and related activities. The NFL team, or its affiliate, may also be a part owner or owner of the Stadium Events Company and may be a developer partner.*

SECTION 5. *“Stadium authority” means the stadium authority for the county in which a district is located and is inclusive of its appointed board pursuant to this act.*

SECTION 6. *“Stadium Events Company” means the legal entity owned by and comprised of the NFL team, or its affiliate, and/or any other developer partner, or its affiliate, contributing equity to pay a portion of construction costs of the NFL stadium project. Stadium Events Company will lease the NFL stadium project pursuant to a long-term lease with the stadium authority. Stadium Events Company will be responsible for all stadium operating cost overruns.*

SECTION 7. *“NFL stadium project” means a domed stadium developed within the stadium district containing not less than 65,000 seats constructed by one or more developer partners in cooperation with an NFL team. The location, design, fit and finish of the NFL stadium project shall be consistent with first-class, premier National Football League facilities currently in operation or approved for construction by the National Football League.*

SECTION 8. *“Collegiate stadium project” means a stadium developed within the district containing not less than 40,000 seats constructed by a public university. The location, design, fit and finish of the stadium project shall be consistent with similar competitive facilities existing at universities in Power*

Five athletic conferences within National Collegiate Athletic Association Division I Football Bowl Subdivision.

SECTION 9. *“Campus improvement authority” mean the improvement authority created by a university located within the stadium district and is inclusive of its appointed board pursuant to this act.*

SECTION 10. *“System” means the Nevada System of Higher Education.*

NFL STADIUM PROJECT

PART I | STADIUM AUTHORITY BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 11. 1. *In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:*

(a) Three members appointed by the Governor;

(b) Two members appointed by the board of county commissioners of the county in which the stadium district is located;

(c) Two members representing the public at-large shall be appointed by members of the stadium authority appointed pursuant to paragraphs (a) and (b), with consideration given to appointment recommendations made by the Stadium Events Company and the NFL Team.

2. *The stadium authority constitutes:*

(a) A body corporate and politic;

(b) A political subdivision of the county in which the stadium district is located; and

(c) A political subdivision of this State, the boundaries of which are coterminous with the boundaries of the stadium district.

3. *A vacancy on the stadium authority occurs when a member:*

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the person or entity who appointed that member.

4. *A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.*

5. *A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.*

6. *The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.*

7. *All members of the stadium authority shall reside in the county in which the stadium district is created.*

8. *Stadium authority members appointed pursuant to subsection 1 shall be:*

(a) Executives and/or directors of construction of active commercial hotel resort properties who have experience in design, engineering, cost estimating and construction;

(b) Professionals experienced in the financing of capital projects within the state of Nevada;

(c) Professionals experienced in the field of stadium, arena or event management; or

(d) Other private sector representatives with the education, experience and skills necessary to effectively execute the duties and responsibilities of to the stadium authority as set forth in this act.

9. *No two members of the stadium authority shall be representatives of the same company.*

SECTION 12. 1. *The stadium authority shall appoint:*

- (a) One of its members as Chair;*
- (b) One of its members as Vice Chair; and*
- (c) A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.*
- (b) The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.*
- (c) The stadium authority shall meet regularly in the stadium district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.*
- (d) Except as otherwise provided in subsection 5 of NRS 281A.420:*
 - (a) Four of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.*
 - (b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least four members of the stadium authority when a quorum is present, and only actions complying with this act may be taken by the stadium authority.*
 - (e) The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.*

SECTION 13. 1. The Secretary of the stadium authority shall keep:

- (a) Audio recordings or transcripts of all meetings of the stadium authority;*
 - (b) Minutes of all the meetings of the stadium authority;*
 - (c) A record of all the proceedings and actions of the stadium authority;*
 - (d) Any certificates issued or received by the stadium authority;*
 - (e) Any contracts made by the stadium authority; and*
 - (f) Any bonds required by the stadium authority from its employees.*
- 2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.*
- 3. The Treasurer of the stadium authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the stadium authority.*
- 4. The Secretary and Treasurer of the stadium authority do not constitute a part of the staff of the stadium authority for the purposes of section 14 of this act.*
- 5. The board of the stadium authority may direct staff of the stadium authority, retained pursuant to section 14, of this act to provide the services necessary for the Secretary and Treasurer to fulfill their respective duties as set forth in this section.*

SECTION 14. 1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:

- (a) Hire the members of its staff as employees;*
 - (b) Contract with any governmental entity or other person to provide the persons to serve as its staff;*
- or*
- (c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).*
- 2. The stadium authority shall specify:**
- (a) The powers and duties of the members of its staff; and*
 - (b) The amount and basis of compensation for the members of its staff.*

SECTION 15. The stadium authority:

- 1. May adopt a seal;*
- 2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of section 14 to section 19 of this act, for carrying out its business and affairs; and*
- 3. Shall create a stadium tax account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of this act.*

SECTION 16. 1. *In addition to the duties and powers granted to the stadium authority in sections 14 and 15, the stadium authority shall:*

- (a) In accordance with the facts, certify that the National Football League has authorized an NFL team to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.*
 - (b) In accordance with the facts, certify that the NFL team identified in paragraph (a) has committed to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.*
 - (c) In accordance with the facts, certify that the Stadium Events Company has been properly formed in this State. Certification of the Stadium Events Company shall include, but may not be limited to, a disclosure of all owners and operators of the Stadium Events Company.*
 - (d) Identify and qualify the developer partners as a matter of public record.*
 - (1) Identification of the developer partners shall include, but may not be limited to, a disclosure of all participating entities.*
 - (2) Qualification of the developer partners shall include, but may not be limited to, documented affiliation with the NFL team certified by the stadium authority pursuant to subparagraph (b) and a demonstrated ability to successfully construct the development project.*
 - (e) Prior to approving a development agreement with developer partners, the stadium authority shall ensure that the developer partners have provided suitable financial security for the developer partners' funding obligations as a part of the NFL stadium project financing. This shall include, but may not be limited to, that the assurances required by subsections 4 through 6, inclusive, of section 24 of this act are provide in advance of the issuance of any bonds or other forms of indebtedness by the county on behalf of the stadium authority.*
- 2.** *After all certification and qualifications set forth in subsection 1 have been completed, the stadium authority shall negotiate and may approve a development agreement with the developer partners or the Stadium Events Company for the construction of an NFL stadium project. The development agreement may be combined with the lease to create a development and lease agreement as determined by the stadium authority.*
- (a) The development agreement shall identify the site of the NFL stadium project.*
 - (b) The development agreement shall set forth the overall design, scope and specifications of the undertaking.*
 - (c) The development agreement shall set forth the sources of funding for the NFL stadium project in a manner consistent with the provisions of this act.*
 - (d) The development agreement shall establish a process and criteria for periodic progress reporting by the developer partners to the stadium authority on the construction and development status of the NFL stadium project.*
 - (e) The development agreement shall state that any and all construction and development cost overruns incurred in the construction and development of the NFL stadium project shall be the sole responsibility of the developer partners. The sole exception to this provision shall be any cost overruns caused by a design or other change mandated by the stadium authority or other governmental entity subsequent to the approval of the development agreement required by this section, excluding any*

change subsequent to the development agreement required to comply with building codes, including without limitation, those relating to building safety.

(f) The development agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.

(g) The development agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.

3. Once all certification and qualifications set forth in subparagraph 1 have been completed, the stadium authority shall negotiate and may approve a lease agreement, which may be combined with the development agreement to create a development and lease agreement, with the Stadium Events Company and/or an NFL Team or its affiliate.

(a) The lease agreement(s) shall set forth all of the requirements and responsibilities of the Stadium Events Company and/or NFL Team or its affiliate as the operator(s) of the NFL stadium project and empower such lessee the right to engage a stadium operations company to operate the NFL stadium on a day-to-day basis as determined by the lessee.

(b) The lease agreement(s) shall establish minimum standards for capital reinvestment and maintenance of the NFL stadium project, ensuring that the design and development standards set forth in this act are maintained or enhanced throughout the life of the lease agreement(s).

(c) The lease agreement(s) shall provide for the annual allocation of revenues and expenses consistent with this act.

(d) The lease agreement(s) shall state that all operating losses generated by the NFL stadium project or the Stadium Events Company shall be the sole responsibility of the Stadium Events Company the developer partners, and/or the NFL Team or its affiliate.

(e) Should a public university with a Division I football program exist within the stadium district, the lease agreement(s) shall provide for accommodation of a sufficient number of dates to host the university's regular and post-season home games at the NFL stadium project, with the express understanding that NFL events shall have absolute priority of use and the NFL team shall have priority in terms of the stadium, the playing surfaces and all related stadium assets.

(1) These dates shall be mutually agreed upon by the university and the Stadium Events Company and shall be approved by the stadium authority board, respecting the requirement set forth in paragraph (e) that such dates may not interfere with the NFL schedule.

(2) The stadium authority shall establish and include in the lease agreement(s) a reasonable rent for the university's use of the NFL stadium project.

(3) During these dates, the university shall be given access to the stadium, its facilities and its amenities commensurate with the access that a university in a Power Five athletic conference within the National Collegiate Athletic Association Division I Football Bowl Subdivision would otherwise have.

(4) The stadium authority shall have final discretion in any disputes relative to the provisions of paragraph (e) of subsection 3.

(f) The lease agreement(s) shall establish a process and criteria for periodic progress reporting by the Stadium Events Company to the stadium authority on the operations of the stadium and the revenues and expenditures and profitability of Stadium Events Company. This reporting shall be sufficient to ensure that the stadium is being properly maintained, operated in a manner consistent with this act and in the best interests of the State.

(g) The lease agreement(s) shall include the requirement that a lease or sublease with the NFL team certified in subsection 1 of this section, or its affiliate, shall be for a period of not less than 30 years.

(h) The lease agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.

(i) The lease agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.

4. In furtherance of the specific duties and responsibilities of the stadium authority as set forth in subsections 1 through 3 of this section, the stadium authority may:

(a) Enter into any contracts and other agreements with any person or other entity.

(b) Sue and be sued.

(c) Acquire by purchase, lease, gift, devise, condemnation or otherwise and own, in its own name, all necessary right, title, and interest in and to land and the improvements upon that land as well as any associated air rights and personal property.

(d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable.

(e) Enter into a lease, ground lease, sublease or management agreement with any party.

(f) Receive any public and private resources necessary to fund, finance and develop the undertaking.

(g) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of this act. This may include an audit of the lessee(s), but shall not include in any event any right to audit the business of the NFL team generally or the business of any of the developer partners generally.

(h) Consider and approve or disapprove an annual capital improvement budget submitted by the lessee(s) and approve or disapprove specific requests for capital improvements made by the lessee(s) or the NFL team.

(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.

SECTION 17. 1. *The stadium authority shall retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builders' licenses or other similar instruments for any and all seats in the NFL stadium project to generate revenues used for construction of the NFL stadium project.*

2. The stadium authority may not grant any other person the right to enter into such agreements, but it may in its contract with the developer partners, agree that any agreements regarding seat licenses will be made only in consultation with the developer partners, or if applicable, the Stadium Events Company and the NFL team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the NFL stadium project, including the NFL team's home games.

3. Proceeds from the sale of such personal seat licenses or similar instruments shall be collected by or on behalf of the stadium authority for the benefit of the NFL stadium project and are a payment by purchasers to the owner of the NFL stadium project for special rights of access to events at the NFL stadium project.

4. The stadium authority may contract with, or appoint as its sales agent, a third party sales agency, subject to the approval of the NFL team, or an affiliate of the NFL team, for the sale of such licenses or similar instruments. The lessees and sublessees of the NFL stadium project shall agree to honor the rights granted by the stadium authority to purchasers of these personal seat licenses or similar instruments.

SECTION 18. 1. *The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:*

(a) Expend or authorize the expenditure of more than \$1,000,000 from the stadium tax account unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section

16, a lease agreement(s) subsection 3 of section 16 of this act, or a combined development and lease agreement.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) pursuant to subsection 3 of section 16 of this act, or a combined development and lease agreement.

SECTION 19. 1. *The stadium authority shall dissolve and wind down its affairs in the event that:*

(a) The stadium authority is unable to certify that an NFL team has committed to locate or relocate to the stadium district as required by subparagraphs (a) and (b) of subsection 1 of section 16 of this act;

(b) The stadium authority is unable to certify that the Stadium Events Company has been properly formed pursuant to subparagraph (c) of subsection 1 of section 16 of this act;

(c) The stadium authority does not approve a development agreement with the developer partners within 18 months of creation of the stadium district pursuant to section 11 of this act, such agreement may be combined with the lease;

(d) The stadium authority does not approve a lease agreement with the Stadium Events Company and/or an NFL Team or its affiliate within 18 months of creation of the stadium district pursuant to section 11 of this act, such agreement may be combined with the development agreement; or

(e) Seven of the stadium authority board members vote to dissolve the stadium authority, and the stadium authority has no outstanding financial obligations.

2. *If any of the conditions of subsection 1 are met:*

(a) The stadium authority shall have 60 days to dissolve and wind down its affairs.

(b) The Chair of the stadium authority shall provide notice to the office of the Governor of that the stadium authority intends to dissolve and wind down its affairs.

(c) The Chair of the stadium authority shall provide notice to the presidents of all public universities within the stadium district that the stadium authority intends to dissolve and wind down its affairs.

3. *All funds remaining in the stadium tax account, stadium capital fund and stadium authority operating accounts shall be transferred to the campus improvement district collegiate stadium tax account created pursuant to subsection 3 of section 37 of this act.*

NFL STADIUM PROJECT

PART II | CREATION OF A STADIUM DISTRICT AND IMPOSITION OF ROOM TAX

SECTION 20. 1. *In each county whose population is 700,000 or more, the board of county commissioners shall, by ordinance, create a stadium district to finance an NFL stadium project or a collegiate stadium project. The stadium district consists of all property that is within the county and that is located within a radius of 25 miles from location where the board of county commissioners have their regular meetings.*

2. *Once a stadium district is created, the board of county commissioners shall impose upon all persons in the business of providing lodging in the district a tax at the rate of:*

(a) Eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.

(b) One-half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of the primary gaming corridor within the stadium district.

3. The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the stadium district is located for the tax whether or not it is actually collected from a paying guest.

4. The taxes imposed by subsection 2 must:

(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;

(b) Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and

(c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 21 of this act.

(d) Be imposed and collected in each incorporated city in the county in addition to being imposed in the portion of the district which is not in an incorporated city.

5. The tax imposed in subsection 2 of this act shall be effective on the first day of the month that is not less than 3 nor more than 4 months after the adoption of the ordinance imposing the tax.

6. The provisions of NRS 237.030 through 237.150 shall not apply to the adoption of any ordinance creating a stadium district or imposing a tax under this section or any amendment thereof or any other action of the board of county commissioners relating thereto.

7. Any parcel of land, building or other structure which is partially within a district created under this section or the primary gaming corridor described in paragraph (a) of section 10 shall be treated as being wholly within the applicable district or corridor for the purposes of the tax imposed by this section.

8. Taxes imposed by this section shall reduce pursuant to subsection 9 shall sunset:

(a) After thirty-three years; or

(b) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full and the lease with Stadium Events Company, and/or NFL Team or its affiliate has expired and not been renewed,

Whichever occurs first.

9. Upon full payment of the bonds or other securities to which the receipts the taxes imposed by this section are pledged, the tax rate defined in paragraph (a) of subsection (2) shall be reduced to a level determined by the board of county commissioners to be sufficient for the stadium authority to meet its recurring obligations.

10. As used in this section:

(a) "Primary gaming corridor" shall be defined as the geographic area comprising the submarket with the greatest amount of gross gaming revenue within the stadium district as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract. Gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging shall be subject to the taxes imposed by subsection 2 whether or not they are included in the Nevada Gaming Control Board Gaming Abstract.

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

NFL STADIUM PROJECT
PART III | STADIUM AUTHORITY USE OF FUNDS

SECTION 21. 1. *The stadium authority shall create a stadium tax account and deposit into such account any proceeds of the taxes imposed by subsection 2 of section 20 of this act received by the stadium authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 24 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 20 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district an NFL stadium project or to establish a bond reserve fund and other reserves to secure any bonds or other securities issued pursuant to section 24 of this act, or any combination thereof, as directed by the stadium authority.

3. Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection 2 of section 20 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project unless all of the requirements of section 13 of this act have been met.

4. The stadium authority may expend up to \$1,000,000 from the stadium tax account to execute its duties as set forth in sections 13 through 19 of this act prior to the issuance of bonds or other securities pursuant to section 24 of this act. After the issuance of bonds or other securities pursuant to section 24, stadium authority expenditures shall be governed by section 22 of this act.

SECTION 22. 1. *After bonds or other securities are issued under Section 24 of this act, the stadium authority shall use the proceeds of the tax imposed under subsection 2 of section 20 of this act, and any penalties or interest only for the following:*

(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years;

(b) Payment of the administrative costs of the stadium authority of not more than \$2,000,000 per year;

(c) Contributions to the police department in the stadium district to support enhanced police protective services within one or more primary gaming corridor within the district of \$4,000,000 per year;

(d) Payments to a public university in the event that the university operated a stadium in the district prior to the construction of the NFL stadium project to mitigate demonstrated losses to that university as a result of the operations of the NFL stadium project of not more than \$3,500,000 per year, but only to the extent the university can demonstrate that such losses have not been offset by increases in net revenue related to playing its home football games in the new stadium, and in no case for more than 10 years;

(e) Creation of and contributions to a debt service reserve fund in an amount of \$9,000,000 per year for a minimum of 5 years or until \$45,000,000 in debt service reserves has been accumulated. Such reserves will be available to fund stadium authority debt service in the event that there is a revenue shortfall in any future year. Once the bonds have been repaid, the reserve will be transferred to the stadium capital improvement fund;

(f) Upon completion of the NFL stadium project, Creation and contribution to a stadium capital improvement fund in an amount of at least \$5,000,000 per year.

(g) All remaining amounts shall be contributed to the creation and maintenance of a fund to provide early debt retirement, additional capital improvements to the stadium in an amount determined by the stadium authority, and to fund any required infrastructure on or around the site of the NFL stadium project.

2. Allocations of funds available after all bond and other current debt obligations of the stadium authority are paid shall be at sole discretion of the stadium authority but those expenditures shall be restricted to those items set forth in paragraphs (b), (f) and (g) of subsection 1.

3. Not-to-exceed and minimum payment amounts set forth in paragraphs (b), (c) and (f) of subsection 1 shall be adjusted annually by the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor, between the effective date of this act and July 1 of each subsequent fiscal year.

NFL STADIUM PROJECT

PART IV | SPECIAL PROVISIONS ON THE FUNDING, FINANCING AND ALLOCATION OF AVAILABLE FUNDS SOURCED TO THE STADIUM PROJECT

SECTION 23. *1. Any development agreement entered into pursuant to subsection 2 of section 16 of this act, any lease agreement(s) entered into pursuant to subsection 3 of section 16 of this act and any and all other agreements of any kind entered into between the stadium authority and one or more developer partners, NFL team, or any affiliate, subsidiary or related entity of a developer partner or NFL team, shall include the following:*

(a) The stadium authority's contribution to the construction cost of the NFL stadium project shall not:
(1) Exceed \$750,000,000 exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto; or

(2) The maximum amount that can be raised from the issuance of bonds issued pursuant to section 24 of this act, secured by revenues generated by the tax imposed in subsection 2 of section 16 of this act, whichever is less.

(b) The total debt undertaken by the county on behalf of the stadium authority shall not, at any given point in time, exceed the stadium authority's contribution limits set forth in paragraph (a) of subsection 1.

(c) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall not exceed 39 percent of the total cost of the stadium project.

(1) The following shall be included in determining the total cost of the NFL stadium project:

(I) All design, development, and construction costs related to the NFL stadium project;

(II) Land costs;

(III) All infrastructure costs on and around the NFL stadium project site paid funded through the capital contributions made by the developer partners and/or the stadium authority;

(IV) NFL practice facility costs, regardless of whether such facility is constructed in the same site as the stadium project, up to \$100,000,000; and

(V) Other soft costs related to the stadium project.

(2) Stadium authority's contribution to the construction and development cost of the NFL stadium project shall be exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto.

(d) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the developer partners' contribution to the construction and development costs of the NFL stadium project.

(e) The developer partners shall be entitled to receive a preferred return of not more than X% annually on the amount of their capital contribution to the NFL stadium project.

(1) The amount upon which the preferred return shall be calculated shall not exceed \$650,000,000.

(2) Operating losses, construction cost overruns or any other losses incurred by the developer partners or the NFL team shall not be added to or otherwise adjust the basis upon which the preferred returns described in paragraph (e) of subsection 1, or any other payments to the developer partners or the NFL team, are calculated.

(f) The preferred return as set forth in paragraph (e) of subsection 1 shall be paid annually out of the net operating income of the Stadium Events Company. The net operating income shall be the difference between normal operating revenues and normal operating expenditures of the Stadium Events Company. Notwithstanding any other provision of this section, the revenues of Stadium Events Company shall include only those NFL event revenues that the NFL team as agreed will be paid to the Stadium Events Company and in no event shall any other distribution of NFL team or NFL event revenues be otherwise included in this calculation.

(g) Should any net operating income of the Stadium Event Company remain after the payment of the preferred return made to the developer partners pursuant to paragraph (e) of subsection 1, the residual amount shall be distributed equally between the developer partners and a stadium capital construction improvement fund.

(h) Any return to the developer partners in excess of the preferred return set forth in paragraph (e) shall be considered return of capital and shall lower the developer partners' basis used to calculate preferred returns in later years.

(i) No payments of any kind shall be due to the developer partners or the NFL team after the term of the master lease agreement(s) set forth in subsection 3 of section 16 of this act expires.

NFL STADIUM PROJECT

PART V | ISSUANCE OF STADIUM PROJECT CONSTRUCTION BONDS

SECTION 24. 1. If:

(a) All certifications and other requirements of subsection 1 of section 16 have been met; and the stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 20 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain an NFL stadium project, the board of county commissioners in which the stadium district is located, at the request of the stadium authority, shall issue general obligations of the county in an amount not to exceed \$750,000,000 additionally payable from and secured by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 20 of this act.

- 2. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.*
- 3. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the NFL stadium project.*
- 4. The board of county commissioners shall not issue the bonds authorized by paragraph (a) of subsection 1:*
 - (a) Unless an agreement between the stadium authority and the developer partners, including provisions that provide adequate assurances that the NFL stadium project, as approved, will be completed as required by section 13 of this act. Such assurances must provide security to the county and the stadium authority that there will be adequate funds:*
 - (1) To pay the portion of the estimated cost of the project that is to be paid from sources other than the county bonds issued pursuant to this act; and*
 - (2) To provide a contingency amount of ten percent of the estimated cost of the project or such higher percentage as is determined to be adequate by the stadium authority.*
 - (b) Security provided guarantees timely performance of the construction of the project, if so required in the agreement between the stadium authority and the developer partners.*
 - (c) Aggregate security provided is equal to the portion of the cost to be paid from sources other than the county bonds plus the contingency amount determined by the stadium authority as set forth in paragraph (a)(2), and must be in the form of one or more of the following, provided that in the case of security other than an irrevocable deposit of cash into an escrow held in trust by a commercial bank with trust powers that cannot be used for any purpose other than the payment of project costs, the entity obligated under the security instrument must be rated "A" or better by Moody's or Standard and Poor's or have an equivalent rating from another rating agency that provides ratings on security of the type being provided:*
 - (1) A personal guarantee from the principals of the development partner or development partnership;*
 - (2) A cash deposit made into an escrow account by the development partner;*
 - (3) An irrevocable letter of credit provided by the development partner; and*
 - (4) A performance or completion bond provided by the development partner.*
 - (d) A finding by a vote of the board of county commissioners that the prerequisite for issuing the bonds described in this subsection has been met, absent fraud, shall be conclusive.*
- 5. In the event that the board of county commissioners has issued the bonds pursuant to this section, and the developer partners fail to perform by either withdrawing from their obligation to complete the project or by any other circumstance that would result from the developer partners not committing all funds as required by their agreement with the stadium authority, the stadium authority shall have the right to act upon any letters of credit, completion and performance bonds, cash deposits made to a project escrow account, personal guarantees or other forms of security agreed to as required by this section and included as part of any agreement or lease created pursuant to section 16 of this act.*
- 6. In addition to acting upon the agreed upon security as set forth in subsection 5, there is hereby imposed an additional liquidated damages penalty of not less than \$50,000,000 upon the developer partner to compensate for any delays and cost increases that may result from the developer partners' failure to fulfill their obligation to fully perform.*

NFL STADIUM PROJECT
PART VI | APPLICABILITY OF STATE PUBLIC WORKS PROVISIONS

SECTION 25. 1. *Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the stadium authority, the developer partners or any related entity relating to the NFL stadium project financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreements of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a).

(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The stadium authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the county had undertaken the project or had awarded the contract.

2. The stadium authority and any prime contractor, construction manager or project manager selected by the stadium authority shall competitively bid all subcontracts involving construction which the stadium authority determines can be competitively bid without affecting the quality of the project.

Any determination by the stadium authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The stadium authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the regarding the establishment of one or more procedures for competitive bidding, and any determination by the developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

4. For purposes of this section, "undertaking" refers to an NFL stadium project as defined in section 7 of this act.

TRANSITION: TRANSFERRING UNUSED REVENUES FROM THE NFL STADIUM PROJECT TO COLLEGIATE STADIUM PROJECT TO FAIR AND RECREATION BOARD

SECTION 26. 1. *In the event that the requirements of section 16 of this act are not met, and an NFL stadium project is not constructed:*

(a) After having received notice of this fact pursuant to paragraph (c) subsection 2 of section 19 of this act that an NFL stadium project will not be constructed, a university in the district shall have 90 days to notify the Governor and the director of Legislative Counsel Bureau of the university's intent to construct a collegiate stadium project with the district.

(b) That university will have 24 months from the date the president of the university receives the notice pursuant to paragraph (c) subsection 2 of section 19 of this act to secure a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a collegiate stadium within the boundaries of the district.

2. If the funding commitment required by paragraph (b) of subsection 1 are met within the established timeframe, the campus improvement authority may use the remaining proceeds of the taxes imposed by subsection 2 of section 20 of this act and the proceeds of the tax imposed by subsection 1 of section 36 of this act to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project within the boundaries of the stadium district, and to pay for any bonds or other securities issued for that purpose, including refunding securities.

3. If, within the period prescribed by paragraph (b) of subsection 1, no university within the boundaries of the stadium district has raised the required private funding, the remaining taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act shall be distributed to the county fair and recreation board for the payment of outstanding securities issued to finance the renovation and expansion of its facilities located with the stadium district.

4. The board of county commissioners shall, within 60 days of funds being transferred to the county fair and recreation board pursuant to subsection 2, sunset any taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act.

COLLEGIATE STADIUM PROJECT
ADDITIONAL, SECTION-SPECIFIC DEFINITION

SECTION 27. *For purposes of sections 28 through 39 of this act, "undertaking" means any enterprise to acquire, construct, improve, equip, operate or maintain, or any combination thereof, a collegiate stadium project and such other projects, improvements or facilities related to the development of a collegiate stadium deemed necessary or desirable by the campus improvement authority.*

COLLEGIATE STADIUM PROJECT

PART I | CAMPUS IMPROVEMENT BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 28. 1. *Upon receiving notice that stadium authority intends to dissolve and wind down its affairs pursuant to paragraph (c) of subsection 2 of section 19 of this act, the president of a public university within the stadium district may create a campus improvement authority.*

(a) The campus improvement authority shall be comprised of nine members appointed as follows:

(1) Four members appointed by the university's board of regents.

(1) One of these members must be either a member of the university's board of regents or an officer of the university and the remainder must be members of the university's board of regents.

(2) One member appointed by the Governor.

(3) One member appointed by the board of county commissioners for the county in which the stadium district is located and must be either a member of the board of county commissioners or an officer of that county.

(4) One member appointed by the county fair and recreation board of the county in which the stadium district is located and must be a member of the county fair and recreation board who is not also a member of a board of county commissioners.

(5) Two members appointed by the members appointed pursuant to paragraphs (1) to (4), inclusive. Each of these members must be employed in an executive position in the county by a business in the tourism, hotel and gaming industry in which the stadium district.

2. *A vacancy on the board occurs when a member:*

(a) Dies or resigns;

(b) Is removed, with or without cause, by the person or entity who appointed that member; or

(c) Ceases to be qualified for appointment as a member pursuant to the pertinent provisions of subsection 1.

3. *The campus improvement authority constitutes:*

(a) A body corporate and politic; and

(b) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the stadium district.

4. *A vacancy in the campus authority board must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1, except that, notwithstanding any provision of this section to the contrary, a member appointed pursuant to paragraph (5) of subsection 1 whose position becomes vacant as the result of his or her cessation of employment in an executive position in the county by a business in the tourism, hotel and gaming industry may be reappointed to serve the remainder of his or her unexpired term.*

5. *No member of the campus improvement authority may receive any compensation for serving as a member or officer of the board.*

6. *The members of the campus improvement authority constitute public officers for the purposes of chapter 281A of NRS.*

SECTION 29. 1. *At the initial meeting of the campus improvement authority the board of the campus improvement district shall appoint:*

(a) One of its members as Chair;

(b) One of its members as Vice Chair; and

- (c) A Secretary and a Treasurer, who may be one person.*
- 2. The Vice Chair shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.*
- 3. The campus improvement authority shall meet regularly in the stadium district at such times and places as it designates.*
 - (a) Special meetings may be held at the call of the Chair, upon notice to each member of the campus improvement authority, as often as the needs of the campus improvement authority require.*
 - (1) Except as otherwise provided in subsection 5 of 19 NRS 281A.420:*
 - (b) Six of the members of campus improvement authority shall constitute a quorum.*
 - (c) The campus improvement authority may take action only by a motion or resolution adopted with the approval of at least six members of its membership.*
- 4. The campus improvement district constitutes a public body for the purposes of chapter 241 of NRS.*

SECTION 30. 1. The Secretary of the campus improvement authority shall keep:

- (a) Audio recordings or transcripts of all meetings of the campus improvement authority;*
 - (b) Minutes of all the meetings of the campus improvement authority;*
 - (c) A record of all the proceedings and actions of the campus improvement authority;*
 - (d) Any certificates issued or received by the campus improvement authority;*
 - (e) Any contracts made by the campus improvement authority; and*
 - (f) Any bonds required by the campus improvement authority from its employees.*
- 2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.*
- 3. The Treasurer of the campus improvement authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the campus improvement authority.*
- 4. The Secretary and Treasurer of the campus improvement authority do not constitute a part of the staff of the campus improvement authority for the purposes of section 30 of this act.*

SECTION 31. 1. The campus improvement authority may retain such staff as it determines to be necessary to conduct the activities of the campus improvement authority. It may:

- (a) Hire the members of its staff as employees;*
 - (b) Contract with any governmental entity or other person to provide the persons to serve as its staff;*
- or*
- (c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).*
- 2. The campus improvement authority shall specify:**
- (a) The powers and duties of the members of its staff; and*
 - (b) The amount and basis of compensation for the members of its staff; and*
 - (c) May delegate any of its powers and duties to any member of its staff as it determines to be appropriate, except that the campus improvement authority shall not delegate:*
 - (1) Any of the specific obligations or responsibilities of the campus improvement authority imposed by sections 28 to 31, inclusive, paragraph (d) or (e) of subsection 1 of section 33, subsection 2 of section 34 or section 35 of this act; or*
 - (2) Any ability to bind the campus improvement authority to a contract that could require an expenditure by the campus improvement authority in excess of such an amount as the campus improvement authority determines to be appropriate, which amount must not exceed the sum*

\$500,000, as adjusted by the percentage change between the effective date of this act and July 1 of the fiscal year the delegation is made in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor.

SECTION 32. *The campus improvement authority:*

- 1. Shall adopt a seal;*
- 2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of this act, for carrying on the business and affairs of the campus authority board; and*
- 3. Shall create a collegiate stadium tax account, a collegiate stadium capital projects fund and a collegiate stadium authority operating account to carry out the provisions of this act.*

SECTION 33. *1. Except as otherwise provided in section 34 of this act, the board of the campus improvement authority may:*

(a) Enter into any contracts and other agreements with any person or other entity that the campus improvement authority determines to be necessary or desirable to conduct the business of the campus improvement authority.

(b) Sue and be sued.

(c) Proceed with any undertaking and enter into any contracts or other agreements that the campus improvement authority determines to be necessary or desirable therefor. The contracts and other agreements authorized by this subsection:

(1) May include, without limitation, contracts or other agreements relating to the construction, acquisition, lease, lease- purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and

(2) Are not subject to the limitations of subsection 1 of NRS 354.626.

(d) Enter into a lease, ground lease or management agreement with the Nevada System of Higher Education authorizing the campus improvement authority to lease from the System any portion of the land area owned by the System and any improvements thereon, or to manage any such land or improvements for the System, on such terms as may be acceptable to the campus improvement authority and the university's board of regents and which do not violate any covenants concerning any securities issued by the board of regents, provided that:

(1) The property subject to the lease, ground lease or management agreement is limited to:

(I) Land and improvements that will be developed and used to carry out the development of a collegiate stadium project; and

(II) Any other land, improvements and appurtenances that the university's board of regents determines to be necessary or desirable to carry out the development of a collegiate stadium project;

(2) The university's board of regents is entitled to limit any uses, rates, charges or other factors pertaining to the property subject to the lease, ground lease or management agreement by including the limitations in the agreement; and

(3) After any indebtedness incurred to improve the property subject to the lease, ground lease or management agreement has been retired or defeased and any other contracts and obligations of the campus improvement authority pertaining to that property have been satisfied and terminated, the improvements will become the property of the Nevada System of Higher Education and will no longer be subject to the lease, ground lease or management agreement.

(e) Enter into, with any person or other entity:

- (1) One or more subleases of all or any portion of any land or improvement leased to the campus improvement authority;*
- (2) One or more management agreements to provide for the management by that person or other entity of any land or improvement that the campus improvement authority is authorized to manage, control or occupy;*
- (3) One or more leases or management agreements pertaining to any undertaking or any facility owned by the campus improvement authority; or*
- (4) Any combination of the agreements described in subparagraphs (1), (2) and (3), on such terms as may be acceptable to the campus improvement authority and which are not inconsistent with the terms of the lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to which the campus improvement authority has possession or control of the subject property. The leases, subleases and management agreements authorized by this subsection are not subject to the limitations of subsection 1 of NRS 354.626.*
- (f) Fix, and from time to time increase or decrease, fees, rates, tolls, rents or charges for services or facilities furnished in connection with any undertaking and take such action as may be necessary or desirable to affect their collection or, by contract or other agreement described in paragraph (d) or (e), authorize another person or entity to fix, from time to time increase or decrease, and collect all or any designated portion of such fees, rates, tolls, rents or charges. Such fees, rates, tolls, rents or charges must be consistent with or allowed by the lease, ground lease or management agreement with the System pursuant to which the campus improvement authority has possession or control of the land or improvements upon which the undertaking is located.*
- (g) Receive, control, invest and order the expenditure of pledged revenues and any other money pertaining to or derived from any undertaking, including, without limitation, any grants from the Federal Government, the State, the County or any incorporated cities in the County, or from any other person or entity, for the purposes described in section 37 of this act.*
- (h) Except as otherwise provided in this act, exercise all or any part or combination of the powers and duties of the campus improvement authority set forth in this act.*
- (i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the purposes and provisions of this act.*
- 2. If the campus improvement authority has no indebtedness or other financial obligations, the campus improvement authority board, by an affirmative vote of at least six of its members, may dissolve.*

SECTION 34. 1. *The board of the campus improvement authority and any person to whom the campus improvement authority delegates any of its powers or duties shall not:*

- (a) Expend or authorize the expenditure of any money in the collegiate stadium tax account unless the board of the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes a specific undertaking.*
- (b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.*
- 2. The campus improvement authority shall not own any land, but may own improvements on land located stadium district if the Board of Regents, in its sole discretion, allows that ownership.*

SECTION 35. 1. *Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the campus improvement authority, the Nevada System of Higher Education or any related entity relating to any undertaking financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreements of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that the provisions of paragraph (a) of subsection 9 of NRS 341.100 and of NRS 341.105 apply to any such undertaking.

(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The campus improvement authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.

2. *The campus improvement authority and any prime contractor, construction manager or project manager selected by the campus improvement authority shall competitively bid all subcontracts involving construction which the campus improvement authority determines can be competitively bid without affecting the quality of the project. Any determination by the campus improvement authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The campus improvement authority shall establish one or more procedures for competitive bidding which:*

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. *Any determination by the campus improvement authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the campus improvement*

authority or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

COLLEGIATE STADIUM PROJECT

PART II | REDUCTION OF ROOM TAX DEDICATED TO COLLEGIATE STADIUM PROJECT

SECTION 36. 1. *If the stadium authority has provided notice of its intent to dissolve and wind down its affairs pursuant to section of this act and a campus improvement authority has been created pursuant to section 28 of this act, the board of county commissioners in the stadium district shall reduce the taxes imposed under subsection 2 of section 20 to the following rates:*

(a) Three-eighths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.

(b) One-quarter of one percent of the gross receipts from the rental of transient lodging in areas within the stadium district but outside of a primary gaming corridor.

2. *Taxes imposed by this section shall sunset:*

(a) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full; or

*(b) Thirty-three years,
Whichever occurs first.*

3. *In addition to the rate sunset requirements set forth in subsection 2, in the event tax rates are reduced pursuant to subsection 1, taxes imposed by this section shall not be reduce further or otherwise modified for a period of two years following the rate reduction.*

4. *As used in this section:*

(a) "Primary gaming corridor" shall be defined as the geographic area comprising the submarket with the greatest amount of gross gaming revenue within the stadium district as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract. Gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging shall be subject to the taxes imposed by subsection 1 whether or not they are included in the Nevada Gaming Control Board Gaming Abstract.

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

COLLEGIATE STADIUM PROJECT

PART III | STADIUM AUTHORITY USE OF FUNDS

SECTION 37. 1. *The campus improvement authority shall create a collegiate stadium tax account and deposit into such account any proceeds of the taxes imposed by section 36 of this act received by the campus improvement authority.*

2. *Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 40 of this act, the campus improvement authority shall use the proceeds of the taxes imposed by subsection section 36 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the stadium district a collegiate stadium project or to establish a bond reserve fund and other reserves*

to secure any securities issued pursuant to section 40 of this act, or any combination thereof, as directed by the campus improvement authority.

3. The campus improvement authority shall not expend any of the proceeds of the taxes imposed by section 36 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project until campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.

SECTION 38. 1. *After bonds or other securities are issued under Section 40 hereof, the campus improvement authority shall use the proceeds of the tax imposed under section 36 of this act, any funds transferred from the stadium authority to the campus improvement authority pursuant to subsection 3 of section 19 of this act and any penalties or interest received only for the following:*

- (a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years; and*
- (b) Costs of capital improvements to the collegiate stadium and the creation and maintenance of a fund to provide capital improvements to the collegiate stadium in an amount determined by the campus improvement authority.*

SECTION 39. 1. *If the campus improvement authority does not raise funds required by paragraph (b) of subsection 1 of section 26 of this act within the time allocated by that section, notwithstanding any other provision of this act to the contrary, the campus improvement authority shall:*

- (a) Remit all funds deposited in the stadium infrastructure account to the fair and recreation board within the stadium district;*
- (b) Wind up the affairs of the campus improvement authority; and*
- (c) Dissolve the campus improvement authority pursuant to subsection 2 of section 33 of this act.*

2. *After dissolution, all the remaining assets of the campus improvement authority shall become property of the Nevada System of Higher Education.*

COLLEGIATE STADIUM PROJECT

PART IV | ISSUANCE OF COLLEGIATE STADIUM BONDS

SECTION 40. 1. *If:*

- (a) General obligations of the county are not issued pursuant to section 24 of this act;*
- (b) Within 24 months after notice has been provided pursuant to paragraph (c) of subsection 3 of section 19 of this act, a university located within the stadium district has secured a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district; and*
- (c) The stadium authority determines that the proceeds of the taxes imposed by section 36 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a collegiate football stadium, board of county commissioners of the county in which the district is located at the request of the stadium authority may issue general obligations of the county in an*

amount not to exceed \$300,000,000 payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by section 36 of this act.

(1) The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.

(2) The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated pursuant to section 38 of this act.

COLLEGIATE STADIUM PROJECT

PART V | NONINTERFERENCE WITH EXISTING RIGHTS, POWERS AND AUTHORITIES OF THE UNIVERSITY OR ITS BOARD OF REGENTS

SECTION 41. 1. *The provisions of this act do not:*

(a) Require the any university or its board of regents to enter into any lease, ground lease, management agreement or any other contract or agreement.

(b) Limit the conditions or other provisions which a university or its board of regents may, in their sole discretion, determine to include in any lease, ground lease, management agreement or any other contract or agreement.

ADMINISTRATIVE PROVISIONS

PART I | TIMING AND TERMS OF AUTHORITY APPOINTMENTS

SECTION 42. 1. *For a stadium authority created by section 11 of this act in Clark County:*

(a) The Governor shall, on or before January 1, 2017, appoint the three members of the stadium authority pursuant to paragraph (a) of subsection 1 or section 11 of this act to initial terms that, for two of the appointees, commences on January 1, 2017, and expires on December 31, 2018, and for the third appointee commences on January 1, 2017, and expires on December 31, 2017; and

(b) The Board of County Commissioners of Clark County shall, on or before January 1, 2017 appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of section 11 of this act to an initial term that, for one appointee commences on January 1, 2017, and expires on December 31, 2018, and for the second appointee commences on January 1, 2017, and expires on December 31, 2017;

(c) The stadium authority shall within 30 days after the effective date of the lease agreement(s) and any other contracts or agreements between Stadium Events Company and the stadium authority entered into pursuant to section 16 of this act, appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 11 of this act to an initial term that, for one appointee, will commence immediately upon appointment and will expire on December 31 of that same year, and, for the second appointee, will commence immediately upon appointment and will expire on December 31 of the following year.

2. After each stadium authority initial term, each subsequent stadium authority appointment shall be for a period of three years;

3. The same person may be appointed to serve multiple consecutive or not consecutive terms as a member of the stadium authority.

4. The stadium authority appointed pursuant to this section shall hold an organizational meeting during January 2017. At that meeting, the stadium authority shall elect:

- (a) One of its members as Vice Chair; and*
- (b) A Secretary and Treasurer.*

SECTION 43. 1. *If the campus improvement authority is created by section 28 of this act:*

(a) The board of regents shall appoint:

(1) Two of the members of the campus improvement authority pursuant to paragraph (a) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment, and expire on September 30 of that same year; and

(2) Two of the members to the campus improvement authority pursuant to paragraph (a) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment, and expire on September 30 of the following year.

(b) The member of the campus improvement authority appointed by the Governor pursuant to paragraph (b) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of the following year.

(c) The member of the campus improvement authority appointed by the board of county commissioners pursuant to paragraph (c) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of that same year;

(d) The member of the campus improvement authority appointed by the fair and recreation board pursuant to paragraph (d) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of the subsequent year;

(e) The members of the campus improvement authority appointed by the pursuant to paragraph (e) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires September 30 of the following year;

2. After the initial terms, each member of the campus authority board shall be appointed for a 4-year term.

ADMINISTRATIVE PROVISIONS

PART II | TIME REQUIREMENTS FOR NFL ACTION AND AGREEMENTS

SECTION 44. 1. *The NFL team and the developer partners shall have twelve months from the effective date of the act as set forth in subparagraph (1) of section 45 to secure the rights and any necessary approvals to locate or relocate an NFL team into the district created pursuant to section 20 of this act.*

(a) The stadium authority shall have the ability to grant one, six-month extension to the established timeline for securing the rights to locate or relocate an NFL franchise into the stadium district.

2. Once the rights to locate or relocate an NFL franchise have been secured pursuant to subsection 1, the developer partners and the NFL team shall have six months to form the Stadium Events Company and to enter into all required contracts and agreements with the stadium authority as set forth in section 16 of this act.

(a) The stadium authority shall have the ability to grant one, six-month extension to the timeline established for forming the Stadium Events Company and entering into all required contracts and agreements with the stadium authority.

ADMINISTRATIVE PROVISIONS
PART III | EFFECTIVE DATES

SECTION 45. *1. Section 1 to section 44, inclusive, of this act become effective upon passage and approval of this act, and expire by limitation:*

(a) If general obligations of the county are issued pursuant to section 24 of this act or by the state of Nevada pursuant to section 40 of this act, on the date on which those obligations are fully paid.

(b) If general obligations of the county pursuant to section 24 of this act or pursuant to section 40 of this act on the date which is 24 months after the end of the period prescribed by paragraph (b) of subsection 1 of section 26 of this act.

END

Stadium Project Funding, Administration and Oversight

Stadium Recommendation Working Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~{omitted material}~~ is material to be removed.

OVERVIEW

SECTION 1 to **SECTION 25** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League (NFL) stadium project in a county whose population is 700,000 or more (currently Clark County). **SECTION 11** through **SECTION 19** create a stadium authority as a public body and establish its powers and authorities. **SECTION 20** creates a stadium district to finance an NFL stadium project or a collegiate stadium project in such a county and provides that the stadium district consists of all property that is located within the county that is within 25 miles of the center of the stadium project site. **SECTION 20** of this bill also provides for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the stadium district at a specified rate of the gross receipts from the rental of transient lodging in the stadium district. **SECTION 21** and **SECTION 22** of this bill require the stadium authority for the county in which the stadium district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project within the stadium district. **SECTION 23** of this bill provides number of special conditions that the stadium authority must include in any agreements with the developer and operator of the NFL stadium project. **SECTION 24** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project, if an NFL franchise commits to relocate to the stadium district. **SECTION 25** defines exemptions from and applicability of certain Nevada Revised Statutes dealing with public works. **SECTION 26** transfers collected tax dollars, in the event a NFL franchise does not commit to locate or relocate to the stadium district or other conditions are not met, to a university within the stadium district where that university obtains a commitment of at least \$200,000,000 in funding for a collegiate stadium on its campus. If the conditions for the use of the proceeds of the tax for a NFL stadium project or a collegiate stadium project are not satisfied, **SECTION 26** then requires that the proceeds of the tax be distributed to the county fair and recreation board to pay debts incurred for capital facilities and that all stadium project-related tax increases sunset. **SECTION 27** defines an undertaking for the development of a collegiate stadium project to include the collegiate stadium itself and any supporting projects, improvements or facilities. **SECTION 28** to **SECTION 35** create a campus improvement authority as a public body and defines its powers and authorities. **SECTION 36** reduces the room lodging tax rate imposed by **SECTION 20** in the event the proceeds of the tax will be used to construct a collegiate stadium project as opposed to an NFL stadium project. **SECTION 37** through **SECTION 39** of this bill require the campus improvement authority for the county in which the stadium district is located to use the proceeds of the lodging tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium within the stadium district. **SECTION 40** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium if an NFL franchise does not commit to locate or relocate to the district and a university within the stadium district obtains a commitment of at least \$200,000,000 in private funding for a collegiate stadium on its campus. **SECTION 41** of this bill clarifies that no provision of this bill

shall infringe on rights and powers of university or its board of regents. **SECTION 42** establishes the terms of stadium authority board members. **SECTION 43** establishes the terms of campus improvement authority board members. **SECTION 44** provides a timeline for certain actions required by the NFL franchise, stadium developers and the stadium authority board. **SECTION 45** establishes effective dates for each section of the act.

LANGUAGE FOR CONSIDERATION

DEFINITIONS

SECTION 1. *As used in section 1 to 45, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 through 45 of this act have the meanings so ascribed to them in those sections.*

SECTION 2. *“Developer partner” means one or more private parties providing funds needed to construct the stadium project or providing all or a portion of funds needed to make capital improvements to the stadium project in the District. The developer partner, or its affiliate, may also be a part owner or owner of the Stadium Events Company.*

SECTION 3. *“Stadium district” means the district to finance a stadium project that is created by section 20 of this act.*

SECTION 4. *“NFL team” means the National Football League franchise that has committed to relocate to the District and utilize the stadium project for its home National Football League games and related activities. The NFL team, or its affiliate, may also be a part owner or owner of the Stadium Events Company and may be a developer partner.*

SECTION 5. *“Stadium authority” means the stadium authority for the county in which a district is located and is inclusive of its appointed board pursuant to this act.*

SECTION 6. *“Stadium Events Company” means the legal entity owned by and comprised of the NFL team, or its affiliate, and/or any other developer partner, or its affiliate, contributing equity to pay a portion of construction costs of the NFL stadium project. Stadium Events Company will lease the NFL stadium project pursuant to a long-term lease with the stadium authority. Stadium Events Company will be responsible for all stadium cost overruns.*

SECTION 7. *“NFL stadium project” means a domed stadium developed within the stadium district containing ~~not less than~~ approximately 6560,000 seats constructed by one or more developer partners in cooperation with an NFL team. The location, design, fit and finish of the NFL stadium project shall be consistent with first class, premier National Football League facilities currently in operation or approved for construction by the National Football League.*

SECTION 8. *“Collegiate stadium project” means a stadium developed within the district containing not less than 40,000 seats constructed by a public university. The location, design, fit and finish of the stadium project shall be consistent with similar competitive facilities existing at universities in Power*

Five athletic conferences within National Collegiate Athletic Association Division I Football Bowl Subdivision.

SECTION 9. *“Campus improvement authority” mean the improvement authority created by a university located within the stadium district and is inclusive of its appointed board pursuant to this act.*

SECTION 10. *“System” means the Nevada System of Higher Education.*

NFL STADIUM PROJECT

PART I | STADIUM AUTHORITY BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 11. 1. *In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:*

(a) Three members appointed by the Governor;

(b) Two members appointed by the board of county commissioners of the county in which the stadium district is located;

(c) Two members representing the public at-large shall be appointed by members of the stadium authority appointed pursuant to paragraphs (a) and (b), with consideration given to appointment recommendations made by the Stadium Events Company and the NFL Team.

2. *The stadium authority constitutes:*

(a) A body corporate and politic;

(b) A political subdivision of the county in which the stadium district is located; and

(c) A political subdivision of this State, the boundaries of which are coterminous with the boundaries of the stadium district.

3. *A vacancy on the stadium authority occurs when a member:*

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the person or entity who appointed that member.

4. *A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.*

5. *A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.*

6. *The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.*

7. *All members of the stadium authority shall reside in the county in which the stadium district is created.*

8. It is the intention of the Legislature that the stadium authority be composed of the most qualified persons available. No member of the Legislature, no person holding any elective office, nor any officer or official of any political party is eligible for appointment to the stadium authority. At least four members of the stadium authority shall have experience either:

(a) managing the engineering, and/or construction of large scale real estate or infrastructure projects;

or

(b) at least fifteen years of relevant private sector experience.

~~**SECTION 12. 1. The Governor shall appoint one of the stadium authority members as Chair .**~~

~~**SECTION 13. SECTION 12. The Stadium Authority shall appoint: The stadium authority shall appoint:**~~

(a) One of its members as Chair;

(a)(b) One of its members as Vice Chair; and

(b)(c) A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.

3. The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.

4. The stadium authority shall meet regularly in the stadium district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.

5. Except as otherwise provided in subsection 5 of NRS 281A.420:

*(a) ~~Four~~ **Five** of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.*

*(b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least ~~five~~ **four** members of the stadium authority when a quorum is present, and only actions complying with this act may be taken by the stadium authority.*

6. The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.

SECTION 14-SECTION 13. *1. The Secretary of the stadium authority shall keep:*

(a) Audio recordings or transcripts of all meetings of the stadium authority;

(b) Minutes of all the meetings of the stadium authority;

(c) A record of all the proceedings and actions of the stadium authority;

(d) Any certificates issued or received by the stadium authority;

(e) Any contracts made by the stadium authority; and

(f) Any bonds required by the stadium authority from its employees.

2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.

3. The Treasurer of the stadium authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the stadium authority.

4. The Secretary and Treasurer of the stadium authority do not constitute a part of the staff of the stadium authority for the purposes of section 14 of this act.

5. The board of the stadium authority may direct staff of the stadium authority, retained pursuant to section 14, of this act to provide the services necessary for the Secretary and Treasurer to fulfill their respective duties as set forth in this section.

SECTION 15-SECTION 14. *1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:*

(a) Hire the members of its staff as employees;

(b) Contract with any governmental entity or other person to provide the persons to serve as its staff;
or

(c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).

2. The stadium authority shall specify:

(a) The powers and duties of the members of its staff; and

(b) The amount and basis of compensation for the members of its staff.

SECTION 16-SECTION 15. *The stadium authority:*

1. *May adopt a seal;*
2. *May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of section 14 to section 19 of this act, for carrying out its business and affairs; and*
3. *Shall create a stadium tax account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of this act.*

~~SECTION 17.~~ **SECTION 16.** *1. In addition to the duties and powers granted to the stadium authority in sections 14 and 15, the stadium authority shall:*

(a) Certify that the ~~National Football League has authorized an~~ NFL team is authorized to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.

(b) Certify that the NFL team identified in paragraph (a) has committed to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.

(c) Certify that the Stadium Events Company has been properly formed in this State. Certification of the Stadium Events Company shall include, but may not be limited to, a disclosure of all owners and operators of the Stadium Events Company.

(d) Identify and qualify the developer partners as a matter of public record.

(1) Identification of the developer partners shall include, but may not be limited to, a disclosure of all participating entities.

(2) Qualification of the developer partners shall include, but may not be limited to, documented affiliation with the NFL team certified by the stadium authority pursuant to subparagraph (b) and a demonstrated ability to successfully construct the development project.

(e) Enter into a development agreement with the developer partners which shall require that the developer partners provide a financing commitment reasonably satisfactory to the stadium authority for the developer partners' funding obligations as a part of the NFL stadium project financing prior to the issuance of any bonds or other forms of indebtedness by the stadium authority. ~~Prior to approving a development agreement with developer partners, the stadium authority shall ensure that the developer partners have provided suitable financial security for the developer partners' funding obligations as a part of the NFL stadium project financing. This shall include, but may not be limited to, that the assurances required by subsections 4 through 6, inclusive, of section 24 of this act are provide in advance of the issuance of any bonds or other forms of indebtedness by the stadium authority.~~

2. After all certification and qualifications set forth in subsection 1 have been completed, the stadium authority shall negotiate and may approve a development agreement with the developer partners or the Stadium Events Company for the construction of a NFL stadium project. The development agreement may be combined with the lease to create a development and lease agreement as determined by the stadium authority.

(a) The development agreement shall identify the site of the NFL stadium project.

(b) The development agreement shall set forth the overall design, scope and specifications of the undertaking.

(c) The development agreement shall set forth the sources of funding for the NFL stadium project in a manner consistent with the provisions of this act.

(d) The development agreement shall establish a process and criteria for periodic progress reporting by the developer partners to the stadium authority on the construction and development status of the NFL stadium project.

(e) The development agreement shall state that any and all construction and development cost overruns incurred in the construction and development of the NFL stadium project shall be the sole responsibility of the developer partners. The sole exception to this provision shall be any cost overruns caused by a design or other change mandated by the stadium authority or other governmental entity subsequent to the approval of the development agreement required by this section, excluding any change subsequent to the development agreement required to comply with building codes, including without limitation, those relating to building safety.

(f) The development agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.

(g) The development agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.

3. Once all certification and qualifications set forth in subparagraph 1 have been completed, the stadium authority shall negotiate and may approve a lease agreement, which may be combined with the development agreement to create a development and lease agreement, with the Stadium Events Company and/or an NFL Team or its affiliate.

(a) The lease agreement(s) shall set forth all of the requirements and responsibilities of the Stadium Events Company and/or NFL Team or its affiliate as the operator(s) of the NFL stadium project and empower such lessee the right to engage a stadium operations company to operate the NFL stadium on a day-to-day basis as determined by the lessee.

(b) The lease agreement(s) shall establish minimum standards for capital reinvestment and maintenance of the NFL stadium project, ensuring that the design and development standards set forth in this act are maintained or enhanced throughout the life of the lease agreement(s).

~~(c) The lease agreement(s) shall provide for the annual allocation of revenues and expenses consistent with this act.~~

~~(e)(d)~~ The lease agreement(s) shall state that all operating losses generated by the NFL stadium project or the Stadium Events Company shall be the sole responsibility of the Stadium Events Company the developer partners, and/or the NFL Team or its affiliate.

~~(f)(e)~~ Should a public university with a Division I football program exist within the stadium district, the lease agreement(s) shall provide for accommodation of a sufficient number of dates to host the university's regular and post-season home games at the NFL stadium project, with the express understanding that NFL events shall have absolute first priority of use and the NFL team shall have priority in terms of dates, the stadium, the playing surfaces and all related stadium assets and the Stadium Events Company shall have second priority of use in terms of dates, understanding that the NFL Team and Stadium Events Company shall use reasonable commercial efforts to accommodate the university's home games.

(1) These dates shall be mutually agreed upon by the university and the Stadium Events Company and shall be approved by the stadium authority board, respecting the requirement set forth in paragraph (e) that such dates may not interfere with the NFL schedule or events of the Stadium Events Company.

(2) The stadium authority shall establish and include in the lease agreement(s) a reasonable rent for the university's use of the NFL stadium project.

(3) During these dates, the university shall be given reasonable access to the stadium, its facilities and its amenities, acknowledging that the NFL Team may need certain simultaneous access to the stadium on university game days that are prior to NFL event days, provided such access does not impede the university's use of or access to the stadium. ~~-commensurate with the access that a university in a Power Five athletic conference within the National Collegiate Athletic Association Division I Football Bowl Subdivision would otherwise have.~~

~~(o) The stadium authority shall have final discretion in any disputes relative to the provisions of paragraph (e) of subsection 3.~~

~~(h)(f) The lease agreement(s) shall establish a process and criteria for periodic progress reporting by the Stadium Events Company to the stadium authority on the operations of the stadium and the revenues and expenditures and profitability of Stadium Events Company. This reporting shall be sufficient to ensure that the stadium is being properly maintained, operated in a manner consistent with this act and in the best interests of the State. **[WE UNDERSTAND THIS IS BEING REWRITTEN]**~~

~~(i)(g) The lease agreement(s) shall include the requirement that a lease or sublease with the NFL team certified in subsection 1 of this section, or its affiliate, shall be for a period of not less than 30 years.~~

~~(j)(h) The lease agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.~~

~~(k)(i) The lease agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board, **however the lease agreement(s) must generally provide that the Stadium Events Company and/or the NFL Team shall have full operational control of the NFL stadium project and nothing in such lease(s) may interfere with the discretion to operate the NFL stadium project, including but not limited to not restricting programming or events that may be held in the stadium in any way.**~~

4. In furtherance of the specific duties and responsibilities of the stadium authority as set forth in subsections 1 through 3 of this section, the stadium authority may:

(a) Enter into any contracts and other agreements with any person or other entity.

(b) Sue and be sued.

(c) Acquire by purchase, lease, gift, devise, condemnation or otherwise and own, in its own name, all necessary right, title, and interest in and to land and the improvements upon that land as well as any associated air rights and personal property.

(d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable.

(e) Enter into a lease, ground lease, sublease or management agreement with any party.

(f) Receive any public and private resources necessary to fund, finance and develop the undertaking.

(g) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of this act. This may include an audit of the lessee(s), but shall not include in any event any right to audit the business of the NFL team generally or the business of any of the developer partners generally.

(h) Consider and approve or disapprove an annual capital improvement budget submitted by the lessee(s) and approve or disapprove specific requests for capital improvements made by the lessee(s) or the NFL team.

(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.

~~SECTION 18-SECTION 17.~~ 1. The stadium authority shall retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builders' licenses or other similar instruments for any and all seats in the NFL stadium project to generate revenues used for construction of the NFL stadium project.

2. The stadium authority may not grant any other person the right to enter into such agreements, but it may in its contract with the developer partners, agree that any agreements regarding seat licenses will be made only in consultation with the developer partners, or if applicable, the Stadium Events

Company and the NFL team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the NFL stadium project, including the NFL team's home games.

3. Proceeds from the sale of such personal seat licenses or similar instruments shall be collected by or on behalf of the stadium authority for the benefit of the NFL stadium project and are a payment by purchasers to the owner of the NFL stadium project for special rights of access to events at the NFL stadium project.

4. The stadium authority may contract with, or appoint as its sales agent, a third party sales agency, subject to the approval of the NFL team, or an affiliate of the NFL team, for the sale of such licenses or similar instruments. The lessees and sublessees of the NFL stadium project shall agree to honor the rights granted by the stadium authority to purchasers of these personal seat licenses or similar instruments.

5. Stadium authority shall have the power to enter into one or more agreements with third parties pursuant to which it sells to each such third party the right to receive and own the proceeds from the sale, license or transfer of personal seat licenses, stadium builders' licenses, or other similar instruments as described in subsection 1, for cash and such other consideration as it deems appropriate to be paid upon sale or over time. Any financing or similar transaction by any such third party to affect such sale shall not be deemed a debt of the stadium authority for any purpose.

~~SECTION 19.~~SECTION 18. *1. The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:*

(a) Expend or authorize the expenditure of more than \$1,000,000 from the stadium tax account unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) subsection 3 of section 16 of this act, or a combined development and lease agreement.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) pursuant to subsection 3 of section 16 of this act, or a combined development and lease agreement.

~~SECTION 20.~~SECTION 19. *1. The stadium authority shall dissolve and wind down its affairs in the event that:*

(a) The stadium authority is unable to certify that an NFL team has committed to locate or relocate to the stadium district as required by subparagraphs (a) and (b) of subsection 1 of section 16 of this act;

(b) The stadium authority is unable to certify that the Stadium Events Company has been properly formed pursuant to subparagraph (c) of subsection 1 of section 16 of this act;

(c) The stadium authority does not approve a development agreement with the developer partners within 18 months of the passage and approval of this act, such agreement may be combined with the lease;

(d) The stadium authority does not approve a lease agreement with the Stadium Events Company and/or an NFL Team or its affiliate within 18 months of the passage and approval of this act, such agreement may be combined with the development agreement; or

(e) Seven of the stadium authority board members vote to dissolve the stadium authority, and the stadium authority has no outstanding financial obligations.

2. If any of the conditions of subsection 1 are met:

(a) The stadium authority shall have 60 days to dissolve and wind down its affairs.

(b) The Chair of the stadium authority shall provide notice to the office of the Governor of that the stadium authority intends to dissolve and wind down its affairs.

(c) The Chair of the stadium authority shall provide notice to the presidents of all public universities within the stadium district that the stadium authority intends to dissolve and wind down its affairs.

3. All funds remaining in the stadium tax account, stadium capital fund and stadium authority operating accounts shall be transferred to the campus improvement district collegiate stadium tax account created pursuant to subsection 3 of section 37 of this act.

NFL STADIUM PROJECT

PART II | CREATION OF A STADIUM DISTRICT AND IMPOSITION OF ROOM TAX

~~SECTION 21~~**SECTION 20.** *1. In each county whose population is 700,000 or more, the board of county commissioners shall, by ordinance, create a stadium district to finance a NFL stadium project or a collegiate stadium project. The stadium district consists of all property that is within the county and that is located within a radius of 25 miles from the center of the location or the proposed location of a NFL stadium project or a collegiate stadium project in the county.*

2. Once a stadium district is created, the board of county commissioners shall impose upon all persons in the business of providing lodging in the district a tax at the rate of:

(a) Eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.

(b) One-half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of the primary gaming corridor within the stadium district.

3. The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the stadium district is located for the tax whether or not it is actually collected from a paying guest.

4. The taxes imposed by subsection 2 must:

(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;

(b) Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and

(c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 21 of this act.

(d) Be imposed and collected in each incorporated city in the county in addition to being imposed in the portion of the district which is not in an incorporated city.

5. The tax imposed in subsection 2 of this act shall be effective on the first day of the month that is not less than 3 nor more than 4 months after the adoption of the ordinance imposing the tax.

6. The provisions of NRS 237.030 through 237.150 shall not apply to the adoption of any ordinance creating a stadium district or imposing a tax under this section or any amendment thereof or any other action of the board of county commissioners relating thereto.

***7.** Any parcel of land, building or other structure which is partially within a district created under this section or the primary gaming corridor described in paragraph (a) of section 10 section shall be treated as being wholly within the applicable district or corridor for the purposes of the tax imposed by this section.*

***8.** Taxes imposed by this section shall sunset at such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full and the lease with Stadium Events*

*Company, and/or NFL Team or its affiliate has expired and not been renewed, provided that:
(a) one year following the full payment of the bonds or other securities to which the receipts of that tax are pledged, the tax rate defined in Section 20.2(a) shall be reduced to a level determined by the stadium authority to be sufficient for the stadium authority to meet its obligations.*

~~*6. Taxes imposed by this section shall sunset:*~~

~~*(b) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full; or*~~

~~*(c)(a) Thirty three years,*~~

~~*Whichever occurs first.*~~

9. As used in this section:

(a) "Primary gaming corridor" shall be defined as the geographic area comprising the submarket with the greatest amount of gross gaming revenue within the stadium district as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract. Gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging shall be subject to the taxes imposed by subsection 2 whether or not they are included in the Nevada Gaming Control Board Gaming Abstract.

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

NFL STADIUM PROJECT

PART III | STADIUM AUTHORITY USE OF FUNDS

~~**SECTION 22.**~~**SECTION 21.** *1. The stadium authority shall create a stadium tax account and deposit into such account any proceeds of the taxes imposed by subsection 2 of section 20 of this act received by the stadium authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 24 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 20 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district a NFL stadium project or to establish a bond reserve fund and other reserves to secure any bonds or other securities issued pursuant to section 24 of this act, or any combination thereof, as directed by the stadium authority.

3. Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection 2 of section 20 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a NFL stadium project unless all of the requirements of section 13 of this act have been met.

4. The stadium authority may expend up to \$1,000,000 from the stadium tax account to execute its duties as set forth in sections 13 through 19 of this act prior to the issuance of bonds or other securities pursuant to section 24 of this act. After the issuance of bonds or other securities pursuant to section 24, stadium authority expenditures shall be governed by section 22 of this act.

~~**SECTION 23.**~~**SECTION 22.** *1. After bonds or other securities are issued under Section 24 of this act, the stadium authority shall use the proceeds of the tax imposed under subsection 2 of section 20 of this act, and any penalties or interest only for the following:*

(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years;

(b) Payment of the administrative costs of the stadium authority of not more than \$2,000,000 per year;

(c) In the event that proceeds generated from tax revenues defined in Section 20 and bonds or other securities to which the receipts of that tax are pledged generate less than \$750,000,000 for the stadium authority's contribution to the construction of the stadium project and Stadium Events Company funds the difference, a payment to Stadium Events Company for the difference plus interest based on a payment schedule agreed to by the stadium authority in the development agreement or lease.

~~(e)~~(d) Contributions to the police department in the stadium district to support enhanced police protective services within one or more resort corridors within the district of \$4,000,000 per year;

~~(d)~~(e) Payments to a public university in the event that university operated a stadium in the district prior to the construction of the NFL stadium project to mitigate demonstrated losses to that university as a result of the operations of the NFL stadium project of not more than \$3,500,000 per year, but only to the extent the university can demonstrate that such losses have not been offset by increases in net revenue related to playing its home football games in the new stadium, and in no case for more than 10 years;

~~(e)~~(f) Creation of and contributions to a debt service reserve fund in an amount of \$9,000,000 per year for a minimum of 5 years or until \$45,000,000 in debt service reserves has been accumulated. Such reserves will be available to fund stadium authority debt service in the event that there is a revenue shortfall in any future year. Once the bonds have been repaid, the reserve will be transferred to the stadium capital improvement fund;

~~(f)~~(g) Upon completion of the NFL stadium project, Creation and contribution to a stadium capital improvement fund in an amount of at least \$5,000,000 per year.

(h) A reimbursement to the NFL Team in the amount of any taxes paid by the NFL Team for any tax levied by any state, local, or municipal tax on the NFL stadium project, NFL events, or NFL event related revenues (including but not limited to any ticket tax) that are passed or imposed subsequent to the approval of this act.

~~(g)~~(i) All remaining amounts shall be contributed to the creation and maintenance of a fund to provide early debt retirement, additional capital improvements to the stadium in an amount determined by the stadium authority, and to fund any required infrastructure on or around the site of the NFL stadium project.

2. Allocations of funds available after all bond and other current debt obligations of the stadium authority are paid shall be at sole discretion of the stadium authority but those expenditures shall be restricted to those items set forth in paragraphs (b), (e) and (g) of subsection 1.

3. Not-to-exceed and minimum payment amounts set forth in paragraphs (b), (c) and (f) of subsection 1 shall be adjusted annually by the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor, between the effective date of this act and July 1 of each subsequent fiscal year.

NFL STADIUM PROJECT
PART IV | SPECIAL PROVISIONS ON THE FUNDING, FINANCING
AND ALLOCATION OF AVAILABLE FUNDS SOURCED TO THE STADIUM PROJECT

~~SECTION 24.~~**SECTION 23.** *1. Any development agreement entered into pursuant to subsection 2 of section 16 of this act, any lease agreement(s) entered into pursuant to subsection 3 of section 16 of this act and any and all other agreements of any kind entered into between the stadium authority and one or more developer partners, NFL team, or any affiliate, subsidiary or related entity of a developer partner or NFL team, shall include the following:*

(a) The stadium authority's contribution to the construction cost of the NFL stadium project shall not:
(1) Exceed \$750,000,000 exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto; or

(2) The maximum amount that can be raised from the issuance of bonds issued pursuant to section 24 of this act, secured by revenues generated by the tax imposed in subsection 2 of section 16 of this act, ~~w~~whichever is less.

(b) The total debt undertaken by the stadium authority shall not, at any given point in time, exceed the stadium authority's contribution limits set forth in paragraph (a) of subsection 1.

(c) The ~~stadium authority's contribution to the construction and development cost~~ of the NFL stadium project shall be consistent with first class, premier National Football League facilities currently in operation or approved for construction by National Football League. ~~not exceed 10 percent of the total cost of the stadium project.~~

~~(0) The following shall be included in determining the construction and development cost of the NFL stadium project:~~

~~(-) All design, development, and construction costs related to the NFL stadium project;~~

~~(-) Land costs;~~

~~(-) All infrastructure costs on and around the NFL stadium project site paid funded through the capital contributions made by the developer partners and/or the stadium authority;~~

~~(-) NFL practice facility costs, regardless of whether such facility is constructed in the same site as the stadium project, up to \$100,000,000; and~~

~~(-) Other soft costs related to the stadium project.~~

~~(0) Stadium authority's contribution to the construction and development cost of the NFL stadium project shall be exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto.~~

~~(k)~~(d) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the developer partners' contribution to the construction and development costs of the NFL stadium project.

~~(l) The developer partners shall be entitled to receive a preferred return of not more than 10% annually on the amount of their capital contribution to the NFL stadium project as set forth in paragraph (b)(1) of subsection 1.~~

~~(1) The amount upon which the preferred return shall be calculated shall not exceed \$650,000,000.~~

~~(2) Operating losses, construction cost overruns or any other losses incurred by the developer partners or the NFL team shall not be added to or otherwise adjust the basis upon which the preferred returns described in paragraph (e) of subsection 1, or any other payments to the developer partners or the NFL team, are calculated.~~

~~(m) The preferred return as set forth in paragraph (e) of subsection 1 shall be paid annually out of the net operating income of the Stadium Events Company. The net operating income shall be the difference between normal operating revenues and normal operating expenditures of the Stadium Events Company. Notwithstanding any other provision of this section, the revenues of Stadium Events Company shall include only those NFL event revenues that the NFL team as agreed will be paid to the Stadium Events Company and in no event shall any other distribution of NFL team or NFL event revenues be otherwise included in this calculation.~~

~~(n) Should any net operating income of the Stadium Event Company remain after the payment of the preferred return made to the developer partners pursuant to paragraph (e) of subsection 1, the residual amount shall be distributed equally between the developer partners and a stadium capital construction and improvement fund.~~

~~(o) Any return to the developer partners in excess of the preferred return set forth in paragraph (e) shall be considered return of capital and shall lower the developer partners' basis used to calculate preferred returns in later years.~~

~~(p) No payments of any kind shall be due to the developer partners or the NFL team after the term of the master lease agreement(s) set forth in subsection 3 of section 16 of this act expires.~~

NFL STADIUM PROJECT

PART V | ISSUANCE OF STADIUM PROJECT CONSTRUCTION BONDS

SECTION 25. SECTION 24. 1. If:

(a) All certifications and other requirements of subsection 1 of section 16 have been met; and the stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 20 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain an NFL stadium project, the board of county commissioners in which the stadium district is located, at the request of the stadium authority, shall issue general obligations of the county in an amount not to exceed \$750,000,000 payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 20 of this act.

2. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.

3. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the NFL stadium project.

4. The board of county commissioners shall not issue the bonds authorized by paragraph (a) of subsection 1:

(a) (a) Unless the developer partners provide a financing commitment reasonably satisfactory to the stadium authority sufficient to pay the portion of the estimated cost of the NFL stadium project that is to be paid from sources other than the county bonds issued pursuant to this act.

~~(b) (b) Unless the construction contract for the NFL stadium project is a guaranteed maximum price contract with a contingency amount of ten percent of the estimated hard costs of the project or such lesser percentage as is determined to be adequate by the stadium authority.~~

~~(c) (c) Unless the security provided by the contractor to guaranty timely performance of the construction of the project and liquidated damages related thereto, is determined to be adequate by the stadium authority.~~

~~(a) Unless an agreement between the stadium authority and the developer partners, including provisions that provide adequate assurances that the NFL stadium project, as approved, will be completed as required by section 13 of this act. Such assurances must provide security to the county and the stadium authority that there will be adequate funds:~~

~~(0) To pay the portion of the estimated cost of the project that is to be paid from sources other than the county bonds issued pursuant to this act; and~~

~~(0) To provide a contingency amount of ten percent of the estimated cost of the project or such higher percentage as is determined to be adequate by the stadium authority.~~

~~(d) Security provided guarantees timely performance of the construction of the project, if so required in the agreement between the stadium authority and the developer partners.~~

~~(e) Aggregate security provided is equal to the portion of the cost to be paid from sources other than the county bonds plus the contingency amount determined by the stadium authority as set forth in paragraph (a)(2), and must be in the form of one or more of the following, provided that in the case of security other than an irrevocable deposit of cash into an escrow held in trust by a commercial bank with trust powers that cannot be used for any purpose other than the payment of project costs, the entity obligated under the security instrument must be rated "A" or better by Moody's or Standard and Poor's or have an equivalent rating from another rating agency that provides ratings on security of the type being provided:~~

~~(0) A personal guarantee from the principals of the development partner or development partnership;~~

~~(0) A cash deposit made into an escrow account by the development partner;~~

~~(0) An irrevocable letter of credit provided by the development partner; and~~

~~(0) A performance or completion bond provided by the development partner.~~

~~(j)(d) (d) A finding by a vote of the board of county commissioners that the prerequisite for issuing the bonds described in this subsection has been met, absent fraud, shall be required prior to the issuance of any bonds for this project.~~

~~5. In the event that the board of county commissioners have issued the bonds pursuant to this section, and the developer partners fail to perform by either withdrawing from their obligation to complete the project or by any other circumstance that would result from the developer partners not committing all funds as required by their agreement with the stadium authority, the stadium authority shall have the right to act upon any letters of credit, completion and performance bonds, cash deposits made to a project escrow account, personal guarantees or other forms of security agreed to as required by this section and included as part of any agreement or lease created pursuant to section 16 of this act.~~

~~6. In addition to acting upon the agreed upon security as set forth in subsection 5, there is hereby imposed an additional liquidated damages penalty of not less than \$50,000,000 upon the developer partner to compensate for any delays and cost increases that may result from the developer partners' failure to fulfill their obligation to fully perform.~~

~~SECTION 26. SECTION 25. No new or additional local sales, use, or other tax shall be imposed on sales at the NFL stadium project site, including but not limited to any ticket tax, unless the tax is applicable~~

throughout the taxing jurisdiction. To the extent any tax not in existence at the time this act is passed is subsequently imposed on the NFL team or any NFL event related revenues at the NFL stadium project, then the NFL Team shall be reimbursed for all amounts paid by the NFL Team to satisfy any such tax obligations as set forth in section 22 of this act.

NFL STADIUM PROJECT

PART VI | APPLICABILITY OF STATE PUBLIC WORKS PROVISIONS

~~SECTION 27~~SECTION 26. *1. Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the stadium authority, the developer partners or any related entity relating to the NFL stadium project financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreements of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that the provisions of paragraph (a) of subsection 9 of NRS 341.100 and of NRS 341.105 apply to any such undertaking.

(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The stadium authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.

2. The stadium authority and any prime contractor, construction manager or project manager selected by the stadium authority shall competitively bid all subcontracts involving construction which the stadium authority determines can be competitively bid without affecting the quality of the project. Any determination by the that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The shall establish one or more procedures for competitive bidding which:

- (a) Must prohibit bidders from engaging in bid-shopping;*
 - (b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and*
 - (c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.*
- 3. Any determination by the regarding the establishment of one or more procedures for competitive bidding, and any determination by the developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.*
- 4. For purposes of this section, "undertaking" refers to an NFL stadium project as defined in section 7 of this act.*

TRANSITION: TRANSFERRING UNUSED REVENUES FROM THE NFL STADIUM PROJECT TO COLLEGIATE STADIUM PROJECT TO FAIR AND RECREATION BOARD

- ~~SECTION 28.~~ **SECTION 27.** *1. In the event that the requirements of section 16 of this act are not met, and an NFL stadium project is not constructed:*
- (a) After having received notice of this fact pursuant to paragraph (c) subsection 2 of section 19 of this act that an NFL stadium project will not be constructed, a university in the district shall have 90 days to notify the Governor and the director of Legislative Counsel Bureau of the university's intent to construct a collegiate stadium project with the district.*
 - (b) That university will have 24 months from the date the president of the university receives the notice pursuant to paragraph (c) subsection 2 of section 19 of this act to secure a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a collegiate stadium within the boundaries of the district.*
- 2. If the funding commitment required by paragraph (b) of subsection 1 are met within the established timeframe, the stadium authority may use the remaining proceeds of the taxes imposed by subsection 2 of section 20 of this act and the proceeds of the tax imposed by subsection 1 of section 36 of this act to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project within the boundaries of the stadium district, and to pay for any bonds or other securities issued for that purpose, including refunding securities.*
- 3. If, within the period prescribed by paragraph (b) of subsection 1, no university within the boundaries of the stadium district has raised the required private funding, the remaining taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act shall be distributed to the county fair and recreation board for the payment of outstanding securities issued to finance the renovation and expansion of its facilities located with the stadium district.*
- 4. The board of county commissioners shall, within 60 days of funds being transferred to the county fair and recreation board pursuant to subsection 2, sunset any taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act.*

COLLEGIATE STADIUM PROJECT
ADDITIONAL, SECTION-SPECIFIC DEFINITION

~~SECTION 29.~~**SECTION 28.** *For purposes of sections 28 through 39 of this act, “undertaking” means any enterprise to acquire, construct, improve, equip, operate or maintain, or any combination thereof, a collegiate stadium project and such other projects, improvements or facilities related to the development of a collegiate stadium deemed necessary or desirable by the campus improvement authority.*

COLLEGIATE STADIUM PROJECT

PART I | CAMPUS IMPROVEMENT BOARD FORMATION, POWERS AND AUTHORITIES

~~SECTION 30.~~**SECTION 29.** *1. Upon receiving notice that stadium authority intends to dissolve and wind down its affairs pursuant to paragraph (c) of subsection 2 of section 19 of this act, the president of a public university within the stadium district may create a campus improvement authority.*

(a) The campus improvement authority shall be comprised of nine members appointed as follows:

(1) Four members appointed by the university’s board of regents.

(I) One of these members must be either a member of the university’s board of regents or an officer of the university and the remainder must be members of the university’s board of regents.

(2) One member appointed by the Governor.

(3) One member appointed by the board of county commission commissioners for the county in which the stadium district is located and must be either a member of the board of county commissioners or an officer of that county.

(4) One member appointed by the county fair and recreation board of the county in which the stadium district is located and must be a member of the county fair and recreation board who is not also a member of a board of county commissioners.

(5) Two members appointed by the members appointed pursuant to paragraphs (1) to (4), inclusive. Each of these members must be employed in an executive position in the county by a business in the tourism, hotel and gaming industry in which the stadium district.

2. A vacancy on the board occurs when a member:

(a) Dies or resigns;

(b) Is removed, with or without cause, by the person or entity who appointed that member; or

(c) Ceases to be qualified for appointment as a member pursuant to the pertinent provisions of subsection 1.

3. The campus improvement authority constitutes:

(a) A body corporate and politic; and

(b) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the stadium district.

4. A vacancy in the campus authority board must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1, except that, notwithstanding any provision of this section to the contrary, a member appointed pursuant to paragraph (5) of subsection 1 whose position becomes vacant as the result of his or her cessation of employment in an executive position in the county by a business in the tourism, hotel and gaming industry may be reappointed to serve the remainder of his or her unexpired term.

5. No member of the campus improvement authority may receive any compensation for serving as a member or officer of the board.

6. The members of the campus improvement authority constitute public officers for the purposes of chapter 281A of NRS.

~~SECTION 31.~~**SECTION 30.** *1. At the initial meeting of the campus improvement authority the board of the campus improvement district shall appoint:*

- (a) One of its members as Chair;*
- (b) One of its members as Vice Chair; and*
- (c) A Secretary and a Treasurer, who may be one person.*

2. The Vice Chair shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.

3. The campus improvement authority shall meet regularly in the stadium district at such times and places as it designates.

(a) Special meetings may be held at the call of the Chair, upon notice to each member of the campus improvement authority, as often as the needs of the campus improvement authority require.

(i) Except as otherwise provided in subsection 5 of 19 NRS 281A.420:

(b) Six of the members of campus improvement authority shall constitute a quorum.

(c) The campus improvement authority may take action only by a motion or resolution adopted with the approval of at least six members of its membership.

4. The campus improvement district constitutes a public body for the purposes of chapter 241 of NRS.

~~SECTION 32.~~**SECTION 31.** *1. The Secretary of the campus improvement authority shall keep:*

(a) Audio recordings or transcripts of all meetings of the campus improvement authority;

(b) Minutes of all the meetings of the campus improvement authority;

(c) A record of all the proceedings and actions of the campus improvement authority;

(d) Any certificates issued or received by the campus improvement authority;

(e) Any contracts made by the campus improvement authority; and

(f) Any bonds required by the campus improvement authority from its employees.

2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.

3. The Treasurer of the campus improvement authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the campus improvement authority.

4. The Secretary and Treasurer of the campus improvement authority do not constitute a part of the staff of the campus improvement authority for the purposes of section 30 of this act.

~~SECTION 33.~~**SECTION 32.** *1. The campus improvement authority may retain such staff as it determines to be necessary to conduct the activities of the campus improvement authority. It may:*

(a) Hire the members of its staff as employees;

(b) Contract with any governmental entity or other person to provide the persons to serve as its staff;
or

(c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).

2. The campus improvement authority shall specify:

(a) The powers and duties of the members of its staff; and

(b) The amount and basis of compensation for the members of its staff; and

(c) May delegate any of its powers and duties to any member of its staff as it determines to be appropriate, except that the campus improvement authority shall not delegate:

(1) Any of the specific obligations or responsibilities of the campus improvement authority imposed by sections 28 to 31, inclusive, paragraph (d) or (e) of subsection 1 of section 33, subsection 2 of section 34 or section 35 of this act; or

(2) Any ability to bind the campus improvement authority to a contract that could require an expenditure by the campus improvement authority in excess of such an amount as the campus improvement authority determines to be appropriate, which amount must not exceed the sum \$500,000, as adjusted by the percentage change between the effective date of this act and July 1 of the fiscal year the delegation is made in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor.

~~SECTION 34.~~SECTION 33. *The campus improvement authority:*

1. Shall adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of this act, for carrying on the business and affairs of the campus authority board; and

3. Shall create a tax increment account, a collegiate stadium capital projects fund and a collegiate stadium authority operating account to carry out the provisions of this act.

~~SECTION 35.~~SECTION 34. *1. Except as otherwise provided in section 34 of this act, the board of the campus improvement authority may:*

(a) Enter into any contracts and other agreements with any person or other entity that the campus improvement authority determines to be necessary or desirable to conduct the business of the campus improvement authority.

(b) Sue and be sued.

(c) Proceed with any undertaking and enter into any contracts or other agreements that the campus improvement authority determines to be necessary or desirable therefor. The contracts and other agreements authorized by this subsection:

(1) May include, without limitation, contracts or other agreements relating to the construction, acquisition, lease, lease- purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and

(2) Are not subject to the limitations of subsection 1 of NRS 354.626.

(d) Enter into a lease, ground lease or management agreement with the Nevada System of Higher Education authorizing the campus improvement authority to lease from the System any portion of the land in the tax increment area owned by the System and any improvements thereon, or to manage any such land or improvements for the System, on such terms as may be acceptable to the campus improvement authority and the university's board of regents and which do not violate any covenants concerning any securities issued by the board of regents, provided that:

(1) The property subject to the lease, ground lease or management agreement is limited to:

(I) Land and improvements that will be developed and used to carry out the development of a collegiate stadium project; and

(II) Any other land, improvements and appurtenances that the university's board of regents determines to be necessary or desirable to carry out the development of a collegiate stadium project;

(2) The university's board of regents is entitled to limit any uses, rates, charges or other factors pertaining to the property subject to the lease, ground lease or management agreement by including the limitations in the agreement; and

(3) After any indebtedness incurred to improve the property subject to the lease, ground lease or management agreement has been retired or defeased and any other contracts and obligations of the campus improvement authority pertaining to that property have been satisfied and terminated, the improvements will become the property of the Nevada System of Higher Education and will no longer be subject to the lease, ground lease or management agreement.

(e) Enter into, with any person or other entity:

(1) One or more subleases of all or any portion of any land or improvement leased to the campus improvement authority;

(2) One or more management agreements to provide for the management by that person or other entity of any land or improvement that the campus improvement authority is authorized to manage, control or occupy;

(3) One or more leases or management agreements pertaining to any undertaking or any facility owned by the campus improvement authority; or

(4) Any combination of the agreements described in subparagraphs (1), (2) and (3), on such terms as may be acceptable to the campus improvement authority and which are not inconsistent with the terms of the lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to which the campus improvement authority has possession or control of the subject property. The leases, subleases and management agreements authorized by this subsection are not subject to the limitations of subsection 1 of NRS 354.626.

(f) Fix, and from time to time increase or decrease, fees, rates, tolls, rents or charges for services or facilities furnished in connection with any undertaking and take such action as may be necessary or desirable to affect their collection or, by contract or other agreement described in paragraph (d) or (e), authorize another person or entity to fix, from time to time increase or decrease, and collect all or any designated portion of such fees, rates, tolls, rents or charges. Such fees, rates, tolls, rents or charges must be consistent with or allowed by the lease, ground lease or management agreement with the System pursuant to which the campus improvement authority has possession or control of the land or improvements upon which the undertaking is located.

(g) Receive, control, invest and order the expenditure of pledged revenues and any other money pertaining to or derived from any undertaking, including, without limitation, any grants from the Federal Government, the State, the County or any incorporated cities in the County, or from any other person or entity, for the purposes described in section 37 of this act.

(h) Except as otherwise provided in this act, exercise all or any part or combination of the powers and duties of the campus improvement authority set forth in this act.

(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the purposes and provisions of this act.

2. If the campus improvement authority has no indebtedness or other financial obligations, the campus improvement authority board, by an affirmative vote of at least six of its members, may dissolve.

~~SECTION 36.~~ SECTION 35. *1. The board of the campus improvement authority and any person to whom the campus improvement authority delegates any of its powers or duties shall not:*

(a) Expend or authorize the expenditure of any money in the tax increment account unless the board of the campus improvement authority has entered into a lease, ground lease or management

agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes a specific undertaking.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.

2. The campus improvement authority shall not own any land, but may own improvements on land located in the tax increment area if the Board of Regents, in its sole discretion, allows that ownership.

~~SECTION 37~~ SECTION 36. *1. Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the campus improvement authority, the Nevada System of Higher Education or any related entity relating to any undertaking financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreements of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that the provisions of paragraph (a) of subsection 9 of NRS 341.100 and of NRS 341.105 apply to any such undertaking.

(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The campus improvement authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.

2. The campus improvement authority and any prime contractor, construction manager or project manager selected by the campus improvement authority shall competitively bid all subcontracts involving construction which the campus improvement authority determines can be competitively bid without affecting the quality of the project. Any determination by the campus improvement authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project

is conclusive in the absence of fraud or a gross abuse of discretion. The campus improvement authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the campus improvement authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the campus improvement authority or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

COLLEGIATE STADIUM PROJECT

PART II | REDUCTION OF ROOM TAX DEDICATED TO COLLEGIATE STADIUM PROJECT

~~SECTION 38.~~ SECTION 37. *1. If the stadium authority has provided notice of its intent to dissolve and wind down its affairs pursuant to section of this act and a campus improvement authority has been created pursuant to section 28 of this act, the board of county commissioners in the stadium district shall reduce the taxes imposed under subsection 2 of section 20 to the following rates:*

(a) Three-eighths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.

(b) One-quarter of one percent of the gross receipts from the rental of transient lodging in areas within the stadium district but outside of a primary gaming corridor.

2. Taxes imposed by this section shall sunset:

(a) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full; or

*(b) Thirty-three years,
Whichever occurs first.*

3. In addition to the rate sunset requirements set forth in subsection 2, in the event tax rates are reduced pursuant to subsection 1, taxes imposed by this section shall not be reduce further or otherwise modified for a period of two years following the rate reduction.

4. As used in this section:

(a) "Primary gaming corridor" shall be defined as the geographic area comprising the submarket with the greatest amount of gross gaming revenue within the stadium district as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract. Gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging shall be subject to the taxes imposed by subsection 1 whether or not they are included in the Nevada Gaming Control Board Gaming Abstract.

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

COLLEGIATE STADIUM PROJECT

PART III | STADIUM AUTHORITY USE OF FUNDS

~~SECTION 39.~~**SECTION 38.** *1. The campus improvement authority shall create a collegiate stadium tax account and deposit into such account any proceeds of the taxes imposed by section 36 of this act received by the campus improvement authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 40 of this act, the campus improvement authority shall use the proceeds of the taxes imposed by subsection section 36 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the stadium district a collegiate stadium project or to establish a bond reserve fund and other reserves to secure any securities issued pursuant to section 40 of this act, or any combination thereof, as directed by the campus improvement authority.

3. The campus improvement authority shall not expend any of the proceeds of the taxes imposed by section 36 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project until campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.

~~SECTION 40.~~**SECTION 39.** *1. After bonds or other securities are issued under Section 40 hereof, the campus improvement authority shall use the proceeds of the tax imposed under section 36 of this act, any funds transferred from the stadium authority to the campus improvement authority pursuant to subsection 3 of section 19 of this act and any penalties or interest received only for the following:*

(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years; and

(b) Costs of capital improvements to the collegiate stadium and the creation and maintenance of a fund to provide capital improvements to the collegiate stadium in an amount determined by the campus improvement authority.

~~SECTION 41.~~**SECTION 40.** *1. If the campus improvement authority does not raise funds required by paragraph (b) of subsection 1 of section 26 of this act within the time allocated by that section, notwithstanding any other provision of this act to the contrary, the campus improvement authority shall:*

(a) Remit all funds deposited in the stadium infrastructure account to the fair and recreation board within the stadium district;

(b) Wind up the affairs of the campus improvement authority; and

(c) Dissolve the campus improvement authority pursuant to subsection 2 of section 33 of this act.

2. After dissolution, all the remaining assets of the campus improvement authority shall become property of the Nevada System of Higher Education.

COLLEGIATE STADIUM PROJECT

PART IV | ISSUANCE OF COLLEGIATE STADIUM BONDS

~~SECTION 42.~~**SECTION 41.** *1. If:*

(a) General obligations of the county are not issued pursuant to section 24 of this act;

(b) Within 24 months after notice has been provided pursuant to paragraph (c) of subsection 3 of section 19 of this act, a university located within the stadium district has secured a commitment of at

least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district; and

(c) The stadium authority determines that the proceeds of the taxes imposed by section 36 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a collegiate football stadium, board of county commissioners of the county in which the district is located at the request of the stadium authority may issue general obligations of the county in an amount not to exceed \$300,000,000 payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by section 36 of this act.

(1) The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.

(2) The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated pursuant to section 38 of this act.

COLLEGIATE STADIUM PROJECT

PART V | NONINTERFERENCE WITH EXISTING RIGHTS, POWERS AND AUTHORITIES OF THE UNIVERSITY OR ITS BOARD OF REGENTS

~~SECTION 43~~, SECTION 42. *1. The provisions of this act do not:*

(a) Require the any university or its board of regents to enter into any lease, ground lease, management agreement or any other contract or agreement.

(b) Limit the conditions or other provisions which a university or its board of regents may, in their sole discretion, determine to include in any lease, ground lease, management agreement or any other contract or agreement.

ADMINISTRATIVE PROVISIONS

PART I | TIMING AND TERMS OF AUTHORITY APPOINTMENTS

~~SECTION 44~~, SECTION 43. *1. For a stadium authority created by section 11 of this act in Clark County:*

(a) The Governor shall, on or before January 1, 2017, appoint the three members of the stadium authority pursuant to paragraph (a) of subsection 1 or section 11 of this act to initial terms that, for two of the appointees, commences on January 1, 2017, and expires on December 31, 2018, and for the third appointee commences on January 1, 2017, and expires on December 31, 2017; and

(b) The Board of County Commissioners of Clark County shall, on or before January 1, 2017 appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of section 11 of this act to an initial term that, for one appointee commences on January 1, 2017, and expires on December 31, 2018, and for the second appointee commences on January 1, 2017, and expires on December 31, 2017;

(c) The stadium authority shall within 30 days after the effective date of the lease agreement(s) and any other contracts or agreements between Stadium Events Company and the stadium authority entered into pursuant to section 16 of this act, appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 11 of this act to an initial term that, for one appointee, will commence immediately upon appointment and will expire on December 31 of that

same year, and, for the second appointee, will commence immediately upon appointment and will expire on December 31 of the following year.

2. After each stadium authority initial term, each subsequent stadium authority appointment shall be for a period of three years;

3. The same person may be appointed to serve multiple consecutive or not consecutive terms as a member of the stadium authority.

4. The stadium authority appointed pursuant to this section shall hold an organizational meeting during January 2017. At that meeting, the stadium authority shall elect:

(a) One of its members as Vice Chair; and

(b) A Secretary and Treasurer.

~~SECTION 45.~~SECTION 44. *1. For the campus improvement authority created by section 28 of this act:*

(a) The board of regents shall appoint:

(1) Two of the members of the campus improvement authority pursuant to paragraph (a) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment, and expire on September 30 of that same year; and

(2) Two of the members to the campus improvement authority pursuant to paragraph (a) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment, and expire on September 30 of the following year.

(b) The member of the campus improvement authority appointed by the Governor pursuant to paragraph (b) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of the following year.

(c) The member of the campus improvement authority appointed by the board of county commissioners pursuant to paragraph (c) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of that same year;

(d) The member of the campus improvement authority appointed by the fair and recreation board pursuant to paragraph (d) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of the subsequent year;

(e) The members of the campus improvement authority appointed by the pursuant to paragraph (e) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires September 30 of the following year;

2. After the initial terms, each member of the campus authority board shall be appointed for a 4-year term.

ADMINISTRATIVE PROVISIONS

PART II | TIME REQUIREMENTS FOR NFL ACTION AND AGREEMENTS

~~SECTION 46.~~SECTION 45. *1. The NFL team and the developer partners shall have twelve months from the effective date of the act as set forth in subparagraph (1) of section 45 to secure the rights and any necessary approvals to locate or relocate an NFL team into the district created pursuant to section 20 of this act.*

(a) The stadium authority shall have the ability to grant one, six-month extension to the established timeline for securing the rights to locate or relocate an NFL franchise into the stadium district.

2. Once the rights to locate or relocate an NFL franchise have been secured pursuant to subsection 1, the developer partners and the NFL team shall have six months to form the Stadium Events Company

and to enter into all required contracts and agreements with the stadium authority as set forth in section 16 of this act.

(a) The stadium authority shall have the ability to grant one, six-month extension to the timeline established for forming the Stadium Events Company and entering into all require contracts and agreements with the stadium authority.

ADMINISTRATIVE PROVISIONS

PART III | EFFECTIVE DATES

~~SECTION 47.~~SECTION 46. *1. Section 1 to section 44, inclusive, of this act become effective upon passage and approval of this act, and expire by limitation:*

(a) If general obligations of the county are issued pursuant to section 24 of this act or by the state of Nevada pursuant to section 40 of this act, on the date on which those obligations are fully paid.

(b) If general obligations of the county pursuant to section 24 of this act or pursuant to section 40 of this act on the date which is 24 months after the end of the period prescribed by paragraph (b) of subsection 1 of section 26 of this act.

END

Stadium Project Funding, Administration and Oversight

Stadium Recommendation Working Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTION 1 to **SECTION 25** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League (NFL) stadium project in a county whose population is 700,000 or more (currently Clark County). **SECTION 11** through **SECTION 19** create a stadium authority as a public body and establish its powers and authorities. **SECTION 20** creates a stadium district to finance an NFL stadium project or a collegiate stadium project in such a county and provides that the stadium district consists of all property that is located within the county that is within 25 miles of the center of the stadium project site. **SECTION 20** of this bill also provides for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the stadium district at a specified rate of the gross receipts from the rental of transient lodging in the stadium district. **SECTION 21** and **SECTION 22** of this bill require the stadium authority for the county in which the stadium district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project within the stadium district. **SECTION 23** of this bill provides number of special conditions that the stadium authority must include in any agreements with the developer and operator of the NFL stadium project. **SECTION 24** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project, if an NFL franchise commits to relocate to the stadium district. **SECTION 25** defines exemptions from and applicability of certain Nevada Revised Statutes dealing with public works. **SECTION 26** transfers collected tax dollars, in the event an NFL franchise does not commit to locate or relocate to the stadium district or other conditions are not met, to a university within the stadium district where that university obtains a commitment of at least \$200,000,000 in funding for a collegiate stadium on its campus. If the conditions for the use of the proceeds of the tax for an NFL stadium project or a collegiate stadium project are not satisfied, **SECTION 26** then requires that the proceeds of the tax be distributed to the county fair and recreation board to pay debts incurred for capital facilities and that all stadium project-related tax increases sunset. **SECTION 27** defines an undertaking for the development of a collegiate stadium project to include the collegiate stadium itself and any supporting projects, improvements or facilities. **SECTION 28** to **SECTION 35** create a campus improvement authority as a public body and defines its powers and authorities. **SECTION 36** reduces the room lodging tax rate imposed by **SECTION 20** in the event the proceeds of the tax will be used to construct a collegiate stadium project as opposed to an NFL stadium project. **SECTION 37** through **SECTION 39** of this bill require the campus improvement authority for the county in which the stadium district is located to use the proceeds of the lodging tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium within the stadium district. **SECTION 40** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium if an NFL franchise does not commit to locate or relocate to the district and a university within the stadium district obtains a commitment of at least \$200,000,000 in private funding for a collegiate stadium on its campus. **SECTION 41** of this bill clarifies that no provision of this bill

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It is intended for discussion purposes only.

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shall infringe on rights and powers of university or its board of regents. **SECTION 42** establishes the terms of stadium authority board members. **SECTION 43** establishes the terms of campus improvement authority board members. **SECTION 44** provides a timeline for certain actions required by the NFL franchise, stadium developers and the stadium authority board. **SECTION 45** establishes effective dates for each section of the act.

LANGUAGE FOR CONSIDERATION

DEFINITIONS

SECTION 1. *As used in section 1 to 45, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 through 45 of this act have the meanings so ascribed to them in those sections.*

SECTION 2. *“Developer partner” means one or more private parties providing funds needed to construct the stadium project or providing all or a portion of funds needed to make capital improvements to the stadium project in the District. The developer partner, or its affiliate, may also be a part owner or owner of the Stadium Events Company.*

SECTION 3. *“Stadium district” means the district to finance a stadium project that is created by section 20 of this act.*

SECTION 4. *“NFL team” means the National Football League franchise that has committed to relocate to the District and utilize the stadium project for its home National Football League games and related activities. The NFL team, or its affiliate, may also be a part owner or owner of the Stadium Events Company and may be a developer partner.*

SECTION 5. *“Stadium authority” means the stadium authority for the county in which a district is located and is inclusive of its appointed board pursuant to this act.*

SECTION 6. *“Stadium Events Company” means the legal entity owned by and comprised of the NFL team, or its affiliate, and/or any other developer partner, or its affiliate, contributing equity to pay a portion of construction costs of the NFL stadium project. Stadium Events Company will lease the NFL stadium project pursuant to a long-term lease with the stadium authority. Stadium Events Company will be responsible for all stadium operating cost overruns.*

SECTION 7. *“NFL stadium project” means a domed stadium developed within the stadium district containing **not less than 65,000 seats** constructed by one or more developer partners in cooperation with an NFL team. The location, design, fit and finish of the NFL stadium project shall be consistent with first-class, premier National Football League facilities currently in operation or approved for construction by the National Football League.*

SECTION 8. *“Collegiate stadium project” means a stadium developed within the district containing not less than 40,000 seats constructed by a public university. The location, design, fit and finish of the stadium project shall be consistent with similar competitive facilities existing at universities in Power*

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It is intended for discussion purposes only.

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Commented [JA1]: Size of the Project. The developers would prefer that this language reads approximately 65,000 seats. The SNTIC indicated that this should be a defined standard. Based on discussions with the developer this was lowered to “not less than 60,000” to provide the necessary flexibility. They have subsequently requested that the “approximately 65,000” language be added.

Five athletic conferences within National Collegiate Athletic Association Division I Football Bowl Subdivision.

SECTION 9. *“Campus improvement authority” mean the improvement authority created by a university located within the stadium district and is inclusive of its appointed board pursuant to this act.*

SECTION 10. *“System” means the Nevada System of Higher Education.*

NFL STADIUM PROJECT

PART I | STADIUM AUTHORITY BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 11. 1. *In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:*

- (a) Three members appointed by the Governor;*
- (b) Two members appointed by the board of county commissioners of the county in which the stadium district is located;*
- (c) Two members representing the public at-large shall be appointed by members of the stadium authority appointed pursuant to paragraphs (a) and (b), with consideration given to appointment recommendations made by the Stadium Events Company and the NFL Team.*

2. *The stadium authority constitutes:*

- (a) A body corporate and politic;*
- (b) A political subdivision of the county in which the stadium district is located; and*
- (c) A political subdivision of this State, the boundaries of which are coterminous with the boundaries of the stadium district.*

3. *A vacancy on the stadium authority occurs when a member:*

- (a) Dies or resigns; or*
- (b) Is removed, with or without cause, by the person or entity who appointed that member.*

4. *A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.*

5. *A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.*

6. *The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.*

7. *All members of the stadium authority shall reside in the county in which the stadium district is created.*

8. *Stadium authority members appointed pursuant to subsection 1 shall be:*

- (a) Executives and/or directors of construction of active commercial hotel resort properties who have experience in design, engineering, cost estimating and construction;*
- (b) Professionals experienced in the financing of capital projects within the state of Nevada;*
- (c) Professionals experienced in the field of stadium, arena or event management; or*
- (d) Other private sector representatives with the education, experience and skills necessary to effectively execute the duties and responsibilities of to the stadium authority as set forth in this act.*

9. *No two members of the stadium authority shall be representatives of the same company.*

SECTION 12. 1. *The stadium authority shall appoint:*

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Commented [JA2]: Qualifications for Stadium Authority Members. The request was made to provide guidance relative to the type of people who should be appointed to the stadium authority. Note that the language provided here is different than the language provided by the developers.

- (a) *One of its members as Chair;*
(b) *One of its members as Vice Chair; and*
(c) *A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.*
(b) *The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.*
(c) *The stadium authority shall meet regularly in the stadium district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.*
(d) *Except as otherwise provided in subsection 5 of NRS 281A.420:*
(a) *Four of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.*
(b) *The stadium authority may take action only by a motion or resolution adopted with the approval of at least four members of the stadium authority when a quorum is present, and only actions complying with this act may be taken by the stadium authority.*
(e) *The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.*

Commented [JA3]: **Appointment of Stadium Authority Chair.**
The request was made to have the stadium authority appoint one of its members as the chair as opposed to having the Governor appoint one of its members as chair.

Commented [JA4]: **Stadium Authority Quorum.** The request was made by an SNTIC member to reduce the number of members required for a quorum to four from five.

SECTION 13. 1. The Secretary of the stadium authority shall keep:

- (a) *Audio recordings or transcripts of all meetings of the stadium authority;*
(b) *Minutes of all the meetings of the stadium authority;*
(c) *A record of all the proceedings and actions of the stadium authority;*
(d) *Any certificates issued or received by the stadium authority;*
(e) *Any contracts made by the stadium authority; and*
(f) *Any bonds required by the stadium authority from its employees.*
2. *Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.*
3. *The Treasurer of the stadium authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the stadium authority.*
4. *The Secretary and Treasurer of the stadium authority do not constitute a part of the staff of the stadium authority for the purposes of section 14 of this act.*
5. *The board of the stadium authority may direct staff of the stadium authority, retained pursuant to section 14, of this act to provide the services necessary for the Secretary and Treasurer to fulfill their respective duties as set forth in this section.*

SECTION 14. 1. The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:

- (a) *Hire the members of its staff as employees;*
(b) *Contract with any governmental entity or other person to provide the persons to serve as its staff;*
or
(c) *Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).*
2. *The stadium authority shall specify:*
(a) *The powers and duties of the members of its staff; and*
(b) *The amount and basis of compensation for the members of its staff.*

SECTION 15. The stadium authority:

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1. *May adopt a seal;*
2. *May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of section 14 to section 19 of this act, for carrying out its business and affairs; and*
3. *Shall create a stadium tax account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of this act.*

SECTION 16. 1. *In addition to the duties and powers granted to the stadium authority in sections 14 and 15, the stadium authority shall:*

- (a) *In accordance with the facts, certify that the National Football League has authorized an NFL team to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.*
- (b) *In accordance with the facts, certify that the NFL team identified in paragraph (a) has committed to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.*
- (c) *In accordance with the facts, certify that the Stadium Events Company has been properly formed in this State. Certification of the Stadium Events Company shall include, but may not be limited to, a disclosure of all owners and operators of the Stadium Events Company.*
- (d) *Identify and qualify the developer partners as a matter of public record.*

(1) *Identification of the developer partners shall include, but may not be limited to, a disclosure of all participating entities.*

(2) *Qualification of the developer partners shall include, but may not be limited to, documented affiliation with the NFL team certified by the stadium authority pursuant to subparagraph (b) and a demonstrated ability to successfully construct the development project.*

(e) *Prior to approving a development agreement with developer partners, the stadium authority shall ensure that the developer partners have provided suitable financial security for the developer partners' funding obligations as a part of the NFL stadium project financing. This shall include, but may not be limited to, that the assurances required by subsections 4 through 6, inclusive, of section 24 of this act are provide in advance of the issuance of any bonds or other forms of indebtedness by the county on behalf of the stadium authority.*

2. *After all certification and qualifications set forth in subsection 1 have been completed, the stadium authority shall negotiate and may approve a development agreement with the developer partners or the Stadium Events Company for the construction of an NFL stadium project. The development agreement may be combined with the lease to create a development and lease agreement as determined by the stadium authority.*

(a) *The development agreement shall identify the site of the NFL stadium project.*

(b) *The development agreement shall set forth the overall design, scope and specifications of the undertaking.*

(c) *The development agreement shall set forth the sources of funding for the NFL stadium project in a manner consistent with the provisions of this act.*

(d) *The development agreement shall establish a process and criteria for periodic progress reporting by the developer partners to the stadium authority on the construction and development status of the NFL stadium project.*

(e) *The development agreement shall state that any and all construction and development cost overruns incurred in the construction and development of the NFL stadium project shall be the sole responsibility of the developer partners. The sole exception to this provision shall be any cost overruns caused by a design or other change mandated by the stadium authority or other governmental entity subsequent to the approval of the development agreement required by this section, excluding any*

Commented [JA5]: Security of Developer Performance. The developers submit that the provided language is overreaching and out of market. They offer the following "reasonably satisfactory" standard as an alternative.

"(e) Enter into a development agreement with the developer partners which shall require that the developer partners provide a financing commitment reasonably satisfactory to the stadium authority for the developer partners' funding obligations as a part of the NFL stadium project financing prior to the issuance of any bonds or other forms of indebtedness by the stadium authority."

change subsequent to the development agreement required to comply with building codes, including without limitation, those relating to building safety.

(f) The development agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.
(g) The development agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.

3. Once all certification and qualifications set forth in subparagraph 1 have been completed, the stadium authority shall negotiate and may approve a lease agreement, which may be combined with the development agreement to create a development and lease agreement, with the Stadium Events Company and/or an NFL Team or its affiliate.

(a) The lease agreement(s) shall set forth all of the requirements and responsibilities of the Stadium Events Company and/or NFL Team or its affiliate as the operator(s) of the NFL stadium project and empower such lessee the right to engage a stadium operations company to operate the NFL stadium on a day-to-day basis as determined by the lessee.

(b) The lease agreement(s) shall establish minimum standards for capital reinvestment and maintenance of the NFL stadium project, ensuring that the design and development standards set forth in this act are maintained or enhanced throughout the life of the lease agreement(s).

(c) The lease agreement(s) shall provide for the annual allocation of revenues and expenses consistent with this act.

(d) The lease agreement(s) shall state that all operating losses generated by the NFL stadium project or the Stadium Events Company shall be the sole responsibility of the Stadium Events Company the developer partners, and/or the NFL Team or its affiliate.

(e) Should a public university with a Division I football program exist within the stadium district, the lease agreement(s) shall provide for accommodation of a sufficient number of dates to host the university's regular and post-season home games at the NFL stadium project, with the express understanding that NFL events shall have absolute priority of use and the NFL team shall have priority in terms of the stadium, the playing surfaces and all related stadium assets.

(1) These dates shall be mutually agreed upon by the university and the Stadium Events Company and shall be approved by the stadium authority board, respecting the requirement set forth in paragraph (e) that such dates may not interfere with the NFL schedule.

(2) The stadium authority shall establish and include in the lease agreement(s) a reasonable rent for the university's use of the NFL stadium project.

(3) During these dates, the university shall be given access to the stadium, its facilities and its amenities commensurate with the access that a university in a Power Five athletic conference within the National Collegiate Athletic Association Division I Football Bowl Subdivision would otherwise have.

(4) The stadium authority shall have final discretion in any disputes relative to the provisions of paragraph (e) of subsection 3.

(f) The lease agreement(s) shall establish a process and criteria for periodic progress reporting by the Stadium Events Company to the stadium authority on the operations of the stadium and the revenues and expenditures and profitability of Stadium Events Company. This reporting shall be sufficient to ensure that the stadium is being properly maintained, operated in a manner consistent with this act and in the best interests of the State.

(g) The lease agreement(s) shall include the requirement that a lease or sublease with the NFL team certified in subsection 1 of this section, or its affiliate, shall be for a period of not less than 30 years.

(h) The lease agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.

Commented [JA6]: Transferability Stadium Events Company.

The developer has requested that a provision be added to subsection 3, which governs the contents of the lease between the stadium authority and the Stadium Events Company, effectively allowing the lease to be transferable in whole or in part to a third party.

Commented [JA7]: Allocation of Revenues and Expenses. The developers feel that this is too broad and would like to see this provision be removed.

Commented [JA8]: UNLV's Use of the Stadium. The developers expressed concern that this section does not provide them enough protection relative to scheduling for the stadium outside of NFL games.

Additionally, the developers object to the stadium authority having final discretion relative to scheduling and access disputes as they relate to UNLV's use of the NFL stadium project.

Note that UNLV also provided comments relative to this section indicating concern over their relative position and use of the NFL stadium project. UNLV recommends the following revisions paragraph (e):

(e) Should a public university with a Division I football program exist within the stadium district, the lease agreement(s) shall provide for the stadium providing a true "home field" for their football team, consistent with what would be expected of a Power Five athletic conference within the NCAA. This would include accommodation of a sufficient number of dates to host the university's regular and post-season home games at the NFL stadium project, with the express understanding that NFL events shall have absolute priority of use and the NFL team shall have priority in terms of the stadium, the playing surfaces and all related stadium assets.

(1) These dates shall be mutually agreed upon by the university and the Stadium Events Company and shall be approved by the stadium authority board, respecting the requirement set forth in paragraph (e) that such dates may not interfere with the NFL schedule.

(2) The stadium authority shall establish and include in the lease agreement(s) a reasonable way to recover actual costs for the university's use of the NFL stadium project.

(3) During these dates, the university shall be given access to the stadium, its facilities and its amenities commensurate with the access that a university in a Power Five athletic conference within the National Collegiate Athletic Association Division I Football Bowl Subdivision would otherwise have for their "home field" for football games.

Note also that UNLV indicated that while they why the NFL would require priority, language that would provide special events priority would "be a major problem."

Commented [JA9]: Audit and Confidentiality. Note that there is general agreement that the Stadium Events Company will be subject to an annual audit and the traditional and customary confidentiality provisions will be added. This section has yet to be redrafted to reflect these changes.

(i) The lease agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.

4. In furtherance of the specific duties and responsibilities of the stadium authority as set forth in subsections 1 through 3 of this section, the stadium authority may:

(a) Enter into any contracts and other agreements with any person or other entity.

(b) Sue and be sued.

(c) Acquire by purchase, lease, gift, devise, condemnation or otherwise and own, in its own name, all necessary right, title, and interest in and to land and the improvements upon that land as well as any associated air rights and personal property.

(d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable.

(e) Enter into a lease, ground lease, sublease or management agreement with any party.

(f) Receive any public and private resources necessary to fund, finance and develop the undertaking.

(g) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of this act. This may include an audit of the lessee(s), but shall not include in any event any right to audit the business of the NFL team generally or the business of any of the developer partners generally.

(h) Consider and approve or disapprove an annual capital improvement budget submitted by the lessee(s) and approve or disapprove specific requests for capital improvements made by the lessee(s) or the NFL team.

(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.

SECTION 17. 1. The stadium authority shall retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builders' licenses or other similar instruments for any and all seats in the NFL stadium project to generate revenues used for construction of the NFL stadium project.

2. The stadium authority may not grant any other person the right to enter into such agreements, but it may in its contract with the developer partners, agree that any agreements regarding seat licenses will be made only in consultation with the developer partners, or if applicable, the Stadium Events Company and the NFL team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the NFL stadium project, including the NFL team's home games.

3. Proceeds from the sale of such personal seat licenses or similar instruments shall be collected by or on behalf of the stadium authority for the benefit of the NFL stadium project and are a payment by purchasers to the owner of the NFL stadium project for special rights of access to events at the NFL stadium project.

4. The stadium authority may contract with, or appoint as its sales agent, a third party sales agency, subject to the approval of the NFL team, or an affiliate of the NFL team, for the sale of such licenses or similar instruments. The lessees and sublessees of the NFL stadium project shall agree to honor the rights granted by the stadium authority to purchasers of these personal seat licenses or similar instruments.

SECTION 18. 1. The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:

(a) Expend or authorize the expenditure of more than \$1,000,000 from the stadium tax account unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section

Commented [JA10]: Programming and Management of the Stadium. The developers would like this provision to be modified to restrict any interference by the stadium authority in the day-to-day operations of the stadium including "no restrictions on programming." The developers' proposed language is provided below.

(f) The lease agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board, however the lease agreement(s) must generally provide that the Stadium Events Company and/or the NFL Team shall have full operational control of the NFL stadium project and nothing in such lease(s) may interfere with the discretion to operate the NFL stadium project, including but not limited to not restricting programming or events that may be held in the stadium in any way.

Commented [JA11]: Audit and Confidentiality. Cross reference also needs to be included here.

Commented [JA12]: Treatment of PSLs. The developers have offered the following language relative to the treatment of the PSLs. This would appear to simply allow the stadium authority to sell the PSLs in bulk to a third party who would then resell the individual PSLs to businesses/consumers. This language is pending review by counsel.

"Stadium authority shall have the power to enter into one or more agreements with third parties pursuant to which it sells to each such third party the right to receive and own the proceeds from the sale, license or transfer of personal seat licenses, stadium builders' licenses, or other similar instruments as described in subsection 1, for cash and such other consideration as it deems appropriate to be paid upon sale or over time. **Any financing or similar transaction by any such third party to affect such sale shall not be deemed a debt of the stadium authority for any purpose.**"

16, a lease agreement(s) subsection 3 of section 16 of this act, or a combined development and lease agreement.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) pursuant to subsection 3 of section 16 of this act, or a combined development and lease agreement.

SECTION 19. 1. The stadium authority shall dissolve and wind down its affairs in the event that:

(a) The stadium authority is unable to certify that an NFL team has committed to locate or relocate to the stadium district as required by subparagraphs (a) and (b) of subsection 1 of section 16 of this act;

(b) The stadium authority is unable to certify that the Stadium Events Company has been properly formed pursuant to subparagraph (c) of subsection 1 of section 16 of this act;

(c) The stadium authority does not approve a development agreement with the developer partners within 18 months of creation of the stadium district pursuant to section 11 of this act, such agreement may be combined with the lease;

(d) The stadium authority does not approve a lease agreement with the Stadium Events Company and/or an NFL Team or its affiliate within 18 months of creation of the stadium district pursuant to section 11 of this act, such agreement may be combined with the development agreement; or

(e) Seven of the stadium authority board members vote to dissolve the stadium authority, and the stadium authority has no outstanding financial obligations.

2. If any of the conditions of subsection 1 are met:

(a) The stadium authority shall have 60 days to dissolve and wind down its affairs.

(b) The Chair of the stadium authority shall provide notice to the office of the Governor of that the stadium authority intends to dissolve and wind down its affairs.

(c) The Chair of the stadium authority shall provide notice to the presidents of all public universities within the stadium district that the stadium authority intends to dissolve and wind down its affairs.

3. All funds remaining in the stadium tax account, stadium capital fund and stadium authority operating accounts shall be transferred to the campus improvement district collegiate stadium tax account created pursuant to subsection 3 of section 37 of this act.

NFL STADIUM PROJECT

PART II | CREATION OF A STADIUM DISTRICT AND IMPOSITION OF ROOM TAX

SECTION 20. 1. In each county whose population is 700,000 or more, the board of county commissioners shall, by ordinance, create a stadium district to finance an NFL stadium project or a collegiate stadium project. The stadium district consists of all property that is within the county and that is located within a radius of 25 miles from location where the board of county commissioners have their regular meetings.

2. Once a stadium district is created, the board of county commissioners shall impose upon all persons in the business of providing lodging in the district a tax at the rate of:

(a) Eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.

(b) One-half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of the primary gaming corridor within the stadium district.

Commented [JA13]: Location Reference for the Stadium district. Note that the location reference has been changed from the location or proposed location of the NFL stadium project as the district may be created prior to the identification of the stadium site.

3. *The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the stadium district is located for the tax whether or not it is actually collected from a paying guest.*
4. *The taxes imposed by subsection 2 must:*
 - (a) *Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;*
 - (b) *Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and*
 - (c) *Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 21 of this act.*
 - (d) *Be imposed and collected in each incorporated city in the county in addition to being imposed in the portion of the district which is not in an incorporated city.*
5. *The tax imposed in subsection 2 of this act shall be effective on the first day of the month that is not less than 3 nor more than 4 months after the adoption of the ordinance imposing the tax.*
6. *The provisions of NRS 237.030 through 237.150 shall not apply to the adoption of any ordinance creating a stadium district or imposing a tax under this section or any amendment thereof or any other action of the board of county commissioners relating thereto.*
7. *Any parcel of land, building or other structure which is partially within a district created under this section or the primary gaming corridor described in paragraph (a) of section 10 shall be treated as being wholly within the applicable district or corridor for the purposes of the tax imposed by this section.*
8. *Taxes imposed by this section shall reduce pursuant to subsection 9 shall sunset:*
 - (a) *After thirty-three years; or*
 - (b) *At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full and the lease with Stadium Events Company, and/or NFL Team or its affiliate has expired and not been renewed,*
Whichever occurs first.
9. *Upon full payment of the bonds or other securities to which the receipts the taxes imposed by this section are pledged, the tax rate defined in paragraph (a) of subsection (2) shall be reduced to a level determined by the board of county commissioners to be sufficient for the stadium authority to meet its recurring obligations.*
10. *As used in this section:*
 - (a) *“Primary gaming corridor” shall be defined as the geographic area comprising the submarket with the greatest amount of gross gaming revenue within the stadium district as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract. Gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging shall be subject to the taxes imposed by subsection 2 whether or not they are included in the Nevada Gaming Control Board Gaming Abstract.*
 - (b) *“Gross receipts from the rental of transient lodging” does not include the tax imposed or collected from paying guests pursuant to this section.*

Commented [JA14]: **Sunset of the Room Tax.** The room tax will need to continue at a reduced level once the bonds are paid off such that the stadium authority can remain a going concern.

NFL STADIUM PROJECT
PART III | STADIUM AUTHORITY USE OF FUNDS

SECTION 21. 1. *The stadium authority shall create a stadium tax account and deposit into such account any proceeds of the taxes imposed by subsection 2 of section 20 of this act received by the stadium authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 24 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 20 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district an NFL stadium project or to establish a bond reserve fund and other reserves to secure any bonds or other securities issued pursuant to section 24 of this act, or any combination thereof, as directed by the stadium authority.

3. Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection 2 of section 20 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project unless all of the requirements of section 13 of this act have been met.

4. The stadium authority may expend up to \$1,000,000 from the stadium tax account to execute its duties as set forth in sections 13 through 19 of this act prior to the issuance of bonds or other securities pursuant to section 24 of this act. After the issuance of bonds or other securities pursuant to section 24, stadium authority expenditures shall be governed by section 22 of this act.

SECTION 22. 1. *After bonds or other securities are issued under Section 24 of this act, the stadium authority shall use the proceeds of the tax imposed under subsection 2 of section 20 of this act, and any penalties or interest only for the following:*

(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years;

(b) Payment of the administrative costs of the stadium authority of not more than \$2,000,000 per year;

(c) Contributions to the police department in the stadium district to support enhanced police protective services within one or more primary gaming corridor within the district of \$4,000,000 per year;

(d) Payments to a public university in the event that the university operated a stadium in the district prior to the construction of the NFL stadium project to mitigate demonstrated losses to that university as a result of the operations of the NFL stadium project of not more than \$3,500,000 per year, but only to the extent the university can demonstrate that such losses have not been offset by increases in net revenue related to playing its home football games in the new stadium, and in no case for more than 10 years;

(e) Creation of and contributions to a debt service reserve fund in an amount of \$9,000,000 per year for a minimum of 5 years or until \$45,000,000 in debt service reserves has been accumulated. Such reserves will be available to fund stadium authority debt service in the event that there is a revenue shortfall in any future year. Once the bonds have been repaid, the reserve will be transferred to the stadium capital improvement fund.

Commented [JA15]: Debt Limit/Public Funding Shortfalls. In the event that the increase in room tax is not sufficient to fund the public contribution of \$750M, the developer would like a provision that requires that any shortfall will be repaid to the developer out of the bond coverage waterfall. The developer request that this payment include both principal and reasonable interest. The developers provided the following language:

"(a) In the event that proceeds generated from tax revenues defined in section 20 and bonds or other securities to which the receipts of that tax are pledged generate less than \$750,000,000 for the stadium authority's contribution to the construction of the stadium project and Stadium Events Company funds the difference, a payment to Stadium Events Company for the difference plus interest based on a payment schedule agreed to by the stadium authority in the development agreement or lease."

Commented [JA16]: UNLV Payment from the Waterfall. The UNLV payment has been moved above the debt service reserve fund. The developers believe it may be more appropriately located below the debt service reserve fund.

UNLV proposes that they be moved up in the waterfall noting losses due to the opening of the new stadium and uncertainty of future events relating to the success of the football program.

Commented [JA17]: Debt Service Reserve Fund Declining as Coverage Increases. The SNTIC would like to see the debt service reserve fund decline as the coverage ratio of the bonds gets larger. This would free up funds over time as opposed to locking them up in a fund that would, at that point in time, be unnecessary. The proposed schedule is as follows:

- a. Less than 2.0x, \$9M per year to \$45 million
- b. 2.0x to 2.5x, \$5M per year to \$25 million
- c. 2.6x to 3.0x, \$1.0M per year to \$10 million
- d. Above 3.0x, no debt service reserve fund required

This remains an unsettled issue.

(f) Upon completion of the NFL stadium project, Creation and contribution to a stadium capital improvement fund in an amount of at least \$5,000,000 per year.

(g) All remaining amounts shall be contributed to the creation and maintenance of a fund to provide early debt retirement, additional capital improvements to the stadium in an amount determined by the stadium authority, and to fund any required infrastructure on or around the site of the NFL stadium project.

2. Allocations of funds available after all bond and other current debt obligations of the stadium authority are paid shall be at sole discretion of the stadium authority but those expenditures shall be restricted to those items set forth in paragraphs (b), (f) and (g) of subsection 1.

3. Not-to-exceed and minimum payment amounts set forth in paragraphs (b), (c) and (f) of subsection 1 shall be adjusted annually by the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor, between the effective date of this act and July 1 of each subsequent fiscal year.

NFL STADIUM PROJECT

PART IV | SPECIAL PROVISIONS ON THE FUNDING, FINANCING AND ALLOCATION OF AVAILABLE FUNDS SOURCED TO THE STADIUM PROJECT

SECTION 23. 1. Any development agreement entered into pursuant to subsection 2 of section 16 of this act, any lease agreement(s) entered into pursuant to subsection 3 of section 16 of this act and any and all other agreements of any kind entered into between the stadium authority and one or more developer partners, NFL team, or any affiliate, subsidiary or related entity of a developer partner or NFL team, shall include the following:

(a) The stadium authority's contribution to the construction cost of the NFL stadium project shall not: (1) Exceed \$750,000,000 exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto; or

(2) The maximum amount that can be raised from the issuance of bonds issued pursuant to section 24 of this act, secured by revenues generated by the tax imposed in subsection 2 of section 16 of this act, Whichever is less.

(b) The total debt undertaken by the county on behalf of the stadium authority shall not, at any given point in time, exceed the stadium authority's contribution limits set forth in paragraph (a) of subsection 1.

(c) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall not exceed 39 percent of the total cost of the stadium project.

(1) The following shall be included in determining the total cost of the NFL stadium project:

(I) All design, development, and construction costs related to the NFL stadium project;

(II) Land costs;

(III) All infrastructure costs on and around the NFL stadium project site paid funded through the capital contributions made by the developer partners and/or the stadium authority;

(IV) NFL practice facility costs, regardless of whether such facility is constructed in the same site as the stadium project, up to \$100,000,000; and

(V) Other soft costs related to the stadium project.

Commented [JA18]: Exemption from New Taxes. Note that the developers would like to have a section exempting the stadium project, the NFL team and NFL events from any new or additional taxes that are specific to the NFL team or NFL events. In providing this protection, they would like a reimbursement of any new or additional industry specific taxes from the debt coverage waterfall as follows:

"(h) A reimbursement to the NFL team in the amount of any taxes paid by the NFL team for any tax levied by any state, local or municipal tax on the NFL stadium project, NFL events or NFL event related revenues (including but not limited to any ticket tax) that are passed or imposed subsequent to the approval of this act."

Commented [JA19]: Debt Limit/Public Funding Shortfalls. In the event that the increase in room tax is not sufficient to fund the public contribution of \$750M, the developers would like a provision that required that any shortfall will be repaid to the developer out of the bond coverage waterfall. The developer request that this payment include both principal and reasonable interest.

Commented [JA20]: Maximum Public Contribution. The developers object to the use of maximum public contribution percentage and indicate that the standard should be one requiring them to build a stadium that meets NFL stadium standards. The developers indicated that the cost of the project could be lower than the amount presented during the August 25, 2016, SNTIC meeting, and therefore, a higher public share percentage could result.

Commented [JA21]: Calculation of Total Costs. The developers want to ensure that everything that is included in the \$1.9 billion cost reviewed with the SNTIC is included as the cost of construction and development. This issue remains unsettled.

NOTE: Should the percentage concept be removed, there is need to detail the costs that would be included.

(2) Stadium authority's contribution to the construction and development cost of the NFL stadium project shall be exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto.

(d) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the developer partners' contribution to the construction and development costs of the NFL stadium project.

(e) The developer partners shall be entitled to receive a preferred return of not more than X% annually on the amount of their capital contribution to the NFL stadium project.

(1) The amount upon which the preferred return shall be calculated shall not exceed \$650,000,000.

(2) Operating losses, construction cost overruns or any other losses incurred by the developer partners or the NFL team shall not be added to or otherwise adjust the basis upon which the preferred returns described in paragraph (e) of subsection 1, or any other payments to the developer partners or the NFL team, are calculated.

(f) The preferred return as set forth in paragraph (e) of subsection 1 shall be paid annually out of the net operating income of the Stadium Events Company. The net operating income shall be the difference between normal operating revenues and normal operating expenditures of the Stadium Events Company. Notwithstanding any other provision of this section, the revenues of Stadium Events Company shall include only those NFL event revenues that the NFL team as agreed will be paid to the Stadium Events Company and in no event shall any other distribution of NFL team or NFL event revenues be otherwise included in this calculation.

(g) Should any net operating income of the Stadium Event Company remain after the payment of the preferred return made to the developer partners pursuant to paragraph (e) of subsection 1, the residual amount shall be distributed equally between the developer partners and a stadium capital construction improvement fund.

(h) Any return to the developer partners in excess of the preferred return set forth in paragraph (e) shall be considered return of capital and shall lower the developer partners' basis used to calculate preferred returns in later years.

(i) No payments of any kind shall be due to the developer partners or the NFL team after the term of the master lease agreement(s) set forth in subsection 3 of section 16 of this act expires.

NFL STADIUM PROJECT

PART V | ISSUANCE OF STADIUM PROJECT CONSTRUCTION BONDS

SECTION 24. 1. If:

(a) All certifications and other requirements of subsection 1 of section 16 have been met; and the stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 20 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain an NFL stadium project, the board of county commissioners in which the stadium district is located, at the request of the stadium authority, shall issue general obligations of the county in an amount not to exceed \$750,000,000 additionally payable from and secured by all or any portion of the proceeds of the taxes imposed by subsection 2 of section 20 of this act.

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Commented [JA22]: **Net Income Distribution After Preferred Return.** The developers summarily object to any allocation of net operating income other than directly to the developer as a return on their investment, irrespective of the net income earned or the actual level of investment.

2. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.
3. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the NFL stadium project.
4. The board of county commissioners shall not issue the bonds authorized by paragraph (a) of subsection 1:
 - (a) Unless an agreement between the stadium authority and the developer partners, including provisions that provide adequate assurances that the NFL stadium project, as approved, will be completed as required by section 13 of this act. Such assurances must provide security to the county and the stadium authority that there will be adequate funds:
 - (1) To pay the portion of the estimated cost of the project that is to be paid from sources other than the county bonds issued pursuant to this act; and
 - (2) To provide a contingency amount of ten percent of the estimated cost of the project or such higher percentage as is determined to be adequate by the stadium authority.
 - (b) Security provided guarantees timely performance of the construction of the project, if so required in the agreement between the stadium authority and the developer partners.
 - (c) Aggregate security provided is equal to the portion of the cost to be paid from sources other than the county bonds plus the contingency amount determined by the stadium authority as set forth in paragraph (a)(2), and must be in the form of one or more of the following, provided that in the case of security other than an irrevocable deposit of cash into an escrow held in trust by a commercial bank with trust powers that cannot be used for any purpose other than the payment of project costs, the entity obligated under the security instrument must be rated "A" or better by Moody's or Standard and Poor's or have an equivalent rating from another rating agency that provides ratings on security of the type being provided:
 - (1) A personal guarantee from the principals of the development partner or development partnership;
 - (2) A cash deposit made into an escrow account by the development partner;
 - (3) An irrevocable letter of credit provided by the development partner; and
 - (4) A performance or completion bond provided by the development partner.
 - (d) A finding by a vote of the board of county commissioners that the prerequisite for issuing the bonds described in this subsection has been met, absent fraud, shall be conclusive.
5. In the event that the board of county commissioners has issued the bonds pursuant to this section, and the developer partners fail to perform by either withdrawing from their obligation to complete the project or by any other circumstance that would result from the developer partners not committing all funds as required by their agreement with the stadium authority, the stadium authority shall have the right to act upon any letters of credit, completion and performance bonds, cash deposits made to a project escrow account, personal guarantees or other forms of security agreed to as required by this section and included as part of any agreement or lease created pursuant to section 16 of this act.
6. In addition to acting upon the agreed upon security as set forth in subsection 5, there is hereby imposed an additional liquidated damages penalty of not less than \$50,000,000 upon the developer partner to compensate for any delays and cost increases that may result from the developer partners' failure to fulfill their obligation to fully perform.

Commented [JA23]: Exemption from New Taxes. Note that the developers would like to have a section exempting the stadium project, the NFL team and NFL events from any new or additional taxes that are specific to the NFL team or NFL events.

Commented [JA24]: Security of Developer Performance. The SNTIC would seek to ensure that there is sufficient security that the developer will perform as required and cannot unilaterally back out of the deal. This remains an unsettled issue. The developers submit that this is overreaching and out of market. They offer, as an alternative, the a "reasonably satisfactory" standard for the developer and guarantees provided by the contractor, set forth as follows:

"4. The board of county commissioners shall not issue the bonds authorized by paragraph (a) of subsection 1:

- (a) Unless the developer partners provide a financing commitment reasonably satisfactory to the stadium authority sufficient to pay the portion of the estimated cost of the NFL stadium project that is to be paid from sources other than the county bonds issued pursuant to this act.
- (b) Unless the construction contract for the NFL stadium project is a guaranteed maximum price contract with a contingency amount of ten percent of the estimated hard costs of the project or such lesser percentage as is determined to be adequate by the stadium authority.
- (c) Unless the security provided by the contractor to guaranty timely performance of the construction of the project and liquidated damages related thereto, is determined to be adequate by the stadium authority."

This is pending review and approval by Clark County, as they would be the entity responsible for issuing these bonds.

NFL STADIUM PROJECT
PART VI | APPLICABILITY OF STATE PUBLIC WORKS PROVISIONS

SECTION 25. 1. *Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the stadium authority, the developer partners or any related entity relating to the NFL stadium project financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreements of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a).

(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The stadium authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the county had undertaken the project or had awarded the contract.

2. *The stadium authority and any prime contractor, construction manager or project manager selected by the stadium authority shall competitively bid all subcontracts involving construction which the stadium authority determines can be competitively bid without affecting the quality of the project. Any determination by the stadium authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The stadium authority shall establish one or more procedures for competitive bidding which:*

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

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3. Any determination by the regarding the establishment of one or more procedures for competitive bidding, and any determination by the developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

4. For purposes of this section, "undertaking" refers to an NFL stadium project as defined in section 7 of this act.

TRANSITION: TRANSFERRING UNUSED REVENUES FROM THE NFL STADIUM PROJECT TO COLLEGIATE STADIUM PROJECT TO FAIR AND RECREATION BOARD

SECTION 26. 1. In the event that the requirements of section 16 of this act are not met, and an NFL stadium project is not constructed:

(a) After having received notice of this fact pursuant to paragraph (c) subsection 2 of section 19 of this act that an NFL stadium project will not be constructed, a university in the district shall have 90 days to notify the Governor and the director of Legislative Counsel Bureau of the university's intent to construct a collegiate stadium project with the district.

(b) That university will have 24 months from the date the president of the university receives the notice pursuant to paragraph (c) subsection 2 of section 19 of this act to secure a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a collegiate stadium within the boundaries of the district.

2. If the funding commitment required by paragraph (b) of subsection 1 are met within the established timeframe, the campus improvement authority may use the remaining proceeds of the taxes imposed by subsection 2 of section 20 of this act and the proceeds of the tax imposed by subsection 1 of section 36 of this act to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project within the boundaries of the stadium district, and to pay for any bonds or other securities issued for that purpose, including refunding securities.

3. If, within the period prescribed by paragraph (b) of subsection 1, no university within the boundaries of the stadium district has raised the required private funding, the remaining taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act shall be distributed to the county fair and recreation board for the payment of outstanding securities issued to finance the renovation and expansion of its facilities located with the stadium district.

4. The board of county commissioners shall, within 60 days of funds being transferred to the county fair and recreation board pursuant to subsection 2, sunset any taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act.

COLLEGIATE STADIUM PROJECT
ADDITIONAL, SECTION-SPECIFIC DEFINITION

SECTION 27. For purposes of sections 28 through 39 of this act, "undertaking" means any enterprise to acquire, construct, improve, equip, operate or maintain, or any combination thereof, a collegiate stadium project and such other projects, improvements or facilities related to the development of a collegiate stadium deemed necessary or desirable by the campus improvement authority.

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COLLEGIATE STADIUM PROJECT

PART I | CAMPUS IMPROVEMENT BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 28. 1. *Upon receiving notice that stadium authority intends to dissolve and wind down its affairs pursuant to paragraph (c) of subsection 2 of section 19 of this act, the president of a public university within the stadium district may create a campus improvement authority.*

(a) The campus improvement authority shall be comprised of nine members appointed as follows:

(1) Four members appointed by the university's board of regents.

(1) One of these members must be either a member of the university's board of regents or an officer of the university and the remainder must be members of the university's board of regents.

(2) One member appointed by the Governor.

(3) One member appointed by the board of county commissioners for the county in which the stadium district is located and must be either a member of the board of county commissioners or an officer of that county.

(4) One member appointed by the county fair and recreation board of the county in which the stadium district is located and must be a member of the county fair and recreation board who is not also a member of a board of county commissioners.

(5) Two members appointed by the members appointed pursuant to paragraphs (1) to (4), inclusive. Each of these members must be employed in an executive position in the county by a business in the tourism, hotel and gaming industry in which the stadium district.

2. *A vacancy on the board occurs when a member:*

(a) Dies or resigns;

(b) Is removed, with or without cause, by the person or entity who appointed that member; or

(c) Ceases to be qualified for appointment as a member pursuant to the pertinent provisions of subsection 1.

3. *The campus improvement authority constitutes:*

(a) A body corporate and politic; and

(b) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the stadium district.

4. *A vacancy in the campus authority board must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1, except that, notwithstanding any provision of this section to the contrary, a member appointed pursuant to paragraph (5) of subsection 1 whose position becomes vacant as the result of his or her cessation of employment in an executive position in the county by a business in the tourism, hotel and gaming industry may be reappointed to serve the remainder of his or her unexpired term.*

5. *No member of the campus improvement authority may receive any compensation for serving as a member or officer of the board.*

6. *The members of the campus improvement authority constitute public officers for the purposes of chapter 281A of NRS.*

SECTION 29. 1. *At the initial meeting of the campus improvement authority the board of the campus improvement district shall appoint:*

(a) One of its members as Chair;

(b) One of its members as Vice Chair; and

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- (c) A Secretary and a Treasurer, who may be one person.*
- 2. The Vice Chair shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.*
- 3. The campus improvement authority shall meet regularly in the stadium district at such times and places as it designates.*
 - (a) Special meetings may be held at the call of the Chair, upon notice to each member of the campus improvement authority, as often as the needs of the campus improvement authority require.*
- (1) Except as otherwise provided in subsection 5 of 19 NRS 281A.420:*
 - (b) Six of the members of campus improvement authority shall constitute a quorum.*
 - (c) The campus improvement authority may take action only by a motion or resolution adopted with the approval of at least six members of its membership.*
- 4. The campus improvement district constitutes a public body for the purposes of chapter 241 of NRS.*

SECTION 30. 1. The Secretary of the campus improvement authority shall keep:

- (a) Audio recordings or transcripts of all meetings of the campus improvement authority;*
- (b) Minutes of all the meetings of the campus improvement authority;*
- (c) A record of all the proceedings and actions of the campus improvement authority;*
- (d) Any certificates issued or received by the campus improvement authority;*
- (e) Any contracts made by the campus improvement authority; and*
- (f) Any bonds required by the campus improvement authority from its employees.*
- 2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.*
- 3. The Treasurer of the campus improvement authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the campus improvement authority.*
- 4. The Secretary and Treasurer of the campus improvement authority do not constitute a part of the staff of the campus improvement authority for the purposes of section 30 of this act.*

SECTION 31. 1. The campus improvement authority may retain such staff as it determines to be necessary to conduct the activities of the campus improvement authority. It may:

- (a) Hire the members of its staff as employees;*
- (b) Contract with any governmental entity or other person to provide the persons to serve as its staff;*
- or*
- (c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).*
- 2. The campus improvement authority shall specify:**
 - (a) The powers and duties of the members of its staff; and*
 - (b) The amount and basis of compensation for the members of its staff; and*
 - (c) May delegate any of its powers and duties to any member of its staff as it determines to be appropriate, except that the campus improvement authority shall not delegate:*
 - (1) Any of the specific obligations or responsibilities of the campus improvement authority imposed by sections 28 to 31, inclusive, paragraph (d) or (e) of subsection 1 of section 33, subsection 2 of section 34 or section 35 of this act; or*
 - (2) Any ability to bind the campus improvement authority to a contract that could require an expenditure by the campus improvement authority in excess of such an amount as the campus improvement authority determines to be appropriate, which amount must not exceed the sum*

\$500,000, as adjusted by the percentage change between the effective date of this act and July 1 of the fiscal year the delegation is made in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor.

SECTION 32. *The campus improvement authority:*

- 1. Shall adopt a seal;*
- 2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of this act, for carrying on the business and affairs of the campus authority board; and*
- 3. Shall create a collegiate stadium tax account, a collegiate stadium capital projects fund and a collegiate stadium authority operating account to carry out the provisions of this act.*

SECTION 33. *1. Except as otherwise provided in section 34 of this act, the board of the campus improvement authority may:*

- (a) Enter into any contracts and other agreements with any person or other entity that the campus improvement authority determines to be necessary or desirable to conduct the business of the campus improvement authority.*
- (b) Sue and be sued.*
- (c) Proceed with any undertaking and enter into any contracts or other agreements that the campus improvement authority determines to be necessary or desirable therefor. The contracts and other agreements authorized by this subsection:
 - (1) May include, without limitation, contracts or other agreements relating to the construction, acquisition, lease, lease-purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and*
 - (2) Are not subject to the limitations of subsection 1 of NRS 354.626.**
- (d) Enter into a lease, ground lease or management agreement with the Nevada System of Higher Education authorizing the campus improvement authority to lease from the System any portion of the land area owned by the System and any improvements thereon, or to manage any such land or improvements for the System, on such terms as may be acceptable to the campus improvement authority and the university's board of regents and which do not violate any covenants concerning any securities issued by the board of regents, provided that:
 - (1) The property subject to the lease, ground lease or management agreement is limited to:
 - (I) Land and improvements that will be developed and used to carry out the development of a collegiate stadium project; and*
 - (II) Any other land, improvements and appurtenances that the university's board of regents determines to be necessary or desirable to carry out the development of a collegiate stadium project;**
 - (2) The university's board of regents is entitled to limit any uses, rates, charges or other factors pertaining to the property subject to the lease, ground lease or management agreement by including the limitations in the agreement; and*
 - (3) After any indebtedness incurred to improve the property subject to the lease, ground lease or management agreement has been retired or defeased and any other contracts and obligations of the campus improvement authority pertaining to that property have been satisfied and terminated, the improvements will become the property of the Nevada System of Higher Education and will no longer be subject to the lease, ground lease or management agreement.**
- (e) Enter into, with any person or other entity:*

- (1) One or more subleases of all or any portion of any land or improvement leased to the campus improvement authority;*
- (2) One or more management agreements to provide for the management by that person or other entity of any land or improvement that the campus improvement authority is authorized to manage, control or occupy;*
- (3) One or more leases or management agreements pertaining to any undertaking or any facility owned by the campus improvement authority; or*
- (4) Any combination of the agreements described in subparagraphs (1), (2) and (3), on such terms as may be acceptable to the campus improvement authority and which are not inconsistent with the terms of the lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to which the campus improvement authority has possession or control of the subject property. The leases, subleases and management agreements authorized by this subsection are not subject to the limitations of subsection 1 of NRS 354.626.*
- (f) Fix, and from time to time increase or decrease, fees, rates, tolls, rents or charges for services or facilities furnished in connection with any undertaking and take such action as may be necessary or desirable to affect their collection or, by contract or other agreement described in paragraph (d) or (e), authorize another person or entity to fix, from time to time increase or decrease, and collect all or any designated portion of such fees, rates, tolls, rents or charges. Such fees, rates, tolls, rents or charges must be consistent with or allowed by the lease, ground lease or management agreement with the System pursuant to which the campus improvement authority has possession or control of the land or improvements upon which the undertaking is located.*
- (g) Receive, control, invest and order the expenditure of pledged revenues and any other money pertaining to or derived from any undertaking, including, without limitation, any grants from the Federal Government, the State, the County or any incorporated cities in the County, or from any other person or entity, for the purposes described in section 37 of this act.*
- (h) Except as otherwise provided in this act, exercise all or any part or combination of the powers and duties of the campus improvement authority set forth in this act.*
- (i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the purposes and provisions of this act.*
- 2. If the campus improvement authority has no indebtedness or other financial obligations, the campus improvement authority board, by an affirmative vote of at least six of its members, may dissolve.*

SECTION 34. 1. The board of the campus improvement authority and any person to whom the campus improvement authority delegates any of its powers or duties shall not:

- (a) Expend or authorize the expenditure of any money in the collegiate stadium tax account unless the board of the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes a specific undertaking.*
- (b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.*
- 2. The campus improvement authority shall not own any land, but may own improvements on land located stadium district if the Board of Regents, in its sole discretion, allows that ownership.**

SECTION 35. 1. Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the campus improvement authority, the Nevada System of Higher Education or any related entity relating to any undertaking financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreements of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that the provisions of paragraph (a) of subsection 9 of NRS 341.100 and of NRS 341.105 apply to any such undertaking.

(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The campus improvement authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.

2. The campus improvement authority and any prime contractor, construction manager or project manager selected by the campus improvement authority shall competitively bid all subcontracts involving construction which the campus improvement authority determines can be competitively bid without affecting the quality of the project. Any determination by the campus improvement authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The campus improvement authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the campus improvement authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the campus improvement

authority or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

COLLEGIATE STADIUM PROJECT

PART II | REDUCTION OF ROOM TAX DEDICATED TO COLLEGIATE STADIUM PROJECT

SECTION 36. 1. *If the stadium authority has provided notice of its intent to dissolve and wind down its affairs pursuant to section of this act and a campus improvement authority has been created pursuant to section 28 of this act, the board of county commissioners in the stadium district shall reduce the taxes imposed under subsection 2 of section 20 to the following rates:*

(a) Three-eighths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.

(b) One-quarter of one percent of the gross receipts from the rental of transient lodging in areas within the stadium district but outside of a primary gaming corridor.

2. *Taxes imposed by this section shall sunset:*

(a) At such time as bonds or other securities outstanding to which the receipts of that tax are pledged have been paid in full; or

(b) Thirty-three years,

Whichever occurs first.

3. *In addition to the rate sunset requirements set forth in subsection 2, in the event tax rates are reduced pursuant to subsection 1, taxes imposed by this section shall not be reduce further or otherwise modified for a period of two years following the rate reduction.*

4. *As used in this section:*

(a) "Primary gaming corridor" shall be defined as the geographic area comprising the submarket with the greatest amount of gross gaming revenue within the stadium district as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract. Gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging shall be subject to the taxes imposed by subsection 1 whether or not they are included in the Nevada Gaming Control Board Gaming Abstract.

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

COLLEGIATE STADIUM PROJECT

PART III | STADIUM AUTHORITY USE OF FUNDS

SECTION 37. 1. *The campus improvement authority shall create a collegiate stadium tax account and deposit into such account any proceeds of the taxes imposed by section 36 of this act received by the campus improvement authority.*

2. *Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 40 of this act, the campus improvement authority shall use the proceeds of the taxes imposed by subsection section 36 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the stadium district a collegiate stadium project or to establish a bond reserve fund and other reserves*

to secure any securities issued pursuant to section 40 of this act, or any combination thereof, as directed by the campus improvement authority.

3. The campus improvement authority shall not expend any of the proceeds of the taxes imposed by section 36 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project until campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.

SECTION 38. 1. *After bonds or other securities are issued under Section 40 hereof, the campus improvement authority shall use the proceeds of the tax imposed under section 36 of this act, any funds transferred from the stadium authority to the campus improvement authority pursuant to subsection 3 of section 19 of this act and any penalties or interest received only for the following:*
(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years; and
(b) Costs of capital improvements to the collegiate stadium and the creation and maintenance of a fund to provide capital improvements to the collegiate stadium in an amount determined by the campus improvement authority.

SECTION 39. 1. *If the campus improvement authority does not raise funds required by paragraph (b) of subsection 1 of section 26 of this act within the time allocated by that section, notwithstanding any other provision of this act to the contrary, the campus improvement authority shall:*
(a) Remit all funds deposited in the stadium infrastructure account to the fair and recreation board within the stadium district;
(b) Wind up the affairs of the campus improvement authority; and
(c) Dissolve the campus improvement authority pursuant to subsection 2 of section 33 of this act.
2. *After dissolution, all the remaining assets of the campus improvement authority shall become property of the Nevada System of Higher Education.*

COLLEGIATE STADIUM PROJECT

PART IV | ISSUANCE OF COLLEGIATE STADIUM BONDS

SECTION 40. 1. *If:*

(a) General obligations of the county are not issued pursuant to section 24 of this act;
(b) Within 24 months after notice has been provided pursuant to paragraph (c) of subsection 3 of section 19 of this act, a university located within the stadium district has secured a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district; and
(c) The stadium authority determines that the proceeds of the taxes imposed by section 36 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a collegiate football stadium, board of county commissioners of the county in which the district is located at the request of the stadium authority may issue general obligations of the county in an

amount not to exceed \$300,000,000 payable solely from and secured solely by all or any portion of the proceeds of the taxes imposed by section 36 of this act.

(1) The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.

(2) The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated pursuant to section 38 of this act.

COLLEGIATE STADIUM PROJECT

PART V | NONINTERFERENCE WITH EXISTING RIGHTS, POWERS AND AUTHORITIES OF THE UNIVERSITY OR ITS BOARD OF REGENTS

SECTION 41. 1. *The provisions of this act do not:*

(a) Require the any university or its board of regents to enter into any lease, ground lease, management agreement or any other contract or agreement.

(b) Limit the conditions or other provisions which a university or its board of regents may, in their sole discretion, determine to include in any lease, ground lease, management agreement or any other contract or agreement.

ADMINISTRATIVE PROVISIONS

PART I | TIMING AND TERMS OF AUTHORITY APPOINTMENTS

SECTION 42. 1. *For a stadium authority created by section 11 of this act in Clark County:*

(a) The Governor shall, on or before January 1, 2017, appoint the three members of the stadium authority pursuant to paragraph (a) of subsection 1 or section 11 of this act to initial terms that, for two of the appointees, commences on January 1, 2017, and expires on December 31, 2018, and for the third appointee commences on January 1, 2017, and expires on December 31, 2017; and

(b) The Board of County Commissioners of Clark County shall, on or before January 1, 2017 appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of section 11 of this act to an initial term that, for one appointee commences on January 1, 2017, and expires on December 31, 2018, and for the second appointee commences on January 1, 2017, and expires on December 31, 2017;

(c) The stadium authority shall within 30 days after the effective date of the lease agreement(s) and any other contracts or agreements between Stadium Events Company and the stadium authority entered into pursuant to section 16 of this act, appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 11 of this act to an initial term that, for one appointee, will commence immediately upon appointment and will expire on December 31 of that same year, and, for the second appointee, will commence immediately upon appointment and will expire on December 31 of the following year.

2. *After each stadium authority initial term, each subsequent stadium authority appointment shall be for a period of three years;*

3. *The same person may be appointed to serve multiple consecutive or not consecutive terms as a member of the stadium authority.*

4. *The stadium authority appointed pursuant to this section shall hold an organizational meeting during January 2017. At that meeting, the stadium authority shall elect:*

**This is a preliminary draft document.
It is intended for discussion purposes only.**

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- (a) One of its members as Vice Chair; and*
- (b) A Secretary and Treasurer.*

SECTION 43. 1. *If the campus improvement authority is created by section 28 of this act:*

(a) The board of regents shall appoint:

(1) Two of the members of the campus improvement authority pursuant to paragraph (a) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment, and expire on September 30 of that same year; and

(2) Two of the members to the campus improvement authority pursuant to paragraph (a) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment, and expire on September 30 of the following year.

(b) The member of the campus improvement authority appointed by the Governor pursuant to paragraph (b) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of the following year.

(c) The member of the campus improvement authority appointed by the board of county commissioners pursuant to paragraph (c) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of that same year;

(d) The member of the campus improvement authority appointed by the fair and recreation board pursuant to paragraph (d) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires on September 30 of the subsequent year;

(e) The members of the campus improvement authority appointed by the pursuant to paragraph (e) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires September 30 of the following year;

2. *After the initial terms, each member of the campus authority board shall be appointed for a 4-year term.*

ADMINISTRATIVE PROVISIONS

PART II | TIME REQUIREMENTS FOR NFL ACTION AND AGREEMENTS

SECTION 44. 1. *The NFL team and the developer partners shall have twelve months from the effective date of the act as set forth in subparagraph (1) of section 45 to secure the rights and any necessary approvals to locate or relocate an NFL team into the district created pursuant to section 20 of this act.*

(a) The stadium authority shall have the ability to grant one, six-month extension to the established timeline for securing the rights to locate or relocate an NFL franchise into the stadium district.

2. *Once the rights to locate or relocate an NFL franchise have been secured pursuant to subsection 1, the developer partners and the NFL team shall have six months to form the Stadium Events Company and to enter into all required contracts and agreements with the stadium authority as set forth in section 16 of this act.*

(a) The stadium authority shall have the ability to grant one, six-month extension to the timeline established for forming the Stadium Events Company and entering into all require contracts and agreements with the stadium authority.

ADMINISTRATIVE PROVISIONS
PART III | EFFECTIVE DATES

SECTION 45. 1. *Section 1 to section 44, inclusive, of this act become effective upon passage and approval of this act, and expire by limitation:*
(a) If general obligations of the county are issued pursuant to section 24 of this act or by the state of Nevada pursuant to section 40 of this act, on the date on which those obligations are fully paid.
(b) If general obligations of the county pursuant to section 24 of this act or pursuant to section 40 of this act on the date which is 24 months after the end of the period prescribed by paragraph (b) of subsection 1 of section 26 of this act.

END

Stadium Project Estimated Developer Return Matrix

Total Project Cost	Capital Contribution			Return on Investment	
	Raiders	Public	Adelson Family	Annual Return†	Internal Rate of Return (IRR)‡
\$1.3B	\$500M	\$750M	\$50M	44.0%	35.6%
\$1.5B	\$500M	\$750M	\$250M	8.8%	8.5%
\$1.7B	\$500M	\$750M	\$450M	4.9%	3.5%
\$1.9B	\$500M	\$750M	\$650M	3.4%	1.0%
\$2.1B	\$500M	\$750M	\$850M	2.6%	-0.7%
\$2.3B	\$500M	\$750M	\$1,050M	2.1%	-2.0%
\$2.5B	\$500M	\$750M	\$1,250M	1.8%	-2.9%

Notes:

†Annual return is to the Adelson family assuming approximately \$22M in cash flow is generated by the stadium and 100 percent of those funds are retained by the developer.

‡Internal rate of return of a 30-year investment horizon as estimated by the SNTIC stadium fiscal model.

Preliminary Draft | For Discussion Purposes Only



Incremental Funding For Police Protection
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTION 1 of this act provides that the act shall be known as the Clark County Crime Prevention Act of 2016. **SECTION 2** provides a series of legislative findings supporting the creation of a special act in Clark County to address the region's interest in enhanced public safety. **SECTION 3** through **SECTION 9** provide definitions for terms used within this act. **SECTION 10** of this act authorizes the Clark County Board of County Commissioners, by two-thirds vote, to impose a 0.1 percent sales and use tax. The proceeds of this tax must be used to employ and equip additional police officers. **SECTION 10** also provides for a two-tier distribution of the proceeds of the sales and use tax, with the first tier being allocated to the Las Vegas Metropolitan Police Department for use within the resort corridor and the second tier being allocated to police departments throughout Clark County based on population. **SECTION 11** and **SECTION 12** detail provisions that must be included in the ordinance should the Clark County Board of County Commissioners authorize a sales tax increase pursuant to this act. **SECTION 13** sets forth the requirements of expending or transferring the proceeds of the tax imposed by this act. **SECTION 14** establishes the reporting and accountability requirements for police departments and local governments should the Clark County Board of County Commissioners authorize the sales and use tax increase. **SECTION 15** of this act sets forth the distribution of the tax revenues generated pursuant to this act and sets aside an administrative collection allowance for the Nevada Department of Taxation. **SECTION 16** of this act provides for the reallocation of tax funds should the Nevada Department of Taxation determine the proceeds of the tax have been improperly allocated. **SECTION 17** and **SECTION 18** create specific county and city funds for the allocation of the proceeds of the tax imposed by this act. **SECTION 19** allows the Nevada Department of Taxation to act on behalf of Clark County in the event legal action is brought regarding this act. **SECTION 20** sets forth the legal construction and severability of this act. **SECTION 21** makes this act effective immediately upon passage and approval.

LANGUAGE FOR CONSIDERATION

CLARK COUNTY CRIME PREVENTION ACT OF 2016
CHAPTER 249, STATUTES OF NEVADA, 2016

SECTION 1. Short title. This act may be cited as the Clark County Crime Prevention Act of 2016.

SECTION 2. Legislative findings and declaration. The Legislature hereby finds and declares that:

1. Nevada continues to be among fastest-growing states in the nation, with the majority of this population growth occurring in Clark County, a region adding 3,000 to 4,000 residents each month;
2. Nevada tourism industry is critically important to the state and local economy, with annual visitor counts in the Clark County exceeding 45 million annually, growing by approximately 1 million trips each year.
3. The increase in the number of police officers to protect the residents and visitors of the Clark County

has failed to keep pace with growth; while the nation as a whole averages 2.2 police officers for each 1,000 residents, the current ratio in Clark County is currently 1.73 officers per 1,000 residents, without adjustment for visitors, which account for nearly 17 percent of the Clark County's full-time equivalent population base;

4. The crime rate in Clark County and within its core resort corridors is increasing, putting residents, visitors and the local economy at an unacceptable level of risk;
5. Funding sources for police protection have struggled to recover post-recession, making it increasingly difficult for police departments in Clark County to dedicate sufficient resources where needed without depleting coverage in other areas of Clark County;
6. A general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act because of the demographic, economic and geographic diversity of the local governments of this State, the unique growth patterns occurring in Clark County and the special financial conditions experienced in the Clark County related to the need to employ and equip more police officers; and
7. The powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act comply in all respects with any requirement or limitation pertaining thereto and imposed by any constitutional provisions.

SECTION 3. Definitions. Except as otherwise provided in this act or unless the context otherwise requires, terms used or referred to in this act have the meanings ascribed to them in chapter 374 of NRS, as from time to time amended, but the definitions in sections 4 to 8, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

SECTION 4. "Act" defined. "Act" means the Clark County Crime Prevention Act of 2016.

SECTION 5. "Board" defined. "Board" means the Board of County Commissioners of Clark County.

SECTION 6. "County" defined. "County" means Clark County.

SECTION 7. "County Treasurer" defined. "County Treasurer" means the County Treasurer of Clark County.

SECTION 8. "Department" defined. "Department" means the Department of Taxation created pursuant to NRS 360.120.

SECTION 9. "Resort corridor" defined. The "resort corridor" as used herein shall be defined as the area depicted in Appendix A of this act.

SECTION 10. Imposition of tax; allocation and use of proceeds; prerequisites to change in use.

1. The Board may enact an ordinance imposing a local sales and use tax of 0.1 percent to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department.
2. Before enacting such an ordinance, the Board shall hold a public hearing to present its plan for implementing the local sales and use tax.

3. The proceeds from the tax authorized pursuant to subsection 1, including interest and other income earned thereon, must be allocated as follows.

(a) A first tier allocation shall be made to the Las Vegas Metropolitan Police Department for resort corridor public safety. This allocation shall be referred to as the "tier one resort corridor public safety sales tax allocation" and shall be based on the estimated share of the sales and use tax generated within the resort corridor. The resort corridor allocation shall be estimated as follows.

(1) The Board shall obtain in October of each year:

(I) Clark County visitor volume for the preceding calendar year as published by the Las Vegas Convention and Visitors Authority;

(II) The most recent estimates available as to average length of stay for all visitors, including the average number of days per trip and the average number of nights per trip as published by the Las Vegas Convention and Visitors Authority;

(III) The most recent Clark County resident population estimate as published by the Nevada State Demographer.

(2) The Board shall estimate Clark County's full-time equivalency population by dividing the sum of the following by 365:

(I) The product produced by multiplying the visitor volume estimate obtained pursuant to paragraph (a)(1)(I) of subsection 3 and the average stay per visitor. The average stay per visitor shall equal the average length of stay for visitors measured in days stayed plus the average length of stay for visitors measured in nights stayed, both obtained pursuant to paragraph (a)(1)(II) of subsection 3, divided by two. This factor shall be referred to as the "visitor population-day estimate."

(2) The product produced by multiplying Clark County's estimated resident population obtained pursuant to paragraph (a)(1)(III) of subsection 3 and 365. This factor shall be referred to as the "resident population-day estimate."

(3) The Board shall estimate the full-time equivalency population share attributable to visitors by dividing:

(I) The visitor-day estimate produced pursuant to paragraph (a)(2)(I); by

(II) The total number of person days in Clark County, which shall be the sum of the visitor-day estimate produced pursuant to paragraph (a)(2)(I) and the resident-day estimate produced pursuant to paragraph (a)(2)(II).

(III) This factor shall be referred to as the "visitor population share."

(4) The quotient produced pursuant to paragraph (a)(3) of subsection 3 shall be multiplied by a visitor sales tax increment factor of 1.15. This resulting value shall be referred to as the "resort corridor sales tax share."

(5) The resort corridor sales tax share generated in paragraph (a)(4) of subsection 3 shall be multiplied by the total amount of the taxes collected pursuant to subsection 1. The resulting product shall be amount of the tier one resort corridor public safety sales tax allocation.

(b) The second tier allocation shall be made for all sales and use taxes collected pursuant to subsection 1 less the tier one resort corridor public safety sales tax allocation made pursuant to paragraph (a)(5) of subsection 3. This allocation shall be referred to as the "tier two public safety sales tax allocation."

(1) The second tier public safety sales tax allocation shall be distributed among the police departments within the County in the same ratio that the population served by each department bears to the total population of the County. As used in this paragraph, "population" means the estimated annual population determined pursuant to NRS 360.283.

4. The formula used to allocate the proceeds of the tax imposed by subsection 1 as set forth in

subsection 3 shall not be changed for three years from the effective date of this act. From that point forward, the Board may, once in every even-numbered year, reconsider the resort corridor sales tax share calculated pursuant to subsection 3. Should the Board determine that there is a rational basis to modify the resort corridor sales tax share, it shall notify all affected local governments and police departments of the change at least twelve months in advance of making that change.

5. Notwithstanding the provisions of subsection 6 of this section and section 12 of this act:

(a) The proceeds of the tier one resort corridor public safety sales tax allocation shall be used solely for law enforcement and crime prevention within the resort corridor and shall not supplant, replace, offset or otherwise reduce police funding allocations, measured by either funding levels or staffing allocation, within the resort corridor.

(b) The proceeds of the tier two public safety sales tax allocation shall be used solely for law enforcement and crime prevention throughout County and shall not supplant, replace, offset or otherwise reduce police funding allocations, measured by either funding levels or staffing allocation, for police protection in the County or any city within the County.

(c) Distribution of the tier two public safety sales tax allocation shall include the resort corridor and there shall be no discount, offset or other reduction to this distribution in consideration of the tier one resort corridor public safety sales tax allocation or any other revenues dedicated to the resort corridor law enforcement or crime prevention.

6. The taxes imposed pursuant to subsection 1 of this act and distributed pursuant to subsection 3 shall be used only as approved pursuant to section 12 of this act unless the Legislature changes the use. The Board shall, before submitting to the Legislature any request to change the uses for the proceeds from the tax, submit an advisory question to the voters of the County pursuant to NRS 295.230, asking whether the uses for the proceeds from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change.

SECTION 11. Required provisions of ordinance. An ordinance enacted pursuant to this act must include provisions in substance as follows:

1. A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of one-tenth of 1 percent.

2. Provisions substantially identical to those contained in chapter 374 of NRS, insofar as applicable.

3. A provision that an amendment to chapter 374 of NRS enacted after the effective date of the ordinance, not inconsistent with this act, automatically becomes part of the ordinance imposing the tax.

4. A provision that the Board shall contract with the Department, before the effective date of the ordinance, to perform all the functions incident to the administration or operation of the tax in the County.

5. A provision that a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720, inclusive, of the amount of the tax required to be paid that is attributable to the tax imposed upon the sale of, and the storage, use or other consumption in the County, including incorporated cities in the County, of, tangible personal property used for the performance of a written contract for the construction of an improvement to real property:

(a) That was entered into on or before the effective date of the tax; or

(b) For which a binding bid was submitted before that date if the bid was afterward accepted, and pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax.

6. A provision that specifies the date on which the tax must first be imposed or on which any change in the rate of tax becomes effective, which must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.

SECTION 12. Amendatory ordinances. An ordinance amending an ordinance enacted pursuant to this act, except an ordinance authorizing the issuance of bonds or other securities, must include a provision in substance that the Board shall amend a contract made pursuant to subsection 4 of section 10 of this act by a contract made between the Board and the Department before the effective date of the amendatory ordinance, unless the Board determines with the written concurrence of the Department that no such amendment of the contract is needed.

SECTION 13. Requirements for expenditure or transfer of proceeds.

1. A police department shall not expend proceeds received from any sales and use tax imposed pursuant to this act unless the expenditure has been approved by the body designated pursuant to this section for the approval of expenditures of that police department. The body designated pursuant to this section must approve the expenditure of the proceeds by the police department if it determines that:

- (a) The proposed use of the money conforms to all provisions of this act; and
- (b) The proposed use will not replace or supplant existing funding for the police department.

2. The body designated to approve an expenditure for:

- (a) The Boulder City Police Department is the City Council of the City of Boulder City;
- (b) The Henderson Police Department is the City Council of the City of Henderson;
- (c) The Las Vegas Metropolitan Police Department is the Metropolitan Police Committee on Fiscal Affairs;
- (d) The Mesquite Police Department is the City Council of the City of Mesquite; and
- (e) The North Las Vegas Police Department is the City Council of the City of North Las Vegas.

3. In determining that a proposed use meets the requirement set forth in paragraph (b) of subsection 1, a body designated pursuant to subsection 2 must find that either:

- (a) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or greater than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department; or
- (b) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is less than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department and the body projects a decrease in its receipt of revenue in that fiscal year from consolidated taxes and property taxes of more than 2 percent from its base fiscal year.

4. If a body designated pursuant to subsection 2 makes a finding pursuant to subsection 3, the body shall adopt a resolution setting forth the finding and the reasons therefor. If the finding is made pursuant to paragraph (b) of subsection 3, the finding must include, without limitation, all facts supporting the projection of a decrease in revenue.

5. If a body designated pursuant to subsection 2 does not make a finding pursuant to subsection 3 for a fiscal year on or before July 1 of that fiscal year, the body shall retain the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act in the special revenue fund created by the body pursuant to section 17 of this act for use pursuant to this section. Any other body designated pursuant to subsection 2, which makes a finding pursuant to subsection 3 for that fiscal year

may apply to the County Treasurer requesting approval for the use by the police department for which the other body approves expenditures of any portion of those proceeds in accordance with the provisions of this section.

6. The County Treasurer, upon receiving a request pursuant to subsection 5 and proper documentation of compliance with the provisions of this section, shall provide written notice to the designated body, which failed to make a finding pursuant to subsection 3 that it is required to transfer from the special revenue fund created by the body pursuant to section 17 of this act to the County Treasurer such amount of the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act as approved by the County Treasurer for use by the designated body that submitted the request.

7. Notwithstanding the provisions of subsection 3 of section 17 of this act, a designated body that receives written notice from the County Treasurer pursuant to subsection 6 shall transfer all available required money to the County Treasurer as soon as practicable following its receipt of any portion of the proceeds. Upon receipt of the money, the County Treasurer shall transfer the money to the designated body that submitted the request, which shall deposit the money in the special revenue fund created by that designated body pursuant to section 17 of this act.

8. As used in this section, "base fiscal year" means, with respect to a body designated pursuant to subsection 2, Fiscal Year 2015-2016, except that:

(a) If, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, exceeds by more than 2 percent the amount approved for expenditure in Fiscal Year 2015-2016, the base fiscal year for that body becomes the most recent of such subsequent fiscal years.

(b) If the base fiscal year is revised pursuant to paragraph (a) and, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or less than the amount approved for expenditure in Fiscal Year 2015-2016, the base fiscal year for that body becomes Fiscal Year 2015-2016, but is subject to subsequent revision pursuant to paragraph (a).

9.

SECTION 14. Funding accountability and reporting requirements.

1. Any governing body that has approved expenditures pursuant to section 12 of this act shall submit to the Department the periodic reports required pursuant to this section and such other information relating to the provisions of this act as may be requested by the Department.

2. The reports required pursuant to this section must be submitted:

(a) On or before:

(1) February 15 for the 3-month period ending on the immediately preceding December 31;

(2) May 15 for the 3-month period ending on the immediately preceding March 31;

(3) August 15 for the 3-month period ending on the immediately preceding June 30; and

(4) November 15 for the 3-month period ending on the immediately preceding September 30; and

(b) On or before August 15 for the 12-month period ending on the immediately preceding June 30.

3. Each report must be submitted on a form provided by the Department and include, with respect to the period covered by the report:

(a) The total proceeds received by the respective police department from the sales and use tax imposed pursuant to this act;

(b) A detailed description of the use of the proceeds, including, without limitation:

- (1) The total expenditures made by the respective police department from the sales and use tax imposed pursuant to this act;
 - (2) The total number of police officers hired by the police department and the number of those officers that are filling authorized, funded positions for new officers;
 - (3) A detailed analysis of the manner in which each expenditure:
 - (I) Conforms to all provisions of this act; and
 - (II) Does not replace or supplant funding or staffing levels, which existed before October 1, 2016, for the police department;
 - (c) An analysis demonstrating how the proceeds of the taxes imposed by section 9 of this act are being used to prevent crimes from occurring and their effectiveness in actual crime prevention; and
 - (d) Any other information required to complete the form for the report.
4. The Las Vegas Metropolitan Police Department shall prepare and submit separate and distinct reports as required by this section for its tier one resort corridor public safety sales tax allocation received pursuant to paragraph (3)(a) of section 9 of this act and its tier two public safety sales tax allocation received pursuant to paragraph (3)(b) of section 9 of this act. In addition to all other reporting requirement set forth in this section, both reports prepared by the Las Vegas Metropolitan Police Department shall include evidence that the tier one resort corridor public safety sales tax allocations is not offsetting, supplanting, replacing or otherwise reducing the amount of money allocated to the resort corridor from the tier two public safety sales tax allocation.
5. The Department may review and investigate the reports submitted pursuant to this section and the expenditure of any proceeds pursuant to section 12 of this act.

SECTION 15. Payment of proceeds to Department; distribution of proceeds.

1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.
2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.
3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:
 - (a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax.
 - (b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).
 - (c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

SECTION 16. Redistribution of improperly distributed proceeds. The Department may redistribute any proceeds from the tax, interest or penalty collected pursuant to this act which is determined to be improperly distributed, but no such redistribution may be made as to amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.

SECTION 17. Creation by County Treasurer of fund for use of proceeds; distribution of money.

1. The County Treasurer shall deposit money received from the State Controller pursuant to paragraph (c) of subsection 3 of section 14 of this act into the County Treasury for credit to a fund created for the use of the proceeds from the tax authorized by this act.
2. The fund of the County created for the use of the proceeds from the tax authorized by this act must be accounted for as a separate fund and not as a part of any other fund.
3. The County Treasurer upon receipt of the money remitted to him or her pursuant to this section shall distribute it to the appropriate accounts in accordance with the allotments established pursuant to section 9 of this act.

SECTION 18. Creation by city treasurers of special revenue fund for use of proceeds.

1. The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant to subsection 3 of section 16 of this act into one or more special revenue funds created for the use of the proceeds from the tax authorized by this act.
 - (a) The Las Vegas Metropolitan Police Department shall create a separate fund and otherwise account separately for tier one resort corridor public safety sales tax allocation it receives pursuant to paragraph (a) of subsection 3 of this act.
2. Each special revenue fund created for the use of the proceeds from the tax authorized by this act pursuant to subsection 1 must be accounted for as a separate fund and not as a part of any other fund.
3. Interest earned on a special revenue fund created pursuant to subsection 1 must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury at the end of any fiscal year.

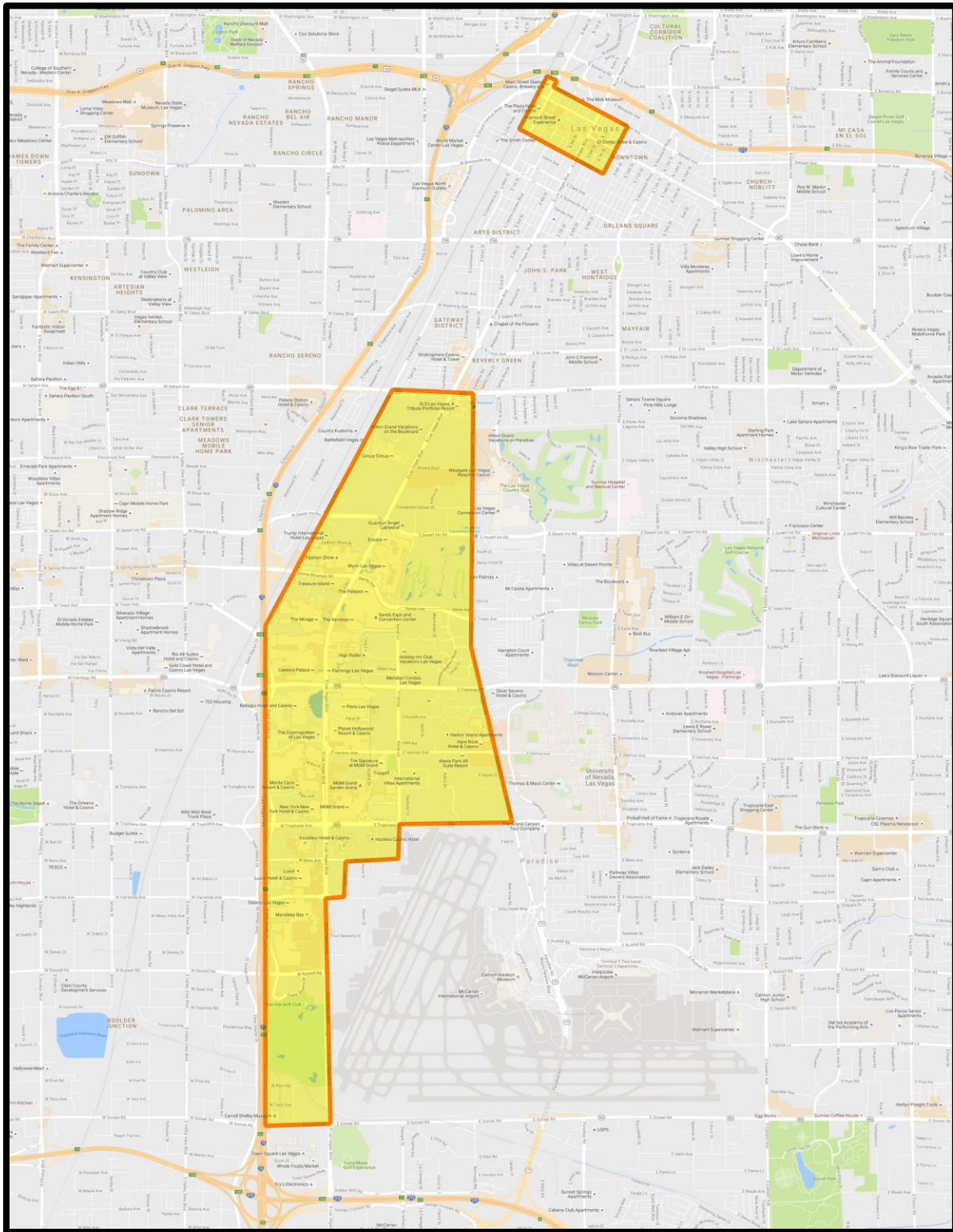
SECTION 19. Action by Department on behalf of County. In a proceeding arising from an ordinance imposing a tax pursuant to this act, the Department may act for and on behalf of the County.

SECTION 20. Construction of act; severability of provisions.

1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.
2. This act must not be construed to prevent the exercise of any power granted by any other law to the County or any officer, agent or employee of the County.
3. This act must not be construed to repeal or otherwise affect any other law or part thereof.
4. This act is intended to provide a separate method of accomplishing the objectives of the act, but not an exclusive method.
5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the provisions or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 21. 1. Sections 1 to 19, inclusive, of this act become effective upon passage and approval of this act.

APPENDIX A



This is a preliminary draft document.
It is intended for discussion purposes only.

9/6/2016 7:53 AM

Suspension of the More Cops Funding Sunset
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTION 1 to **SECTION 21** set forth the existing provisions of the Clark County Sales and Use Tax Act of 2005. **SECTION 22** of this act removes the sunset date of October 1, 2025, for any taxes imposed by the act.

LANGUAGE FOR CONSIDERATION

Chapter 249, Statutes of Nevada, the Clark County Sales and Use Act of 2005, is Hereby Amended as Follows:

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows

SECTION 1. Short title. This act may be cited as the Clark County Sales and Use Tax Act of 2005.

SECTION 2. Legislative findings and declaration. The Legislature hereby finds and declares that:

1. Nevada continues to be the fastest-growing state in the nation, with the overwhelming majority of this population growth occurring in Clark County, which adds 6,000 to 7,000 new residents each month;
2. The increase in the number of police officers to protect the residents of Clark County has not kept pace with the explosive growth in the numbers of these residents, so, while the nation as a whole averages 2.5 police officers for each 1,000 residents, the current ratio in Clark County is now only 1.7 police officers for each 1,000 residents;
3. The crime rate in Clark County is increasing, and so is the time it takes for police officers to respond when a resident reports a crime, while the very real threat of terrorism means that police now must assume added responsibilities for homeland security;
4. A majority of the voters in Clark County approved at the November 2, 2004, General Election Advisory Question No. 9, indicating their support for an increase in the sales tax of up to one-half of 1 percent for the purpose of employing and equipping more police officers to protect the residents of Clark County;
5. It is intended that 80 percent of any additional police officers employed and equipped pursuant to this act be assigned to uniform operations for marked patrol units in the community and for the control of traffic;
6. It is further intended that each police department that receives proceeds from any sales and use tax imposed pursuant to this act establish a program that promotes community participation in protecting the residents of the community that includes, without limitation:
 - (a) A written policy of the department that sets forth its position on providing law enforcement services oriented toward the involvement of residents of the community;
 - (b) The provision of training for all police officers employed by the department that includes, without limitation, training related to:
 - (1) Methods that may be used to analyze, respond to and solve problems commonly confronted by

police officers in the community;

(2) The cultural and racial diversity of the residents of the community;

(3) The proper utilization of community resources, such as local housing authorities, public utilities and local public officials, that are available to assist in providing law enforcement services; and

(4) Issues concerning not only the prevention of crime, but also concerning improving the quality of life for the residents of the community; and

(c) The formation of partnerships with the residents of the community and public and private agencies and organizations to address mutual concerns related to the provision of law enforcement services;

7. A general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act because of the demographic, economic and geographic diversity of the local governments of this State, the unique growth patterns occurring in Clark County and the special financial conditions experienced in the County related to the need to employ and equip more police officers; and

8. The powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act comply in all respects with any requirement or limitation pertaining thereto and imposed by any constitutional provisions.

SECTION 3. Definitions. Except as otherwise provided in this act or unless the context otherwise requires, terms used or referred to in this act have the meanings ascribed to them in chapter 374 of NRS, as from time to time amended, but the definitions in sections 4 to 8, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

SECTION 4. "Act" defined. "Act" means the Clark County Sales and Use Tax Act of 2005.

SECTION 5. "Board" defined. "Board" means the Board of County Commissioners of Clark County.

SECTION 6. "County" defined. "County" means Clark County.

SECTION 7. "County Treasurer" defined. "County Treasurer" means the County Treasurer of Clark County.

SECTION 8. "Department" defined. "Department" means the Department of Taxation created pursuant to NRS 360.120.

SECTION 9. Imposition of tax; allocation and use of proceeds; prerequisites to change in use.

1. The Board may enact an ordinance imposing a local sales and use tax to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department.

2. Before enacting such an ordinance, the Board shall hold a public hearing to present its plan for implementing the local sales and use tax.

3. The proceeds from the tax authorized pursuant to this section, including interest and other income earned thereon, must be:

(a) Allocated among the police departments within the County in the same ratio that the population served by each department bears to the total population of the County. As used in this paragraph,

“population” means the estimated annual population determined pursuant to NRS 360.283.

(b) Used only as approved pursuant to section 13 of this act and only for the purposes set forth in this section unless the Legislature changes the use. The Board shall, before submitting to the Legislature any request to change the uses for the proceeds from the tax, submit an advisory question to the voters of the County pursuant to NRS 295.230, asking whether the uses for the proceeds from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change.

SECTION 10. Required provisions of ordinance. An ordinance enacted pursuant to this act must include provisions in substance as follows:

1. A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of:

(a) One-quarter of 1 percent if the date on which the tax must first be imposed is on October 1, 2005; and

(b) Up to an additional one-quarter of 1 percent if the date on which the increased rate must first be imposed is on or after October 1, 2009, and if the Legislature first approves the increased rate, the total rate not to exceed one-half of 1 percent.

2. Provisions substantially identical to those contained in chapter 374 of NRS, insofar as applicable.

3. A provision that an amendment to chapter 374 of NRS enacted after the effective date of the ordinance, not inconsistent with this act, automatically becomes part of the ordinance imposing the tax.

4. A provision that the Board shall contract with the Department, before the effective date of the ordinance, to perform all the functions incident to the administration or operation of the tax in the County.

5. A provision that a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720, inclusive, of the amount of the tax required to be paid that is attributable to the tax imposed upon the sale of, and the storage, use or other consumption in the County, including incorporated cities in the County, of, tangible personal property used for the performance of a written contract for the construction of an improvement to real property:

(a) That was entered into on or before the effective date of the tax; or

(b) For which a binding bid was submitted before that date if the bid was afterward accepted, and pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax.

6. A provision that specifies the date on which the tax must first be imposed or on which any change in the rate of tax becomes effective, which must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.

SECTION 12. Amendatory ordinances. An ordinance amending an ordinance enacted pursuant to this act, except an ordinance authorizing the issuance of bonds or other securities, must include a provision in substance that the Board shall amend a contract made pursuant to subsection 4 of section 10 of this act by a contract made between the Board and the Department before the effective date of the amendatory ordinance, unless the Board determines with the written concurrence of the Department that no such amendment of the contract is needed.

SECTION 13. Requirements for expenditure or transfer of proceeds.

1. A police department shall not expend proceeds received from any sales and use tax imposed pursuant to this act unless the expenditure has been approved by the body designated pursuant to this section for the approval of expenditures of that police department. The body designated pursuant to this section must approve the expenditure of the proceeds by the police department if it determines that:

- (a) The proposed use of the money conforms to all provisions of this act; and
- (b) The proposed use will not replace or supplant existing funding for the police department.

2. The body designated to approve an expenditure for:

- (a) The Boulder City Police Department is the City Council of the City of Boulder City;
- (b) The Henderson Police Department is the City Council of the City of Henderson;
- (c) The Las Vegas Metropolitan Police Department is the Metropolitan Police Committee on Fiscal Affairs;
- (d) The Mesquite Police Department is the City Council of the City of Mesquite; and
- (e) The North Las Vegas Police Department is the City Council of the City of North Las Vegas.

3. In determining that a proposed use meets the requirement set forth in paragraph (b) of subsection 1, a body designated pursuant to subsection 2 must find that either:

- (a) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or greater than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department; or
- (b) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is less than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department and the body projects a decrease in its receipt of revenue in that fiscal year from consolidated taxes and property taxes of more than 2 percent from its base fiscal year.

4. If a body designated pursuant to subsection 2 makes a finding pursuant to subsection 3, the body shall adopt a resolution setting forth the finding and the reasons therefor. If the finding is made pursuant to paragraph (b) of subsection 3, the finding must include, without limitation, all facts supporting the projection of a decrease in revenue.

5. If a body designated pursuant to subsection 2 does not make a finding pursuant to subsection 3 for a fiscal year on or before July 1 of that fiscal year, the body shall retain the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act in the special revenue fund created by the body pursuant to section 17 of this act for use pursuant to this section. Any other body designated pursuant to subsection 2 which makes a finding pursuant to subsection 3 for that fiscal year may apply to the County Treasurer requesting approval for the use by the police department for which the other body approves expenditures of any portion of those proceeds in accordance with the provisions of this section.

6. The County Treasurer, upon receiving a request pursuant to subsection 5 and proper documentation of compliance with the provisions of this section, shall provide written notice to the designated body which failed to make a finding pursuant to subsection 3 that it is required to transfer from the special revenue fund created by the body pursuant to section 17 of this act to the County Treasurer such amount of the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act as approved by the County Treasurer for use by the designated body that submitted the request.

7. Notwithstanding the provisions of subsection 3 of section 17 of this act, a designated body that

receives written notice from the County Treasurer pursuant to subsection 6 shall transfer all available required money to the County Treasurer as soon as practicable following its receipt of any portion of the proceeds. Upon receipt of the money, the County Treasurer shall transfer the money to the designated body that submitted the request, which shall deposit the money in the special revenue fund created by that designated body pursuant to section 17 of this act.

8. As used in this section, “base fiscal year” means, with respect to a body designated pursuant to subsection 2, Fiscal Year 2009-2010, except that:

(a) If, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, exceeds by more than 2 percent the amount approved for expenditure in Fiscal Year 2009-2010, the base fiscal year for that body becomes the most recent of such subsequent fiscal years.

(b) If the base fiscal year is revised pursuant to paragraph (a) and, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or less than the amount approved for expenditure in Fiscal Year 2009-2010, the base fiscal year for that body becomes Fiscal Year 2009-2010 but is subject to subsequent revision pursuant to paragraph (a).

SECTION 13.3. Suspension of requirements for expenditure of proceeds from sales and use tax imposed on or after July 1, 2013, but before July 1, 2016; report of expenditure.

1. The provisions of paragraph (b) of subsection 1 and subsections 3 to 8, inclusive, of section 13 of this act do not apply to any expenditure of proceeds from any sales and use tax imposed pursuant to this act on or after July 1, 2013, but before July 1, 2016.

2. In addition to the requirements of section 13.5 of this act:

(a) The periodic reports required by that section must include, with respect to the period covered by the report, a separate detailed description of the expenditure of any proceeds from the sales and use tax imposed pursuant to this act as a result of the provisions of subsection 1; and

(b) A governing body that is required to submit a report pursuant to section 13.5 of this act shall submit a copy of the separate detailed description required by paragraph (a) for the period covered by the report to the Director of the Legislative Counsel Bureau for transmittal to the Interim Finance Committee on or before the date by which the governing body is required to submit the report for that period to the Department pursuant to section 13.5 of this act.

SECTION 13.5. Reports.

1. Any governing body that has approved expenditures pursuant to section 13 of this act shall submit to the Department the periodic reports required pursuant to this section and such other information relating to the provisions of this act as may be requested by the Department.

2. The reports required pursuant to this section must be submitted:

(a) On or before:

(1) February 15 for the 3-month period ending on the immediately preceding December 31;

(2) May 15 for the 3-month period ending on the immediately preceding March 31;

(3) August 15 for the 3-month period ending on the immediately preceding June 30; and

(4) November 15 for the 3-month period ending on the immediately preceding September 30; and

(b) On or before August 15 for the 12-month period ending on the immediately preceding June 30.

3. Each report must be submitted on a form provided by the Department and include, with respect to the period covered by the report:

(a) The total proceeds received by the respective police department from the sales and use tax imposed pursuant to this act;

(b) A detailed description of the use of the proceeds, including, without limitation:

(1) The total expenditures made by the respective police department from the sales and use tax imposed pursuant to this act;

(2) The total number of police officers hired by the police department and the number of those officers that are filling authorized, funded positions for new officers; and

(3) A detailed analysis of the manner in which each expenditure:

(I) Conforms to all provisions of this act; and

(II) Does not replace or supplant funding which existed before October 1, 2005, for the police department; and

(c) Any other information required to complete the form for the report.

4. The Department may review and investigate the reports submitted pursuant to this section and the expenditure of any proceeds pursuant to section 13 of this act.

SECTION 13.7. Determination and use of adjusted base fiscal year. Notwithstanding the provisions of subsection 8 of section 13 of this act, for Fiscal Year 2015-2016, the base fiscal year for each body must be adjusted for the purposes of section 13 of this act as provided in this section, and that adjusted base fiscal year must be used as the base fiscal year for all purposes, including future calculations of base fiscal years. To determine the adjusted base fiscal year for Fiscal Year 2015-2016, any expenditures authorized as a result of the provisions of subsection 1 of section 13.3 of this act must not be included when calculating the amount of money received or expended in that fiscal year.

SECTION 14. Payment of proceeds to Department; distribution of proceeds.

1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax.

(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

SECTION 15. Redistribution of improperly distributed proceeds. The Department may redistribute any proceeds from the tax, interest or penalty collected pursuant to this act which is determined to be improperly distributed, but no such redistribution may be made as to amounts originally distributed

more than 6 months before the date on which the Department obtains knowledge of the improper distribution.

SECTION 16. Creation by County Treasurer of fund for use of proceeds; distribution of money.

1. The County Treasurer shall deposit money received from the State Controller pursuant to paragraph (c) of subsection 3 of section 14 of this act into the County Treasury for credit to a fund created for the use of the proceeds from the tax authorized by this act.
2. The fund of the County created for the use of the proceeds from the tax authorized by this act must be accounted for as a separate fund and not as a part of any other fund.
3. The County Treasurer upon receipt of the money remitted to him or her pursuant to this section shall distribute it to the appropriate accounts in accordance with the allotments established pursuant to section 9 of this act.

SECTION 17. Creation by city treasurers of special revenue fund for use of proceeds.

1. The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant to subsection 3 of section 16 of this act into a special revenue fund created for the use of the proceeds from the tax authorized by this act.
2. Each special revenue fund created for the use of the proceeds from the tax authorized by this act pursuant to subsection 1 must be accounted for as a separate fund and not as a part of any other fund.
3. Interest earned on a special revenue fund created pursuant to subsection 1 must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury at the end of any fiscal year.

SECTION 20. Action by Department on behalf of County. In a proceeding arising from an ordinance imposing a tax pursuant to this act, the Department may act for and on behalf of the County.

SECTION 21. Construction of act; severability of provisions.

1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.
2. This act must not be construed to prevent the exercise of any power granted by any other law to the County or any officer, agent or employee of the County.
3. This act must not be construed to repeal or otherwise affect any other law or part thereof.
4. This act is intended to provide a separate method of accomplishing the objectives of the act, but not an exclusive method.
5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the provisions or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 22. *This act is hereby amended upon passage and approval and shall not expire by limitation at any future date.*



MEETING AGENDA

**September 15, 2016
8:00 a.m.**

**Main Location:
University of Nevada, Las Vegas
Stan Fulton Building
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 September 8, 2016

4. Chairman/Committee Comments

5. Research Staff Report

6. Committee Workshop

**For Possible
Action**

- a. Las Vegas Metropolitan Police Department
 - Review and discussion of legislation recommendation regarding Incremental Funding for Police Protection

**For Possible
Action**

- b. Las Vegas Stadium Proposal
 - Review and discussion of legislative recommendation regarding Stadium Project Funding, Administration and Oversight

**For Possible
Action**

- c. Final Report and Recommendations
 - Review and discussion of committee's final report and recommendations to Governor and Legislature

**For Possible
Action**

7. Discussion and possible action to allow the Chair, in his individual capacity, to approve this Committee's last meeting draft minutes

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 Melanie Sheldon, 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 Melanie Sheldon, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101, (702) 486-2700, msheldon@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
September 8th, 2016**

The meeting of the Southern Nevada Tourism Infrastructure Committee was called to order by Chairman Hill at 1:02 P.M. in the Stan Fulton Building located at the University of Nevada, Las Vegas.

1. ROLL CALL/CALL TO ORDER/ESTABLISH QUOROM

BOARD MEMBERS PRESENT

Mr. Steve Hill, Committee Chairman
Mr. Len Jessup, Committee Vice-Chairman (via telephone)
Ms. Carolyn Goodman, Mayor 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 (via telephone)
Mr. Bill 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. Tom Jenkin, Global President of Caesars Entertainment

ADVISORY COMMITTEE MEMBERS PRESENT

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

STAFF MEMBERS PRESENT

Ms. Jennifer Cooper, Communications Director for the Governor's Office of Economic Development

Ms. Melanie Sheldon, Executive Assistant and Business Development Specialist for the Governor's Office of Economic Development
Ms. Henna Rasul, Senior Deputy Attorney General, Nevada Office of the Attorney General Boards and Open Government Division

2. PUBLIC COMMENT: 1:04 P.M.

Mr. Ed Uehling expresses concern that only the Sands is contributing money to the stadium project rather than multiple casino companies and the amount of public money to be used.

Mr. Scott Whittemore expresses support for the stadium, stating that the proposed taxes will affect tourists rather than local residents.

Mr. William Stanley, a representative from the Building and Construction Trades Council, states the Council's support for both the stadium proposal and the approved convention center expansion recommendation. Mr. Stanley also expresses concern over section 25 of the proposed bill, requesting clarification that the 90 percent rule in NRS 338, initially intended for school related works projects, would not apply to stadium construction.

Mr. Warren Hardy, representing the Association of Builders and Contractors, also expresses concern over section 25 and possible exemptions from various state public works laws for the stadium project.

State Assemblyman Harvey Munford expresses concern over lack of development in his district, and states development should be spread out so the entire community benefits. Assemblyman Munford states his support for the Moulin Rouge district development and urges the committee to support that development, which would greatly benefit the area.

3. ACCEPTANCE OF MINUTES FROM AUGUST 25, 2016: 1:20 P.M.

Chairman Hill opens Agenda Item 3 for a motion to accept the meeting minutes from August 25, 2016. A motion is made by Mayor Goodman. Mr. Markantonis seconds the motion. The motion passes unanimously.

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 1:21 P.M.

Chairman Hill states that items 6a and 6b will be reversed in the order of discussion for the meeting. He thanks the committee for their work since the last meeting and agreeing to meet on short notice.

Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 1:22 P.M.

Mr. Jeremy Aguero, Principal at Applied Analysis, provides an overview of the documents in the committee members' binders. There are two acts with regards to Las Vegas Metropolitan Police Department funding, one which would remove the More Cops sales tax sunset and one addressing a new sales tax for police funding. Three versions of the stadium proposal have also been included. A preliminary economic impact report on the convention center expansion is also included

Chairman Hill Closes Agenda Item 5.

6. COMMITTEE WORKSHOP

b. LAS VEGAS METROPOLITAN POLICE DEPARTMENT: 1:25 P.M.

Mr. Aguero explains the recommendation to remove the More Cops sales tax sunset. The proposed legislation simply removes existing language regarding the sunset in 2025.

Mr. Aguero explains the proposed Clark County Crime Prevention Act of 2016, which would increase the sales tax in Clark County by 0.1 percent. The incremental tax proceeds would be allocated in two tiers, first to the resort corridor and second to the different jurisdictions within Clark County. The resort corridor portion would be calculated using a formula based on Las Vegas visitors, and that amount would be dedicated to adding police officers within the defined resort corridor area. The remaining amount would be distributed to local police agencies based on population.

Mayor Goodman states that she would like the map, outlining the resort corridor for the purposes of the bill, to include more of Downtown Las Vegas, including the Symphony Park area.

Commissioner Sisolak asks for clarification about the resort corridor outline and whether it includes properties nearby but not on the Strip. He also expresses that expanding the resort corridor area to include areas with fewer rooms, such as Symphony Park, would diminish the impact of additional officers.

Chairman Hill asks for clarification on the significance of the map. Mr. Aguero responds it represents the traditional resort corridor. Chairman Hill asks if the map is strictly for police officer allocation purposes and not for revenue, and Mr. Aguero confirms it is the former.

Mayor Goodman restates that more of the visitor areas should be included so the highest number of people benefit from the increase in the police force.

Mr. Sloan adds those properties just outside of the resort corridor area should have extra protection if they are paying for it, and requests different versions of the map be presented at the next meeting.

Mayor Goodman asks how the Las Vegas Metropolitan Police Department traditionally defines the resort corridor. Assistant Sheriff Todd Fasulo, Metropolitan Police, explains the areas near the Strip and downtown considered to be within the resort corridor, and reiterates areas not included in the resort corridor would be covered by the second tier of revenue allocation.

Commissioner Sisolak requests clarification on the number of police officers that will be added to the area with the proposal. Assistant Sheriff Fasulo states that 40 officers have recently been added to the 300 officers currently assigned to the resort corridor figure, and that the proposal would add an extra 69 officers. These additions would bring the total number of officers in the resort corridor to approximately 410.

Chairman Hill asks if the committee moves to recommend removing the tax sunset or if the committee would prefer to vote on both recommendations at the next meeting.

Commissioner Sisolak moves to recommend legislation removing the More Cops tax sunset. Mr. Markantonis seconds the motion. The motion passes unanimously.

Chairman Hill closes Agenda Item 6b.

a. LAS VEGAS STADIUM PROPOSAL: 1:43 P.M.

Chairman Hill thanks the committee, the developers and the support staff for their help in putting together the latest draft of the proposal. Chairman Hill asks Mr. Aguero to explain the current draft to the committee.

Mr. Aguero summarizes the draft by section, explaining what each section addresses and highlighting key definitions of various important terms.

Mr. Sloan asks whether the standards established for the proposed stadium significantly impact the cost of building the stadium. Mr. Aguero responds they likely do, but those costs have, for the most part, been included in the developer projections. Mr. Robert Goldstein, President and COO of Las Vegas Sands, confirms that this standard was included in their estimate

Mayor Goodman suggests that the City of Las Vegas should have representation on the Stadium Authority Board, created by the proposal, particularly if the stadium is built within city limits. Chairman Hill asks whether the City of Las Vegas could provide language to reflect that change. Ms. Betsey Fretwell confirms the language could be provided relatively quickly. Chairman Hill questions why the City of Las Vegas should have representation even if the stadium is built outside of city limits. Mayor Goodman responds it is in the interest of collaboration; that the City is an important part of Southern Nevada and represents a great many of its citizens.

Commissioner Sisolak asks if the City of Las Vegas would be willing to underwrite part of the \$750 million in bonds. He also states that his understanding is that the public bodies make appointments to the board, but that those appointees are not government officials. Mayor Goodman says that it is wise to have representation given the number of people they represent.

Commissioner Sisolak requests confirmation that any operating losses of the stadium would not be taxpayer responsibilities. Mr. Aguero confirms that any operating losses would be the responsibility of the Stadium Events Company.

President Jessup asks about the scheduling of events, suggesting that UNLV football should have some level of preference, acknowledging that scheduling considerations will have to be made for avoiding conflict with larger events.

Commissioner Sisolak asks about a shortfall in PSL sales. Mr. Marc Badain, President of the Raiders, says any shortfall would be the team's responsibility. Chairman Hill asks what would happen if the Stadium Authority Board were able to make more than the estimated \$200 million in PSL sales. Mr. Greg Carey, Chairman of the Public Finance Department at Goldman Sachs, states that per NFL rules all PSL sale money would have to be used in the construction of the project.

Chairman Hill asks Mr. Aguero how the selling of PSLs affects financing. Mr. Aguero responds that it doesn't impact any of the debt levels.

Ms. Sinatra asks for clarification on what has been changed in the most recent draft legislation. Mr. Aguero responds he could provide a comparison document after the meeting.

Commissioner Sisolak asks how the Raiders cover their portion of the project cost if they haven't sold all of the PSLs in advance. Mr. Carey clarifies that Goldman Sachs will be loaning the Raider their portion, which will be paid back through PSL sales.

Mr. Ralenkotter states that there should be language saying that the new room taxes are not subject to collection allowance fees.

Commissioner Sisolak asks whether the current language would require a two-thirds vote at the county level. Chairman Hill responds that it would not.

Chairman Hill asks for an explanation of the debt service reserve fund. Mr. Carey explains that it exists to help account for any volatility in room tax revenues. Commissioner Sisolak asks how many years of debt service would be covered by the proposed \$45 million limit of the fund. Mr. Hobbs states that it is not tied to the annual debt servicing amount, but would be about one year. Commissioner Sisolak asks why there is a limit on the reserve fund. Mr. Hobbs states that one year of coverage is about normal for the county. Mr. Carey explains the mechanism for using the reserve fund and how money is replenished. Commissioner Sisolak states that he would like to see the limit of the reserve fund increased so the county has more assurance of protection on the debt.

Mayor Goodman suggests looking into different types of bonds, such as revenue bonds to help build in greater protection.

Mr. Hornbuckle asks about the waterfall funding mechanism and whether subsequent priorities are only funded once the prior one is fully funded. Mr. Aguero clarifies the different scenarios affecting the funding priorities.

Commissioner Sisolak asks about language stating the public contribution would not exceed 39 percent of the project costs and inquires whether the developers were still opposed. Mr. Goldstein confirms they are opposed.

Commissioner Sisolak asks whether the language allowing the developers to choose their contractor would make the work subject to a PLA. Mr. Aguero states that he will check with counsel and confirm the implications of the language.

Ms. Sinatra asks about the language for funding a collegiate stadium if the Raiders are unable to move. President Jessup confirms that UNLV is satisfied with the funding proposal for a possible collegiate stadium.

Mr. Goldstein begins the developer's presentation by stating their maintained commitment to reaching an agreement.

Mr. Carey talks about the importance of the public financial commitment, citing other projects he has worked on. He discusses public funding for various NFL stadiums, showing that the proposed public percentage in this case is significantly lower than many other projects in similar-sized cities. Mr. Carey reiterates the \$750 million public contribution is a must to secure the deal not only from the private developers' standpoint but for the NFL to approve. No deals have had revenue sharing or flexibility in the public contribution.

Mr. Badain assures the committee that fans of all teams will come to Las Vegas to watch games. He also mentions that the 39 percent public contribution number, included in their previous presentation, was designed to help explain the public contribution. Mr. Badain states they did not expect it to become a part of the proposal and do not believe that adding more stipulations about the public/private funding split or revenue sharing was necessary.

Mr. Goldstein states it should be made clear to the public that resident taxes would not go up as a part of the proposal, and the stadium would be publicly owned. Mr. Goldstein also explains that they are taking on all of the risk of cost overruns and operating revenue losses.

Chairman Hill asks for the developers to go through their concerns with the language and the priority of the concerns.

Mr. Goldstein states that the first major issue was the addition of capping public contributions at 39 percent, since the total cost of the project is uncertain as various problems arise throughout construction projects.

Mr. Carey adds that he doesn't believe the NFL will approve the relocation without the \$750 million commitment.

Chairman Hill asks to clarify when the developers say "no cap on return" if they mean no profit sharing. Mr. Carey responds that yes, any profit sharing would all but eliminate what little return the model currently projects.

Mr. Noonan asks what the tax increment financing area ("TIF") would have made if it was used. Mr. Aguero responds that the TIF would have been used as extra coverage for the bonds. Chairman Hill states that the annual revenues were projected at around \$14 million per year.

Mayor Goodman asks about the timeline for the deal and what it would mean if the Legislature did not have a special session or could not approve the deal before the NFL meetings in January and February. Mr. Badain responds that at the very least it would mean a delay of a year until the Raiders could apply for relocation. Mr. Carey adds that it

is important that the Raiders have time to talk with other owners and make their case before the official meeting and vote.

Mayor Goodman asks what other costs could ultimately be the responsibility of various Southern Nevada governments, in addition to the \$750 million, such as infrastructure improvements associated with the project, Mayor Goodman asks Ms. Quigley about current bus routes through the area. Ms. Quigley responds that there are currently no bus routes to either site, but that those could certainly be added to absorb the excess demand.

Commissioner Sisolak asks what costs would be the developers' responsibility and what would be public. Mr. Goldstein states it will depend on what is ultimately needed and where.

Commissioner Sisolak asks about the estimates of non-football events to be held at the stadium as it pertains to the revenue estimates. Mr. Goldstein responds that it was a combination of football, both the Raiders and UNLV, and other games, as well as soccer, rugby, concerts and other events.

Commissioner Sisolak asks why the estimated cost range is so wide. Mr. Carey explains the various issues that can arise in these construction projects and how the costs of other projects have changed throughout.

Commissioner Sisolak asks whether additional funding mechanisms might be needed, citing other stadium projects. Mr. Carey states that approximately \$580 million would be raised through bonds, the rest would be paid from pay-go monies. Mr. Aguero explains the pay-go as money collected from the proposed room tax, which would be effective on January 1, 2017, before the stadium construction actually begins and before the bonds would have to be issued. Mr. Hobbs adds that there is a premium value included in the bond calculation, so the proceeds would be greater than the par value.

Commissioner Sisolak raises the question of public contribution increasing significantly with additional infrastructure costs. Mr. Goldstein says he is hopeful that the selected sites will not need an excessive amount of infrastructure projects. Mr. Carey adds that normally they would not move forward with construction until a maximum price contract is in place and the necessary infrastructure studies have been completed. Mr. Dan Ventrelle, Executive Vice President and General Counsel for the Raiders, adds he does not believe there is language in the proposed legislation to impose extra costs on the county.

Mr. Hornbuckle states the return-on-investment projections and that 40-plus events the first few years may be difficult to achieve. He also states that there should be some language to address how the public is protected, as well as a final agreement on the Stadium Authority Board and the governance of the stadium.

Chairman Hill asks for the committee's thoughts on the profit sharing issues, as well as the 39 percent contribution issue.

Commissioner Sisolak mentions profit sharing with some of the Department of Aviation's deals and potential issues arising in working out those deals. Commissioner Sisolak also states the importance of having qualified people on the Stadium Authority Board.

Mr. Hornbuckle asks if there is any notion that above a certain level of return the public would enjoy some return on their money. Mr. Goldstein states that the public receives returns through different channels such as increased tourism and tax revenues.

Mr. Sloan states part of the benefit to the public is that the developers are taking on the risk, and he is not as concerned about public return as he was previously. Chairman Hill states that the public is still at risk and benefits to the public are contingent on enough events at the stadium.

Commissioner Sisolak inquires if the collegiate stadium for UNLV would require \$400 million in public contribution; would it not just be a \$350 million addition to bring in an NFL team? He states that the UNLV benefits should be a more central part of the discussion. Mr. Aguero clarifies that under the current proposal \$200 million would be required to be private investment for the collegiate stadium. Commissioner Sisolak states he was assuming the current proposal did not exist, and if UNLV needed a new stadium it would be \$400 million in public cost.

Mr. Hornbuckle states that the room tax wouldn't be as relevant to a UNLV stadium given the different implications for tourism.

Chairman Hill asks about the developers' stance regarding UNLV's ability to schedule their events. Mr. Andy Abboud, Senior Vice President of Governmental Relations and Community Development for Las Vegas Sands, states that they have had discussions, with UNLV, about the issue. Chairman Hill states that it is very important for UNLV have proper access to the stadium. Mr. Goldstein says that they are committed to being good partners with UNLV and the only conflict would be events scheduled years in advance. Mr. Ventrelle adds the Raiders are also committed to being good partners to UNLV in the new stadium. President Jessup adds that UNLV is on the path to a Power Five conference, but one key missing element is a new stadium.

Chairman Hill asks about the lease transferability. Mr. Aguero states that that language in the proposal would allow for the stadium events company to be sold or to transfer their control.

Mr. Hornbuckle states he believes the qualifications of the Stadium Authority Board members are important. Commissioner Sisolak adds that it is important for people who understand these types of projects, and that elected officials do not always have that level of expertise.

Mr. Hornbuckle asks what the ultimate recommendation to the legislature should look like, and how many more rounds of revisions the committee can make. Chairman Hill responds that both time constraints and simple feasibility will limit how many more changes they can make, as the ultimate decision to approve will be left to the Legislature. Mr. Abboud adds while the developers need the support of the committee, it is up to them to sell the idea to the Legislature and the public.

Chairman Hill closes Agenda Item 6b.

7. SEPTEMBER 15TH MEETING PREVIEW

Chairman Hill states that the topics of the September 15th meeting have already been discussed.

Chairman Hill closes Agenda Item 7.

8. COMMITTEE MEMBER COMMENTS

No committee comments.

Chairman Hill closes Agenda Item 8.

9. PUBLIC COMMENT

Mr. Ed Uehling notes that while the non-negotiable demand of the developers that they need \$750 million from the public, the fact that other entities are not giving money to the project is also a non-negotiable demand. Mr. Uehling also expresses concern over the creation of a new government entity given the waste of existing entities, such as the Southern Nevada Water Authority.

Ms. Katherine Duncan, President of the Las Vegas Ward 5 Chamber of Commerce, explains her support for the proposed Moulin Rouge area development, stating that the tourism developments should benefit all parts of the city. She states that the developer has asked the committee for a letter of support, and she urges the committee to provide such a letter.

10. ADJOURNMENT

**CHAIRMAN HILL OPENS AGENDA ITEM 10 FOR POSSIBLE ACTION.
COMMISSIONER SISOLAK MAKES A MOTION TO ADJOURN THE
MEETING. MS. SINATRA SECONDS THE MOTION. THE MOTION PASSES
UNANIMOUSLY.**



CAROLYN S. GOODMAN
MAYOR

September 12, 2016

Mr. Steve Hill
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Ave., Ste. 5400
Las Vegas, NV 89101

Dear Mr. Hill:

In follow-up to the September 8 meeting of the Southern Nevada Tourism Infrastructure Committee (SNTIC), I would like to provide comments regarding the current deal structure of the public-private partnership being set forth for the proposed NFL stadium as well as comments regarding the proposed draft stadium authority legislation.

The following are the most significant comments regarding the project and legislation:

1. As discussed by the committee, **the issue of proportional financial participation via the hotel tax is critical**. At this point all cost estimates have been developed by the stadium development team without any confirmation by independent third-party representatives of the committee. As constructed, the current deal structure could result in a project whereby the development team's participation is reduced drastically but keeping the public hotel tax contribution at \$750 million.
2. **The GO backstopping of bond debt under the presented funding scenario carries significant risk going forward**. The assumptions are built on variable, increasing annual debt payments and 2% appreciation of the hotel tax revenue base. One only needs to look back at the last 15 years of hotel tax performance to see two instances where there were significant drops in hotel tax performance, one immediately after 9/11 and the other during the recent great recession. Greater protections need to be built into the deal to reduce the likelihood of exercising the GO backing, thereby putting burden on general taxpayers. We suggest including a revenue bond option in addition to GO backing.
3. As both of the issues above address financial aspects of the project, **there is also the need to create a board structure that separates the fiduciary obligation of the board as to funding and related financial operations from the technical aspects of overseeing development and operations of the facility**. There should not be development team representation on the board that oversees the public's fiduciary obligation to the project. There should be a separation of functions within the board. Other stadium authorities have public-private boards where the fiduciary responsibilities are carved out for public representatives and all other matters are considered by the entire public-private board. This is why we have advocated for State, County, and City representation.
4. **The City should be represented on the Stadium Authority via its Mayor**. Two board positions should be added. One representing the largest city in Clark County, the City of Las Vegas, and one to represent on a rotating basis

CLARK COUNTY
1000 W. Flamingo Ave., Ste. 1000
Las Vegas, NV 89102

CITY OF LAS VEGAS
100 S. Main Street
Las Vegas, Nevada 89101

CLARK COUNTY
1000 W. Flamingo Ave., Ste. 1000
Las Vegas, NV 89102

CLARK COUNTY
1000 W. Flamingo Ave., Ste. 1000
Las Vegas, NV 89102

the other cities in the County. It is my understanding that this language had been drafted and would refer to such.

There are other aspects of the draft Stadium Authority legislation for which we offer the following more detailed comments:

- Section 16 - There should be an operating agreement in addition to the development agreement and license or lease. This will separate out the duties of the team from use and operations.
- Section 16 – Should we consider minority hiring requirements?
- Section 16.3 (g) - There should be a recognition of lease renewals and some language to deal with change of ownership and percentage control by foreign entities. Otherwise, this is being left to the NFL to decide.
- Section 18 - I understand there is a waterfall for holding back revenues for operating and capital reserves, but there is no discussion of a budget process and approval of expenditures.
- Section 20 - A significant rationale could be made for a refinancing and extension of the debt for any number of good reasons – a downturn in the economy, significant capital improvements and renovations.
- Section 21 - Why not include the potential for more than one project such as MLS or AAA Baseball.
- Section 21 - \$2 million annually for the Authority should be a not-to exceed amount but seems high to start and this just grows over time. The stadium authority should determine the needed budget amount.
- Section 23 – Concern about a preferred return. A well-conceived and developed project should provide such upfront and ongoing via operations without committing to an amount.
- Section 26 - Could the legislation allow for Collegiate and MLS if the NFL project doesn't move forward?

As the City has previously stated, we believe the most appropriate site for the project which fully addresses the public's return on investment of \$750 million in hotel tax support, or which could lead to a reduced project cost and potentially less hotel tax support needed, is Cashman Center. The SNTIC should fulfill its fiduciary obligation to the community by locating the project in an area where the most positive change in impact will occur at the lowest possible cost.

Sincerely,



Carolyn G. Goodman
Mayor

cc: Las Vegas City Council
Elizabeth N. Fretwell

DRAFT



Final Report and Recommendations

September 22, 2016



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Tourism Infrastructure in Southern Nevada

In Southern Nevada, no single industry is more important than tourism. The leisure and hospitality sector, which includes the resort, gaming and entertainment industries, directly employs 288,000 Southern Nevadans who account for three out of every ten workers in the region. Those jobs rely on the tens of millions of leisure and business travelers who visit Las Vegas each year. In 2015, the 42.3 million people who visited Las Vegas spent an estimated \$30.5 billion on hotels, gambling, shopping, entertainment, sightseeing and other activities. When visitation rises, so does the number of tourism-related jobs. When it falls, as it did during the global economic downturn, tourism-related jobs decline, creating a ripple effect throughout nearly every sector of the regional and state economy. Today, visitation is on the rise, setting annual records in 2014 and 2015; it is on pace for another new high in 2016.

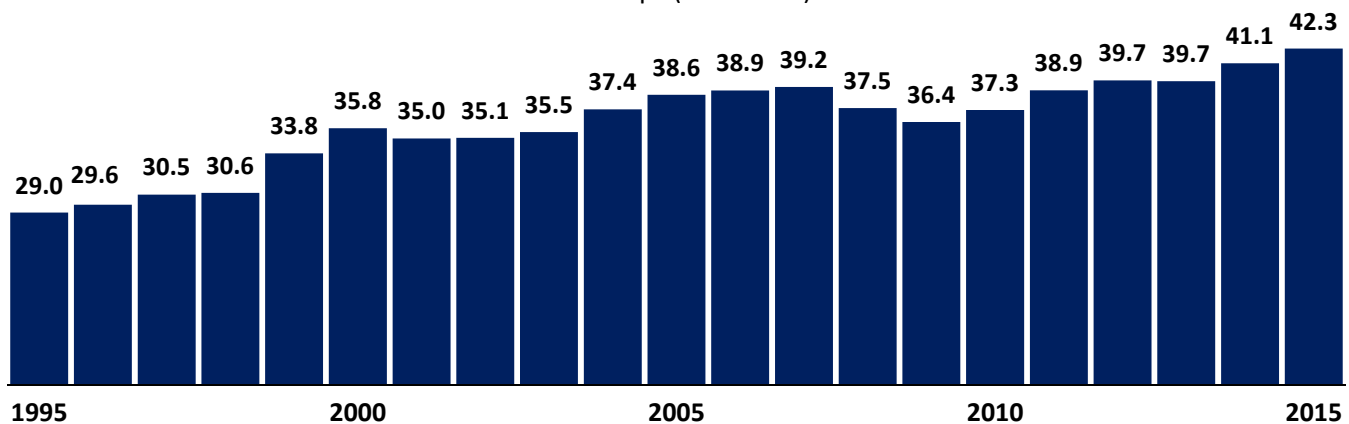
The success of Las Vegas decade after decade can be attributed to its ability to constantly evolve to adapt to the changing competitive marketplace. This evolution has manifested in the growing list of amenities and experiences offered to tourist and business travelers today, including world-class hotels, renowned restaurants, one-of-a-kind entertainment and high-end retail malls. Because of its ability to change, Las Vegas has remained a top global tourism and convention destination even as legalized gambling has proliferated across the United States and around the world.

This position would not have been possible without consistent private and public investment in the underlying infrastructure that supports and enhances the Las Vegas visitor experience. That infrastructure might be directly related to a tourist activity, such as an entertainment venue or convention center, or it might be indirectly related, such as the transportation network that moves visitors to and from Southern Nevada and, after they arrive, to and from their local destinations. Just as the resort hotels and the amenities they offer must evolve to remain competitive, so too must the infrastructure that supports them.

Recognizing the critical role that infrastructure plays in supporting the overall visitor experience and the increasingly competitive environment to attract leisure and business travelers, Governor Brian Sandoval

Las Vegas Annual Visitation

Visitor Trips (in millions)



Source: Las Vegas Convention and Visitors Authority



issued an executive order on June 6, 2015, creating the Southern Nevada Tourism Infrastructure Committee (“SNTIC”). Comprised of leaders from local government, higher education, the business world and the hospitality industry, the committee was charged with evaluating the infrastructure Southern Nevada needs to maintain its position as a global leader in business and leisure travel, and to make formal, prioritized infrastructure recommendations to Governor Sandoval and the Nevada State Legislature. The committee’s initial areas of focus were: (1) McCarran International Airport; (2) Stadiums, Arenas and Event Centers; (3) Convention Centers; (4) Pedestrian Movement in the Resort Corridor; and (5) Roads, Highways and Mass Transit.

Governor Sandoval’s initial executive order gave the SNTIC until July 31, 2016, to issue its final report. That deadline was extended on July 13, 2016, by an executive order that set a new deadline of September 30, 2016. The additional time was granted to allow for further discussion and evaluation of a stadium development proposal as well as to consider the need for increased investment in police resources to protect Southern Nevada’s tourism infrastructure, visitors and residents.

The sections that follow summarize the committee membership and the extensive review its members undertook over 15 months. During that time, the committee held 16 meetings, listened to hours of testimony, asked numerous questions and reviewed hundreds of pages of documents related to the current and future needs for tourism infrastructure in the region. That work culminated in the research compendium attached to this report (see Appendices B and C) and resulted in five primary recommendations. The SNTIC recommends:

Recommendation 1: That the Nevada State Legislature increase the transient lodging tax by 0.5 percent in Clark County to fund construction of the Las Vegas Convention Center expansion and renovation project; implement a cap on the total annual transient lodging tax collection allowance local entities can receive at \$25 million, with any amount greater than that directed to fund construction of the convention center expansion and renovation project; and create a board of construction industry professionals to oversee project plans and expenditures.

Recommendation 2: [Recommendation pending]

Recommendation 3: That the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percent, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population.

Recommendation 4: That the 2025 sunset provision of the Clark County Sales and Use Tax of 2005 be removed, effectively making permanent the incremental sales tax revenue police departments use to retain and equip additional uniformed officers throughout Southern Nevada.

Recommendation 5: That the Nevada State Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the Southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session



of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and Legislature in advance of the 2019 session.

The committee would like to thank the members of the Technical Advisory Committee, not only for their work with the committee, but also for their day in and day out leadership in the community. Their knowledge, experience and input was, as always, invaluable.

The committee also extends its sincere appreciation for the work of Jeremy Aguero and the entire staff of Applied Analysis, particularly Brian Haynes and Melanie Framo. Without their exceptional competence, commitment and diligence, the work of the committee, the breadth and depth of the research and analysis, and the ultimate work product would not have been possible.

Finally, the committee would like to commend Governor Sandoval for his leadership and vision in creating the SNTIC and making tourism infrastructure a strategic priority for the state. The committee members also thank the Governor for the opportunity to participate in this important undertaking and to offer their input toward improving the economic well-being of Southern Nevada.



**ORDER ESTABLISHING THE SOUTHERN NEVADA TOURISM INFRASTRUCTURE
COMMITTEE**

Executive Order 2015-09

WHEREAS, tourism is vitally important to the economy of the State and the general welfare of its inhabitants;

WHEREAS, the economy of Southern Nevada is dependent on the resort, gaming, and convention industries;

WHEREAS, Las Vegas has long been a world class business and recreation destination for millions of visitors a year and Las Vegas repeatedly ranks among the top-five destinations for conventions and business meetings;

WHEREAS, the economic viability of Clark County is dependent upon increasing the number of tourists and business travelers to Las Vegas;

WHEREAS, the growth and success of tourism depends upon continual investment in tourism, entertainment, convention, and transportation infrastructure;

WHEREAS, Las Vegas is in competition with other destinations that are investing significantly in convention and entertainment facilities and related infrastructure;

WHEREAS, investment in tourism infrastructure will result in increased employment and revenue for the State;

WHEREAS, there is critical need to expand, improve, develop, and revitalize public and private tourism infrastructure in Southern Nevada to stay competitive and increase the number of business and pleasure travelers to Las Vegas; and

WHEREAS, Article 5, Section 1 of the Nevada Constitution provides: "The supreme executive power of this State, shall be vested in a Chief Magistrate who shall be Governor of the State of Nevada."

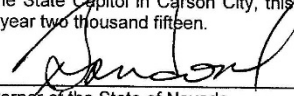
NOW, THEREFORE, by the authority vested in me as Governor by the Constitution and laws of the State of Nevada, I hereby direct and order:

1. The Southern Nevada Tourism Infrastructure Committee ("Committee") is hereby established.
2. The Committee shall make recommendations in a report to the Governor that identifies and prioritizes tourism improvement projects in Southern Nevada and suggests and identifies funding mechanisms for such projects.
3. The Committee shall:
 - Evaluate existing public and private convention facilities and assess and prioritize the need to revitalize existing facilities and construct new facilities;
 - Assess public and private entertainment facilities, including but not limited to, existing and planned sports stadiums and large-scale entertainment facilities, and make recommendations regarding the need and viability of new facilities;
 - Evaluate current tourism related transportation modes and infrastructure, including but not limited to, airport facilities, public and private mass transit, and transportation infrastructure, and identify areas of need and make recommendations for improvements; and
 - Identify and analyze funding for tourism infrastructure improvement projects.
4. The report shall be submitted to the Governor and the Interim Finance Committee of the Nevada Legislature on or before July 31, 2016, and the Committee shall thereafter expire, unless further directed by the Governor.

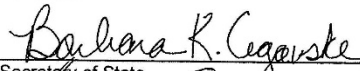


5. Members of the Committee shall be appointed by the Governor and serve at the pleasure of the Governor. The Committee shall include eleven members and be composed of the following:
 - The Executive Director of the Governor's Office of Economic Development;
 - The Mayor of the City of Las Vegas;
 - The Chairman of the Clark County Commission;
 - The President and Chief Executive Officer of the Las Vegas Chamber of Commerce;
 - The President of the University of Nevada, Las Vegas; and,
 - Six representatives of the Nevada Resort Association.
6. The Committee shall be assisted by the non-voting Technical Advisory Committee composed of the following:
 - The City Manager of the City of Las Vegas;
 - The Manager of Clark County;
 - The General Manager of the Regional Transportation Commission of Southern Nevada;
 - The Director of Aviation of McCarran International Airport;
 - The President and Chief Executive Officer of the Las Vegas Convention and Visitors Authority; and
 - An expert in economic and financial analysis appointed by the Chairman of the Committee.
7. The Committee shall be headed by a chair and vice-chair to be appointed by the Governor.
8. The Members of the Committee shall receive no compensation for their service.
9. The Committee may call on any other professionals with expertise in these issues.
10. The Committee shall hold its first meeting no later than July 15, 2015, and thereafter, as often as necessary to complete its report.
11. Any meetings conducted by the Committee shall be subject to the Open Meeting Law, as codified in Nevada Revised Statute Chapter 241.
12. The Governor's Office of Economic Development shall provide administrative support. The Office may hire or retain contractors, sub-contractors, advisors, consultants, and/or agents, and may make and enter into contracts as necessary, in accordance with relevant statutes, rules, and procedures of state regulations.
13. All records documenting the Committee's activities shall be retained and transferred to the State Archives for permanent retention in accordance with the State record retention policy.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 6th day of July, in the year two thousand fifteen.


Governor of the State of Nevada

By the Governor:


Secretary of State


Deputy Secretary of State





Executive Order 2016-21

**ORDER AMENDING
THE SOUTHERN NEVADA TOURISM INFRASTRUCTURE COMMITTEE**

WHEREAS, I, as Governor of the State of Nevada, established the Southern Nevada Tourism Infrastructure Committee by issuing Executive Order 2015-09 on July 6, 2015;

WHEREAS, Executive Order 2015-09 directed that the Committee shall expire after it delivers its report to the Governor and the Interim Finance Committee of the Nevada State Legislature on or before July 31, 2016, unless further directed by the Governor; and

WHEREAS, the tourism industry of Southern Nevada, including existing infrastructure and proposed improvement projects, are best served by an adequate law enforcement presence;

WHEREAS, since 2013 the State of Nevada and the local governments of Clark County have sought to address the needs of area law enforcement pursuant to enabling legislation enacted during the 27th Special Session of the Nevada State Legislature;

WHEREAS, the enabling legislation that would have allowed additional funding of law enforcement expired on July 1, 2016;

WHEREAS, maintaining an ever-present vigilance to ensure the continued safety of all tourists and residents within Southern Nevada is an essential function of government;

WHEREAS, increased law enforcement funding is a fundamental component of analyzing any infrastructure investment in Southern Nevada, especially where improvement projects contemplate attracting new visitors and growing business opportunities; and

WHEREAS, Article 5, Section 1 of the Nevada Constitution provides: "The supreme executive power of this State, shall be vested in a Chief Magistrate who shall be Governor of the State of Nevada."

NOW, THEREFORE, by the authority vested in me as the Governor by the Constitution and laws of the State of Nevada, it is hereby ordered as follows:

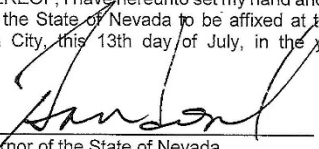
1. Executive Order 2015-09 shall be amended to extend the existence of the Committee and the time period for filing its report to the Governor and the Interim Finance Committee of the Nevada State Legislature from July 31, 2016, until September 30, 2016;
2. Executive Order 2015-09 shall be amended to allow for the Committee to make recommendations regarding funding from appropriate sources to adequately address increased law enforcement and policing needs to support and protect Southern Nevada's vital tourism infrastructure, visitors, and residents; and



3. Executive Order 2015-09 shall remain in force and effect in all other respects.

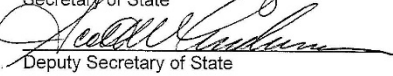
IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 13th day of July, in the year two thousand sixteen.




Governor of the State of Nevada

By the Governor:


Secretary of State


Deputy Secretary of State



Southern Nevada Tourism Infrastructure Committee Membership

Steve Hill, Chairman

Executive Director
Governor’s Office of Economic Development

Carolyn Goodman

Mayor
City of Las Vegas

Kristin McMillan

President and Chief Executive Officer
Las Vegas Metro Chamber of Commerce

Bill Noonan

*Senior Vice President of Industry and
Governmental Affairs*
Boyd Gaming

Kim Sinatra

*Executive Vice President, General Counsel
and Secretary*
Wynn Resorts

Mike Sloan

Senior Vice President of Government Relations
Station Casinos

Len Jessup, Vice Chairman

President
University of Nevada, Las Vegas

Steve Sisolak

Chairman
Clark County Commission

Tom Jenkin

Global President
Caesars Entertainment

Bill Hornbuckle

President
MGM Resorts International

George Markantonis

*President and Chief Operating Officer of
The Venetian and The Palazzo*
Las Vegas Sands Corporation

Technical Advisory Committee Membership

Don Burnette

County Manager
Clark County

Tina Quigley

General Manager
Regional Transportation Commission
of Southern Nevada

Rosemary Vassiliadis

Director of Aviation
Clark County Department of Aviation

Elizabeth “Betsy” Fretwell

City Manager
City of Las Vegas

Rossi Ralenkotter

President and Chief Executive Officer
Las Vegas Convention and Visitors Authority

Guy Hobbs

Managing Director
Hobbs, Ong & Associates



Meeting Structure, Process and Organization

The SNTIC held 16 meetings between July 2015 and September 2016. The committee approached the meetings in three general phases. The first phase centered on a series of meetings that involved information gathering on the primary infrastructure areas of focus. These meetings were designed to explore relevant trends, existing challenges and potential opportunities within each infrastructure area. Meetings typically involved informational presentations from a mix of industry experts, government agency representatives and other stakeholders. Some stakeholders returned before the committee multiple times to provide additional follow-up information in response to committee inquiries. The second phase of meetings generally involved committee workshops to consider additional information, facilitate discussion, consider proposed projects and refine the salient issues. The third phase focused on developing and finalizing recommendations and this committee report.

The following table summarizes the schedule and primary topics of each SNTIC meeting. A complete index of topics as well as copies of all committee documentation, research, speaker presentations and proposals are included in the research compendium provided in Appendices B and C of this report.

	Date	Primary Meeting Topics
Phase I: Preliminary Data Gathering	July 14, 2015	Southern Nevada Economic Baseline
	August 27, 2015	McCarran International Airport
	September 24, 2015	Stadiums, Arenas and Event Centers
	October 22, 2015	Convention Centers Future of Transportation
	December 3, 2015	Pedestrian Movement Within the Resort Corridor Las Vegas Convention Center District Proposal
	January 28, 2016	Roads, Highways and Mass Transit
	Phase II: Workshops & Issue Refinement	February 25, 2016
March 24, 2016		Workshop on Stadiums, Arenas and Event Centers
April 28, 2016		Workshop on Las Vegas Convention Center District Proposal Stadium Proposal Las Vegas Monorail Request
May 26, 2016		Workshop on Las Vegas Convention Center District Proposal Stadium Proposal Follow-Up Presentation



	Date	Primary Meeting Topics
Phase III: Recommendation Development	June 23, 2016	McCarran International Airport Legislative Recommendation Las Vegas Convention Center Legislative Recommendation Stadium Proposal Alternatives
	July 11, 2016	Las Vegas Convention Center Legislative Recommendation Workshop on Stadium Proposal
	July 28, 2016	Potential Stadium Site Analysis Workshop on Stadium Proposal Workshop on Resort Corridor Police Funding
	August 25, 2016	Workshop on Stadium Proposal Workshop on Resort Corridor Police Funding
	September 8, 2016	Stadium Legislative Recommendation Resort Corridor Police Funding Legislative Recommendation
	September 15, 2016	[TBD]

Committee Findings and Recommendations

The following sections summarize the committee’s findings and recommendations regarding each infrastructure area of focus.

Convention Centers

For more than two decades, Las Vegas has been the leading trade show destination in the United States. In 2015, the city hosted 54 of the nation’s 250 largest trade shows, earning the Trade Show News’ top ranking for the 22nd consecutive year. This designation is a result of the ever-growing investment in convention and meeting facilities throughout Southern Nevada. Today, the region is home to three of the 10 largest convention centers in the country that, along with many smaller facilities, drew roughly 6 million business travelers to the region last year.

The largest local facility, the Las Vegas Convention Center (“LVCC”), is the third-biggest in the United States at 1.9 million square feet of exhibit space. Locally, it hosts approximately one in every five convention attendees. The Las Vegas Convention and Visitors Authority (“LVCVA”), which owns and operates the convention center, developed a master plan to expand and renovate the facility about a decade ago, but the plan was suspended when the economic crisis triggered significant drops in convention attendance. The convention business, and the economy as a whole, have rebounded in recent years, prompting the LVCVA to move forward with its plan to expand and renovate the LVCC to remain competitive with other facilities around the country.

As proposed by the LVCVA, phase one of the LVCC expansion and renovation plan involved purchasing the Riviera Hotel site and demolishing the existing buildings to create outdoor exhibit space. Phase two



would add a new 1.4 million-square-foot convention hall featuring 600,000 square feet of exhibit space and 150,000 square feet of meeting space. Phase three involves renovating and modernizing the existing LVCC convention halls, including upgrading technology and food services. To ensure minimal disruption of existing trade show schedules and the potential loss of clients, the LVCVA would use the new hall to host shows during the phase three renovations. Finally, phase four would involve future improvements based on customer feedback and market conditions.

Rossi Ralenkotter, president and chief executive officer of the LVCVA, testified before the committee that the expansion and renovation are critical for the LVCC to remain competitive in the convention and trade show market. In recent years other cities, including Chicago, Houston and San Francisco, have invested in their convention facilities to make them more competitive in the marketplace. Additionally, operators of major trade shows such as the International Consumer Electronics Show, the National Association of Broadcasters and SEMA testified that the LVCC is not large enough to accommodate their growing show demands, and the aging facility had fallen behind many competitors in terms of its technology infrastructure and amenities. These shortcomings could lead to shows moving all or part of their conventions to other locations, the show operators told the committee.

The LVCVA funded phase one through existing revenue streams but lacks the bonding capacity to pay for the other phases. The total cost of phase two and phase three is projected at \$1.4 billion.

Recommendation 1

Based on these findings, the SNTIC recommends that the Nevada State Legislature increase the transient lodging tax by 0.5 percent in Clark County to fund construction of the LVCC expansion and renovation project; implement a cap on the total annual LVCVA collection allowance local entities can receive at \$25 million, with any amount greater than that directed to fund construction of the LVCC expansion and renovation project; and create a board of construction industry professionals to oversee project plans and expenditures.

Stadiums, Arenas and Events Centers

As legalized casino 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. Among those offerings are special events such as concerts and sporting contests, which play an increasingly important role in the diversity of the visitor experience and the economy of Southern Nevada. Today, millions of visitors flock to the region each year to attend concerts, music festivals, awards shows and high-profile sporting events such as National Finals Rodeo, UFC, championship boxing, NBA Summer League and NASCAR racing.

This era of special events began more than 30 years ago with the opening of the Thomas & Mack Center. Since then, multiple venues have been built to accommodate the growing demand for special events. Today, Southern Nevada is home to some of the highest-grossing venues in the world, according to the



Top Stops of the Decade list released in 2012 by industry publication *Venues Today*. That list ranked Thomas & Mack Center, Mandalay Bay Events Center and Orleans Arena among the top 15 highest-grossing venues within their respective size categories. The publication also ranked UNLV's Sam Boyd Stadium fifth in the largest-venue category. These and other facilities provide a diverse mix of venues that allow the region to play host to the Electric Daisy Carnival and its more than 130,000 attendees at the Las Vegas Motor Speedway on the same weekend as the Indian National Finals Rodeo at South Point Arena.

Despite the growing number of venues within Southern Nevada, tourism officials, resort representatives and event promoters all noted during SNTIC meetings that the region lacks a state-of-the-art stadium with the seating capacity to host large-scale events such as international soccer matches, national political conventions, NFL games, neutral-site college football games and large stadium concerts. Although Las Vegas has more hotel rooms than any other U.S. market, worldwide appeal and a history of hosting major events, the absence of a modern stadium prohibits it from competing against the likes of Houston (NRG Stadium, 71,795 capacity); Phoenix (University of Phoenix Stadium, 63,400 capacity); Dallas (AT&T Stadium, 85,000 capacity) and other cities that have modern stadiums. This equates to the potential loss of large events and the hundreds of millions of dollars in economic activity they would create. The region's existing stadium, Sam Boyd Stadium, has undergone two major renovations since it was built in 1971; however, its current capacity of up to 40,000 spectators remains a limiting factor in attracting large events and enabling current events to expand.

In recent years, the University of Nevada, Las Vegas ("UNLV") has explored options for building a stadium that would serve as the home field for Rebel football games, host large-scale third-party events and provide a key selling point for the university to gain acceptance into the Pac-12 or another Power Five athletic conference. The most recent effort, the UNLV Campus Improvement Authority Board ("CIAB"), empaneled a committee of public- and private-sector leaders to study stadium needs and alternatives. The CIAB, which will continue to meet through September 2017, issued a report in 2014 summarizing the competitive landscape for large-scale events, potential stadium design options and the estimated economic impacts that a new stadium would generate. Overall, the CIAB report and speaker testimony before the SNTIC suggests that a domed stadium holds greater potential economic impact than an open-air stadium because it could host more events in its climate-controlled environment.

Whether domed or open-air, a state-of-the-art stadium will be a critical component of special events growth in Southern Nevada, both by attracting new events that are now out of reach and by supporting the expansion of current events that are constrained by the limitations of Sam Boyd Stadium. For UNLV, a new stadium within closer proximity to campus and the resort corridor would also increase interest in the football program and attendance at games, aiding its long-term goal of joining a Power Five conference and moving the university closer to aspired Top Tier status.

During the course of SNTIC meetings, a development team consisting of the Adelson family, Majestic Realty Company and The Oakland Raiders organization proposed a public-private partnership to build a 65,000-seat NFL-ready stadium in Southern Nevada. Under the proposal, the hotel room tax would be increased to fund a \$750 million public contribution to the total stadium construction cost. The development team would fund the balance of construction costs, including related infrastructure costs



and any additional cost overruns. The privately funded portion would consist of \$500 million from The Oakland Raiders with the remaining costs shared by Las Vegas Sands and Majestic Realty.

[Details of proposal are pending.]

<u>Recommendation 2</u>
Pending

Police Protection in the Resort Corridor

Responsibility for maintaining public safety within the resort corridor lies with the Las Vegas Metropolitan Police Department, which has primary law enforcement duties in the City of Las Vegas and unincorporated Clark County. For many years, department leaders have sought alternative funding sources to increase officer staffing throughout the agency’s jurisdiction and within the resort corridor. At present, the Metropolitan Police Department deploys 1.8 officers per 1,000 residents, well below the national ratio of 2.2 officer per 1,000 residents. This ratio does not include the nearly 43 million annual visitors who swell the population by more than 300,000 on a typical day.

During testimony before the SNTIC, Clark County Sheriff Joseph Lombardo said visitors along the Las Vegas Strip and in Downtown Las Vegas account for about 9 percent of his agency’s calls for service, and as visitation grows, so do the demands on his department and the officers patrolling the resort corridor. The Metropolitan Police Department does not have a dedicated funding source to support officers deployed within the resort corridor, so during the busy summer months, Sheriff Lombardo testified that he must solicit private donations from resort hotels to fund the Safe Strip program to boost police presence along Las Vegas Boulevard.

Compared with other cities with iconic tourism destinations, such as New York and New Orleans, Las Vegas has fewer officers assigned over a greater distance to police its primary tourist zone. Police presence in these high-profile areas is particularly important in today’s homeland security environment where terrorist attacks have targeted tourist destinations around the globe. Additional police officers would provide greater presence for deterring crime, responding quickly to in-progress incidents and increasing public safety for both visitors and residents in the resort corridor.



Recommendation 3

Based on these findings, the SNTIC recommends that the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percent, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population.

Recommendation 4

Based on these same findings, the SNTIC further recommends that the 2025 sunset provision of the Clark County Sales and Use Tax of 2005 be removed, effectively making permanent the incremental sales tax revenue police departments use to retain and equip additional uniformed officers throughout Southern Nevada.

McCarran International Airport

Within Southern Nevada’s tourism-based economy, perhaps no single element of the region’s tourism infrastructure is more critical than McCarran International Airport (“McCarran”). Since its creation in 1948, the airport has evolved and grown along with the community while providing a convenient and popular link between Southern Nevada and cities across the United States and around the globe. Today, that link brings 45 million passengers a year through McCarran, ranking it as the eighth-busiest airport in the country and the 26th-busiest in the world. When measured by the number of origin and destination (“O&D”) passengers, the airport was the third-busiest in the U.S. The majority of the airport’s passengers, 80 percent, consists of tourists and business travelers, making it the first and last stop in Las Vegas for roughly 18 million visitors each year.

During testimony, committee members heard from representatives of McCarran, commercial air carriers, air tour operators and ground transportation providers who spoke about their operations and potential infrastructure improvements. The primary infrastructure issue identified during testimony was Southern Nevada’s reliance on a single source of aviation fuel. Currently, the region’s only source of aviation fuel is the CALNEV pipeline, a 248-mile pipeline system that runs generally along Interstate 15 between Colton, California, and Las Vegas. The pipeline consists of two pipes: an 8-inch diameter pipe used exclusively to ship commercial aviation fuel (Jet-A), and a 14-inch diameter pipe that handles a variety of fuel types, including gasoline, diesel, military jet fuel and Jet-A fuel.

A reserve supply of aviation fuel is stored in Southern Nevada; however, that supply is limited and would not be able to serve the region’s aviation fuel needs in the event of a long-term disruption to the CALNEV pipeline operation. In recent years, McCarran’s aviation fuel supply has been interrupted many times because of accidents, natural disasters or other events.



May 1989 – A Southern Pacific freight train derailed in San Bernardino County, California, damaging the underground 14-inch pipe adjacent to the railroad tracks. A subsequent fire caused the pipeline to be shut down for several days.

January 2001 – Rolling power shortages in California caused several disruptions to the pipeline’s electricity supply over a period of weeks.

January 2002 – A computer glitch caused a 36-hour shutdown of the pipeline.

January 2005 – Heavy rains and mudslides in Southern California shut down the pipeline for nearly a week.

March 2014 – McCarran experienced a weeklong fuel shortage after a five-day supply of jet fuel that didn’t meet standards was delivered to the airport.

These disruptions required emergency measures, such as restructuring aircraft fueling to only what was necessary for the next flight segment, reducing fuel exports to outlying areas and delivering fuel to the valley using trucks. These types of measures, along with McCarran’s 10-day supply of fuel in reserve, allow for the short-term management of a pipeline disruption. That said, they would be difficult to sustain over a prolonged timeframe.

Recommendation 5

Based on these findings, the SNTIC recommends that the Nevada State Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the Southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and Legislature in advance of the 2019 session.

Pedestrian Movement in the Resort Corridor

The Las Vegas Strip is a one-of-a-kind pedestrian environment, regularly accommodating tens of thousands of walkers concentrated along four miles of Las Vegas Boulevard. Walking along the Strip remains a popular method of transportation for many visitors, despite long blocks that stretch a half mile or more and the often lengthy distances between resort entrances. In Downtown Las Vegas, heavy pedestrian movement is concentrated around the Fremont Street Experience and the Fremont East Entertainment District.

During the SNTIC meeting on the topic, representatives of Clark County and the City of Las Vegas provided testimony about their recent efforts to reduce pedestrian congestion along Las Vegas Boulevard and in downtown Las Vegas. Along Las Vegas Boulevard between Russell Road and Sahara Avenue, generally known as the Las Vegas Strip, the quality of pedestrian movement can be influenced by many factors. Although sidewalk width is generally considered the primary factor, the effective width



of a sidewalk can be reduced by permanent obstacles such as light poles, trash cans and bus stop shelters, or non-permanent obstacles such as street performers, handbillers and vendors. The greater the number of obstacles along a sidewalk, the more congested it can become when demand is heavy.

Since 2012, Clark County has empaneled a blue ribbon working group, enacted law changes and undertaken public works projects to improve pedestrian movement on the Strip. Recent ordinance changes banned pets during peak pedestrian traffic times and prohibited unlicensed vendors from selling goods on pedestrian bridges and Strip sidewalks. Additionally, ongoing construction projects are focused on widening sidewalks and relocating sign posts, fire hydrants and other physical obstructions to improve the flow of foot traffic.

The City of Las Vegas provided a presentation on investments and improvements in the downtown area to enhance the pedestrian experience. Those include numerous lighting and sidewalk improvements, a downtown circulator vehicle to help move people between various downtown destinations and an ordinance restricting busker activity at the Fremont Street Experience to 38 designated locations.

A key component of reducing pedestrian congestion along Las Vegas Boulevard or the Fremont Street area involves police enforcement of existing laws related to obstructing sidewalks and other pedestrian walkways. This enforcement is one of many responsibilities of Las Vegas Metropolitan Police Department officers assigned to the resort corridor. To help enforce these laws as well as provide improved police protection and response in the state's most-important area of economic activity, Clark County Sheriff Joseph Lombardo requested additional funding to increase staffing resources and monitoring equipment in the resort corridor. Police funding was discussed in greater detail during subsequent committee meetings and is addressed as a standalone recommendation from the SNTIC later in this document.

Currently, the actions being undertaken by local governments are actively addressing necessary infrastructure projects related to pedestrian movement within the resort corridor, therefore no further action is required by or requested of the state.

Roads, Highways and Mass Transit

For decades, Southern Nevada's rapid growth and expansion coincided with the addition of new lanes of roads and highways to accommodate the growing demand for vehicular travel throughout the area. As in many metropolitan areas across the U.S., Southern Nevada's roadway capacity has not kept pace with the increasing demands of one of the fastest-growing regions in the nation. This has led to rising congestion, particularly within the resort corridor, and growing frustration among residents and visitors alike.

This was a common refrain during committee meetings. Both committee members and speakers noted issues with traffic congestion impeding the efficient movement of visitors to and from McCarran International Airport and throughout the resort corridor. For a destination built on world-class experiences in accommodations, dining and entertainment, the experience of getting from one destination to another is frequently considered anything but world class.



During its meeting on the topic, the SNTIC heard testimony from representatives of the Regional Transportation Commission of Southern Nevada (“RTC”) specific to its Transportation Investment Business Plan (“TIBP”), a three-year effort to identify the community’s transportation infrastructure needs over the next 30 years to remain economically competitive. The TIBP included 65 recommended transportation projects within seven suites designed to increase mobility and connections between the economic centers within the central area of Las Vegas. Those economic centers include the Las Vegas Strip, Downtown Las Vegas, McCarran International Airport and the University of Nevada, Las Vegas. A number of projects are dedicated to improving mobility within the resort corridor, such as a light rail system connecting McCarran and the Strip, additional pedestrian bridges along Las Vegas Boulevard and increased public transit options for the workforce commuting to and from the corridor every day.

The committee also heard testimony from a panel of leaders from regional transportation agencies around the United States about their experiences in financing and building major transportation infrastructure projects in their respective cities.

Representatives from Clark County and the City of Las Vegas provided presentations on transportation improvements they have made and plan to make within the resort corridor, and the Las Vegas Monorail Company detailed plans to extend service to Mandalay Bay and add a stop at the Sands Expo Center, which would connect three of the largest convention centers in the nation. XpressWest also provided a status update on its plans to establish a high-speed rail line that would eventually connect Las Vegas with Los Angeles and provide a travel alternative for the 10 million annual visitors from Southern California.

Currently, the actions being undertaken by local governments and regional agencies are actively addressing necessary infrastructure projects related to roads, highways and mass transit, therefore no further action is required by or requested of the state. This finding is predicated on whether the forthcoming ballot question regarding fuel revenue indexing in Clark County is approved by voters in November, as the committee might have had transportation funding recommendations if fuel revenue indexing were not under consideration.



Appendix A

Committee Recommendations



Committee Recommendations

The Southern Nevada Tourism Infrastructure Committee recommends the following actions be undertaken by the Nevada State Legislature.

Recommendation 1: *Increase the Transient Lodging Tax to Expand and Renovate the Las Vegas Convention Center*

The committee recommends that the Nevada State Legislature increase the transient lodging tax by 0.5 percent in Clark County to fund construction of the LVCC expansion and renovation project; implement a cap on the total annual LVCVA collection allowance local entities can receive at \$25 million, with any amount greater than that directed to fund construction of the LVCC expansion and renovation project; and create a board of construction industry professionals to oversee and approve project plans and expenditures.

Recommendation 2: *Increase the Transient Lodging Tax to Fund \$750 Million Toward Construction of a Stadium Under a Public-Private Partnership*

[Pending]

Recommendation 3: *Increase the Sales Tax Rate in Clark County and Dedicate a Specified Portion to Funding Additional Police Officers Within the Resort Corridor*

The committee recommends that the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percent, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population.

Recommendation 4: *Remove the 2025 Sunset Provision of the Clark County Sales and Use Tax of 2005*

The committee recommends that the 2025 sunset provision of the Clark County Sales and Use Tax of 2005 be removed, effectively making permanent the incremental sales tax revenue police departments use to retain and equip additional uniformed officers throughout Southern Nevada.

Recommendation 5: *Authorize Study of Aviation Fuel Resources*

The committee recommends that the Nevada State Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the Southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and Legislature in advance of the 2019 session.



**Convention Center Expansion and Renovation
Legislative Recommendation**



Convention Center Expansion and Renovation
Legislative Recommendation

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTION 1 amends NRS 244 to increase the room tax by one-half of one percentage point (0.5 percent) in counties with 700,000 people or more. **SECTION 2** specifies allowable uses of the additional room tax revenue created in **SECTION 1**. **SECTION 3** enumerates prohibited uses of the additional room tax revenue created in **SECTION 1**. **SECTION 4** amends NRS 244A to cap the local government collection allowance for the transient lodging tax to an amount not greater than \$25 million per year in counties with a population of 700,000 or more; establishes the allowable uses and prohibited uses for the revenues in excess of the maximum collection allowance in Section 4. **SECTION 5** creates a committee for convention facilities in counties with a population of 700,000 or more. **SECTION 6** establishes the duty of the county fair and recreation board to provide support and information to an oversight committee for convention facilities. **SECTION 7** establishes certain reporting and duties of an oversight committee for convention facilities. **SECTION 8** amends NRS 268 to increase the room tax by one-half of one percentage point (0.5 percent) in all cities in a county with 700,000 people or more. **SECTION 9** specifies the allowable uses of the additional room tax revenue created in **SECTION 8**. **SECTION 10** enumerates prohibited uses for the additional room tax revenue created in **SECTION 8**. **SECTION 11** exempts the imposition of the increases in room tax as set forth in this Act from the business impact statement requirement. **SECTION 12** and **SECTION 13** exempt the Act from the legislative limitation on the imposition of additional transient lodging taxes. **SECTION 14** makes the Act effective upon passage and approval with ninety (90) days to implement the increase in room tax and sunsets the tax when the notes, bonds or other securities issued to fund the cost of the project have been paid in full or thirty-three (33) years, whichever occurs first, unless the state legislature determines it is in the best interest of the state’s tourism industry to extend the tax for a longer period of time.

LANGUAGE FOR CONSIDERATION

SECTION 1. *NRS 244.335X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.*

1. The board of county commissioners:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that county upon all persons in the business of providing lodging. This tax must be imposed by the board of county commissioners in each county, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 244.335.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, “gross receipts from the rental of transient lodging” does not include the tax imposed and collected from paying guests pursuant to this section.



SECTION 2. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.

1. The proceeds of the tax imposed by Section 1 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 1 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 3. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 1 may not be used:

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 2;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or

7. For any other purpose inconsistent with Section 2.

SECTION 4. NRS 244A.645 Powers of board concerning license taxes assigned or appropriated by cities, towns and counties.

In connection with any license taxes assigned or appropriated by any city, town or county, or any combination thereof, for use in connection with NRS 244A.597 to 244A.655, inclusive, the county fair and recreation board of any county, upon behalf of the county, in addition to powers elsewhere conferred, may:

1. Collect the proceeds of such taxes from time to time, receive, control, invest and order the expenditure of all money pertaining thereto, prescribe a procedure therefor, including, but not limited to:

(a) Enforcing the collection of any delinquent taxes and providing penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a transient lodging facility and the closure of a transient lodging facility for failure to pay the tax on transient lodging; and

(b) Creating an office and hiring personnel therefor.

2. Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected, excluding from this limitation and from those gross revenues any costs of collecting any delinquent taxes borne by any delinquent taxpayer.

(a) In a county whose population is 700,000 or more:

(1) The incorporated cities collectively and any county shall enter into an agreement with the board for the payment of collection fees, which may not exceed 10 percent of the proceeds of the license taxes collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed \$25 million in any single fiscal year.

(b) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a) which would have been paid to the collecting entities shall be pledged revenues for the purpose of subsection 3 of NRS 350.020 and accounted for separately and used only:

(1) To expand an existing convention center owned and operated by the county fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve and renovate the facilities of the county fair and recreation board; and

(2) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in



Subsection 1.

(c) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a), which would have been paid to the collecting entities shall not be used:

- (1) As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;*
- (2) To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;*
- (3) To operate and maintain recreational facilities under the jurisdiction of the county fair and recreation board;*
- (4) To improve and expand recreational facilities other than those authorized in Section 2;*
- (5) To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or*
- (6) For any other purpose inconsistent with Section 2.*

SECTION 5. NRS 244A.XXX Oversight panel for convention facilities: Establishment in counties whose population is 700,000 or more; membership; terms of members; meetings.

- 1. The oversight committee shall be comprised of seven (7) members that live in the county.*
- 2. Oversight committee members shall be nominated by the board of county commissioners, city councils of any incorporated city in the county, the Majority Leader of the Nevada State Senate, the Speaker of the Nevada State Assembly, and the association of gaming establishments whose membership in the county collectively paid the most gross revenue fees pursuant to NRS 463.370 in the preceding year, and shall be appointed by the Governor.*
- 3. The seven (7) members appointed by the Governor shall include:*
 - (a) Five members who are executives and/or directors of construction of active commercial hotel resort properties who have experience managing the design, engineering, cost estimating and construction of commercial conference and/or convention facilities; and*
 - (b) Two members who are experienced in the financing of capital projects within the State of Nevada.*
- 4. No two members of the oversight panel for convention facilities shall be representatives of the same company.*
- 5. The initial term for members appointed under Section 5(3)(a) shall end on June 30, 2018, and the initial term for members appointed under Section 5(3)(b) shall end on June 30, 2019. After the initial terms, the term of each member of the oversight panel is two (2) years. Members of the oversight panel are eligible for reappointment.*
- 6. The chair and vice chair of the oversight panel shall be appointed by the Governor.*
- 7. The oversight panel for convention facilities may meet at the call of the chair of the oversight panel, but is not required to hold meetings except for the purposes of carrying out its duties pursuant to this Act, or at the request of the Legislature, the Governor or county fair and recreation board.*
- 8. The oversight panel shall comply with NRS Chapter 239 and will dissolve upon the earlier of ten (10) years after the date of passage of the Act or the completion of the expansion and renovation projects as set forth in Section 2, as certified by an independent public accountant.*

SECTION 6. NRS 244A.XXX Oversight panel for convention facilities: Duty of county fair and recreation board to provide support and information. The county fair and recreation board in a county whose population is 700,000 or more shall:

- 1. Provide administrative support to the oversight panel for convention facilities to ensure its ability to fulfill the duties and responsibilities pursuant to this Act;*
- 2. Comply with all requests by the oversight panel for information;*
- 3. Prepare a 3-year plan for the renovation and expansion of convention facilities and a 5-year plan for the construction of convention facilities funded by this Act for submission to the oversight panel for its review and recommendations on or before June 30 of each even-numbered fiscal year;*
- 4. Provide an annual progress update of all projects undertaken pursuant to Sections 2 and 9 of this Act.*
 - (a) The annual progress update shall have been accepted by the fair and recreation board before being submitted to the oversight panel for convention facilities.*
- 5. Consider each recommendation, approval or disapproval of the oversight panel for convention facilities.*
 - (a) The fair and recreation board may reject the recommendation, approval or disapproval of the oversight panel for convention facilities. If the recommendation, approval or disapproval of the oversight panel for convention facilities is rejected by less than 67 percent of the voting members of the fair and recreation board, the fair and recreation board*



shall revise and resubmit the recommendation, approval or disapproval to the oversight panel for convention facilities before taking any further action on that recommendation.

6. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all construction or renovation payments made with the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the immediately preceding fiscal year; and

7. On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all bond activity and uses related to the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the preceding fiscal year.

SECTION 7. NRS 244A.XXX Duty to review and submit recommendations for convention facility expansion and renovation plans; oversight panel required to approve or deny request for issuance of certain bonds.

1. The oversight panel for convention facilities shall review and, within 30 days approve or disapprove plans for expansions to or renovation of any convention facilities undertaken pursuant to this Act.

2. In a county whose population is 700,000 or more, the oversight panel for convention facilities shall review and, within 30 days, approve or disapprove a request of the county fair and recreation board for the issuance of bonds or any other form of indebtedness pursuant to this Act.

3. The oversight panel's approval of any issuance of bonds or any other form of indebtedness as set forth in subsection 2 shall be made after the approval, if any, required by any debt management commission and prior to adoption of a resolution of intent pursuant to subsection 3 of NRS 350.020.

SECTION 8. NRS 268.09X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.

1. The city council or other governing body of each incorporated city:

(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that city upon all persons in the business of providing lodging. This tax must be imposed by the city council or other governing body of each incorporated city, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.

2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 268.095.

3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.

4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:

(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and

(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.

5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

SECTION 9. NRS 268.09X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.

1. The proceeds of the tax imposed by Section 8 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 8 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:

(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board of



the county fair and recreation board; and

(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.

2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.

SECTION 10. *NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 8 may not be used:*

1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;

2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;

3. To fund operating activities;

4. To fund any or general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;

5. To improve and expand recreational facilities other than those authorized in Section 9;

6. To construct, purchase or acquire recreational facilities other than those authorized in Section 9; or

7. For any other purpose inconsistent with Section 9.

SECTION 11. *Exemption from Business Impact Statement requirements. Any ordinance or other action of the board of county commissioners or city councils taken pursuant this Act is exempt from the requirements of NRS 237.030 thru 237.150.*

SECTION 12. NRS 244.3359 Taxes on rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration; exceptions.

1. A county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.3351, 244.3352, ~~and~~ 244.33561 *and Section 1 of this Act.*

2. A county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.33561.

3. Except as otherwise provided in subsection 2 and NRS 387.191, the Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for the promotion of tourism or for the construction or operation of tourism facilities by a convention and visitors authority.

SECTION 13. NRS 268.0968 Tax on revenues from rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration.

1. Except as otherwise provided in NRS 268.096, ~~and~~ 268.801 to 268.808 *and Section 8 of this Act*, inclusive, a city located in a county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

2. Except as otherwise provided in NRS 268.7845, a city located in a county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

3. The Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for:

(a) The promotion of tourism;

(b) The construction or operation of tourism facilities by a convention and visitors authority; or

(c) The acquisition, establishment, construction or expansion of one or more railroad grade separation projects.

SECTION 14. 1. *This Act shall become effective upon passage and approval except that Sections 1 and 8 shall be imposed ninety (90) days after passage and approval.*

2. *Transient lodging taxes created in Sections 1 and 8 of this Act shall sunset:*

(a) When the notes, bonds or other securities issued pursuant to Section 2(b) and Section 9(b) of this Act have been fully



paid; or

(b) Thirty-three (33) years from the effective date of this Act, whichever occurs first.

3. On a date not less than three years prior to the sunset of the transient lodging tax as set forth in subsection 2, the Nevada State Legislature shall consider in a public hearing whether it is in the best interest of the state's tourism industry to extend the imposition of the transient lodging taxes set forth in Sections 1 and 8 for a longer period of time.

END



**Stadium Funding Construction and Oversight
Legislative Recommendation**



**Incremental Funding for Police Protection
Legislative Recommendation**



**Suspension of the More Cops Funding Sunset
Legislative Recommendation**



Suspension of the More Cops Funding Sunset
Legislative Recommendation

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be removed.

OVERVIEW

SECTION 1 to **SECTION 21** set forth the existing provisions of the Clark County Sales and Use Tax Act of 2005. **SECTION 22** of this act removes the sunset date of October 1, 2025, for any taxes imposed by the act.

LANGUAGE FOR CONSIDERATION

Chapter 249, Statutes of Nevada, the Clark County Sales and Use Act of 2005, is Hereby Amended as Follows:

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows

SECTION 1. Short title. This act may be cited as the Clark County Sales and Use Tax Act of 2005.

SECTION 2. Legislative findings and declaration. The Legislature hereby finds and declares that:

1. Nevada continues to be the fastest-growing state in the nation, with the overwhelming majority of this population growth occurring in Clark County, which adds 6,000 to 7,000 new residents each month; 2. The increase in the number of police officers to protect the residents of Clark County has not kept pace with the explosive growth in the numbers of these residents, so, while the nation as a whole averages 2.5 police officers for each 1,000 residents, the current ratio in Clark County is now only 1.7 police officers for each 1,000 residents;
3. The crime rate in Clark County is increasing, and so is the time it takes for police officers to respond when a resident reports a crime, while the very real threat of terrorism means that police now must assume added responsibilities for homeland security;
4. A majority of the voters in Clark County approved at the November 2, 2004, General Election Advisory Question No. 9, indicating their support for an increase in the sales tax of up to one-half of 1 percent for the purpose of employing and equipping more police officers to protect the residents of Clark County;
5. It is intended that 80 percent of any additional police officers employed and equipped pursuant to this act be assigned to uniform operations for marked patrol units in the community and for the control of traffic;
6. It is further intended that each police department that receives proceeds from any sales and use tax imposed pursuant to this act establish a program that promotes community participation in protecting the residents of the community that includes, without limitation:
 - (a) A written policy of the department that sets forth its position on providing law enforcement services oriented toward the involvement of residents of the community;
 - (b) The provision of training for all police officers employed by the department that includes, without limitation, training related to:
 - (1) Methods that may be used to analyze, respond to and solve problems commonly confronted by police officers in the community;
 - (2) The cultural and racial diversity of the residents of the community;
 - (3) The proper utilization of community resources, such as local housing authorities, public utilities and local public officials, that are available to assist in providing law enforcement services; and



(4) Issues concerning not only the prevention of crime, but also concerning improving the quality of life for the residents of the community; and

(c) The formation of partnerships with the residents of the community and public and private agencies and organizations to address mutual concerns related to the provision of law enforcement services;

7. A general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act because of the demographic, economic and geographic diversity of the local governments of this State, the unique growth patterns occurring in Clark County and the special financial conditions experienced in the County related to the need to employ and equip more police officers; and

8. The powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act comply in all respects with any requirement or limitation pertaining thereto and imposed by any constitutional provisions.

SECTION 3. Definitions. Except as otherwise provided in this act or unless the context otherwise requires, terms used or referred to in this act have the meanings ascribed to them in chapter 374 of NRS, as from time to time amended, but the definitions in sections 4 to 8, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

SECTION 4. “Act” defined. “Act” means the Clark County Sales and Use Tax Act of 2005.

SECTION 5. “Board” defined. “Board” means the Board of County Commissioners of Clark County.

SECTION 6. “County” defined. “County” means Clark County.

SECTION 7. “County Treasurer” defined. “County Treasurer” means the County Treasurer of Clark County.

SECTION 8. “Department” defined. “Department” means the Department of Taxation created pursuant to NRS 360.120.

SECTION 9. Imposition of tax; allocation and use of proceeds; prerequisites to change in use.

1. The Board may enact an ordinance imposing a local sales and use tax to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department.

2. Before enacting such an ordinance, the Board shall hold a public hearing to present its plan for implementing the local sales and use tax.

3. The proceeds from the tax authorized pursuant to this section, including interest and other income earned thereon, must be:

(a) Allocated among the police departments within the County in the same ratio that the population served by each department bears to the total population of the County. As used in this paragraph, “population” means the estimated annual population determined pursuant to NRS 360.283.

(b) Used only as approved pursuant to section 13 of this act and only for the purposes set forth in this section unless the Legislature changes the use. The Board shall, before submitting to the Legislature any request to change the uses for the proceeds from the tax, submit an advisory question to the voters of the County pursuant to NRS 295.230, asking whether the uses for the proceeds from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change.



SECTION 10. Required provisions of ordinance. An ordinance enacted pursuant to this act must include provisions in substance as follows:

1. A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of:
 - (a) One-quarter of 1 percent if the date on which the tax must first be imposed is on October 1, 2005; and
 - (b) Up to an additional one-quarter of 1 percent if the date on which the increased rate must first be imposed is on or after October 1, 2009, and if the Legislature first approves the increased rate, \square the total rate not to exceed one-half of 1 percent.
2. Provisions substantially identical to those contained in chapter 374 of NRS, insofar as applicable.
3. A provision that an amendment to chapter 374 of NRS enacted after the effective date of the ordinance, not inconsistent with this act, automatically becomes part of the ordinance imposing the tax.
4. A provision that the Board shall contract with the Department, before the effective date of the ordinance, to perform all the functions incident to the administration or operation of the tax in the County.
5. A provision that a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720, inclusive, of the amount of the tax required to be paid that is attributable to the tax imposed upon the sale of, and the storage, use or other consumption in the County, including incorporated cities in the County, of, tangible personal property used for the performance of a written contract for the construction of an improvement to real property:
 - (a) That was entered into on or before the effective date of the tax; or
 - (b) For which a binding bid was submitted before that date if the bid was afterward accepted, and pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax.
6. A provision that specifies the date on which the tax must first be imposed or on which any change in the rate of tax becomes effective, which must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.

SECTION 12. Amendatory ordinances. An ordinance amending an ordinance enacted pursuant to this act, except an ordinance authorizing the issuance of bonds or other securities, must include a provision in substance that the Board shall amend a contract made pursuant to subsection 4 of section 10 of this act by a contract made between the Board and the Department before the effective date of the amendatory ordinance, unless the Board determines with the written concurrence of the Department that no such amendment of the contract is needed.

SECTION 13. Requirements for expenditure or transfer of proceeds.

1. A police department shall not expend proceeds received from any sales and use tax imposed pursuant to this act unless the expenditure has been approved by the body designated pursuant to this section for the approval of expenditures of that police department. The body designated pursuant to this section must approve the expenditure of the proceeds by the police department if it determines that:
 - (a) The proposed use of the money conforms to all provisions of this act; and
 - (b) The proposed use will not replace or supplant existing funding for the police department.
2. The body designated to approve an expenditure for:
 - (a) The Boulder City Police Department is the City Council of the City of Boulder City;
 - (b) The Henderson Police Department is the City Council of the City of Henderson;
 - (c) The Las Vegas Metropolitan Police Department is the Metropolitan Police Committee on Fiscal Affairs;
 - (d) The Mesquite Police Department is the City Council of the City of Mesquite; and



(e) The North Las Vegas Police Department is the City Council of the City of North Las Vegas.

3. In determining that a proposed use meets the requirement set forth in paragraph (b) of subsection 1, a body designated pursuant to subsection 2 must find that either:

(a) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or greater than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department; or

(b) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is less than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department and the body projects a decrease in its receipt of revenue in that fiscal year from consolidated taxes and property taxes of more than 2 percent from its base fiscal year.

4. If a body designated pursuant to subsection 2 makes a finding pursuant to subsection 3, the body shall adopt a resolution setting forth the finding and the reasons therefor. If the finding is made pursuant to paragraph (b) of subsection 3, the finding must include, without limitation, all facts supporting the projection of a decrease in revenue.

5. If a body designated pursuant to subsection 2 does not make a finding pursuant to subsection 3 for a fiscal year on or before July 1 of that fiscal year, the body shall retain the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act in the special revenue fund created by the body pursuant to section 17 of this act for use pursuant to this section. Any other body designated pursuant to subsection 2 which makes a finding pursuant to subsection 3 for that fiscal year may apply to the County Treasurer requesting approval for the use by the police department for which the other body approves expenditures of any portion of those proceeds in accordance with the provisions of this section.

6. The County Treasurer, upon receiving a request pursuant to subsection 5 and proper documentation of compliance with the provisions of this section, shall provide written notice to the designated body which failed to make a finding pursuant to subsection 3 that it is required to transfer from the special revenue fund created by the body pursuant to section 17 of this act to the County Treasurer such amount of the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act as approved by the County Treasurer for use by the designated body that submitted the request.

7. Notwithstanding the provisions of subsection 3 of section 17 of this act, a designated body that receives written notice from the County Treasurer pursuant to subsection 6 shall transfer all available required money to the County Treasurer as soon as practicable following its receipt of any portion of the proceeds. Upon receipt of the money, the County Treasurer shall transfer the money to the designated body that submitted the request, which shall deposit the money in the special revenue fund created by that designated body pursuant to section 17 of this act.

8. As used in this section, "base fiscal year" means, with respect to a body designated pursuant to subsection 2, Fiscal Year 2009-2010, except that:

(a) If, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, exceeds by more than 2 percent the amount approved for expenditure in Fiscal Year 2009-2010, the base fiscal year for that body becomes the most recent of such subsequent fiscal years.

(b) If the base fiscal year is revised pursuant to paragraph (a) and, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or less than the amount approved for expenditure in Fiscal Year 2009-2010, the base fiscal year for that body becomes Fiscal Year 2009-2010 but is subject to subsequent revision pursuant to paragraph (a).



SECTION 13.3. Suspension of requirements for expenditure of proceeds from sales and use tax imposed on or after July 1, 2013, but before July 1, 2016; report of expenditure.

1. The provisions of paragraph (b) of subsection 1 and subsections 3 to 8, inclusive, of section 13 of this act do not apply to any expenditure of proceeds from any sales and use tax imposed pursuant to this act on or after July 1, 2013, but before July 1, 2016.
2. In addition to the requirements of section 13.5 of this act:
 - (a) The periodic reports required by that section must include, with respect to the period covered by the report, a separate detailed description of the expenditure of any proceeds from the sales and use tax imposed pursuant to this act as a result of the provisions of subsection 1; and
 - (b) A governing body that is required to submit a report pursuant to section 13.5 of this act shall submit a copy of the separate detailed description required by paragraph (a) for the period covered by the report to the Director of the Legislative Counsel Bureau for transmittal to the Interim Finance Committee on or before the date by which the governing body is required to submit the report for that period to the Department pursuant to section 13.5 of this act.

SECTION 13.5. Reports.

1. Any governing body that has approved expenditures pursuant to section 13 of this act shall submit to the Department the periodic reports required pursuant to this section and such other information relating to the provisions of this act as may be requested by the Department.
2. The reports required pursuant to this section must be submitted:
 - (a) On or before:
 - (1) February 15 for the 3-month period ending on the immediately preceding December 31;
 - (2) May 15 for the 3-month period ending on the immediately preceding March 31;
 - (3) August 15 for the 3-month period ending on the immediately preceding June 30; and
 - (4) November 15 for the 3-month period ending on the immediately preceding September 30; and
 - (b) On or before August 15 for the 12-month period ending on the immediately preceding June 30.
3. Each report must be submitted on a form provided by the Department and include, with respect to the period covered by the report:
 - (a) The total proceeds received by the respective police department from the sales and use tax imposed pursuant to this act;
 - (b) A detailed description of the use of the proceeds, including, without limitation:
 - (1) The total expenditures made by the respective police department from the sales and use tax imposed pursuant to this act;
 - (2) The total number of police officers hired by the police department and the number of those officers that are filling authorized, funded positions for new officers; and
 - (3) A detailed analysis of the manner in which each expenditure:
 - (I) Conforms to all provisions of this act; and
 - (II) Does not replace or supplant funding which existed before October 1, 2005, for the police department; and
 - (c) Any other information required to complete the form for the report.
4. The Department may review and investigate the reports submitted pursuant to this section and the expenditure of any proceeds pursuant to section 13 of this act.

SECTION 13.7. Determination and use of adjusted base fiscal year. Notwithstanding the provisions of subsection 8 of section 13 of this act, for Fiscal Year 2015-2016, the base fiscal year for each body must be adjusted for the purposes of section 13 of this act as provided in this section, and that adjusted base fiscal year must be used as the base fiscal year for all purposes, including future calculations of base fiscal years. To determine the adjusted



base fiscal year for Fiscal Year 2015-2016, any expenditures authorized as a result of the provisions of subsection 1 of section 13.3 of this act must not be included when calculating the amount of money received or expended in that fiscal year.

SECTION 14. Payment of proceeds to Department; distribution of proceeds.

1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.
2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.
3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:
 - (a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax.
 - (b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).
 - (c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

SECTION 15. Redistribution of improperly distributed proceeds. The Department may redistribute any proceeds from the tax, interest or penalty collected pursuant to this act which is determined to be improperly distributed, but no such redistribution may be made as to amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.

SECTION 16. Creation by County Treasurer of fund for use of proceeds; distribution of money.

1. The County Treasurer shall deposit money received from the State Controller pursuant to paragraph (c) of subsection 3 of section 14 of this act into the County Treasury for credit to a fund created for the use of the proceeds from the tax authorized by this act.
2. The fund of the County created for the use of the proceeds from the tax authorized by this act must be accounted for as a separate fund and not as a part of any other fund.
3. The County Treasurer upon receipt of the money remitted to him or her pursuant to this section shall distribute it to the appropriate accounts in accordance with the allotments established pursuant to section 9 of this act.

SECTION 17. Creation by city treasurers of special revenue fund for use of proceeds.

1. The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant to subsection 3 of section 16 of this act into a special revenue fund created for the use of the proceeds from the tax authorized by this act.
2. Each special revenue fund created for the use of the proceeds from the tax authorized by this act pursuant to subsection 1 must be accounted for as a separate fund and not as a part of any other fund.
3. Interest earned on a special revenue fund created pursuant to subsection 1 must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury at the end of any fiscal year.



SECTION 20. Action by Department on behalf of County. In a proceeding arising from an ordinance imposing a tax pursuant to this act, the Department may act for and on behalf of the County.

SECTION 21. Construction of act; severability of provisions.

1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.
2. This act must not be construed to prevent the exercise of any power granted by any other law to the County or any officer, agent or employee of the County.
3. This act must not be construed to repeal or otherwise affect any other law or part thereof.
4. This act is intended to provide a separate method of accomplishing the objectives of the act, but not an exclusive method.
5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the provisions or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 22. *This act is hereby amended upon passage and approval and shall not expire by limitation at any future date.*

END



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Pending



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Impact Summary

Las Vegas Stadium | Development and Operations

Project Highlights

- Development and operations of a world-class stadium suitable for a National Football League (NFL) team and a collegiate team within a Power Five athletic conference
- Total project cost (subject to material revision):
 - Construction costs: \$1,325 Million
 - Land, infrastructure, site costs: 375 Million
 - Practice facility: 100 Million
 - Contingency: 100 Million
 - Total (a): \$1,900 Million
- Funding sources (subject to material revision):
 - Team investment (b): \$500 Million
 - Public investment (c): 750 Million
 - Private investment: 650 Million
 - Total: \$1,900 Million

Economic Summary

Annual Economic Impact (Output):	\$620 Million
Annual Incremental Visitors:	450,000
Annual Incremental Room Nights:	708,400
Construction Employment:	18,711
Permanent Jobs (Incremental):	5,982
Avg. Annual Wage of New Jobs:	\$38,500

Fiscal (Revenue) Summary

State General Fund Revenue:	\$12.5 Million
Local Government Revenue:	\$22.5 Million
Total Fiscal (Revenue) Impacts:	\$35.0 Million
Education Funding (State & Local):	\$13.4 Million

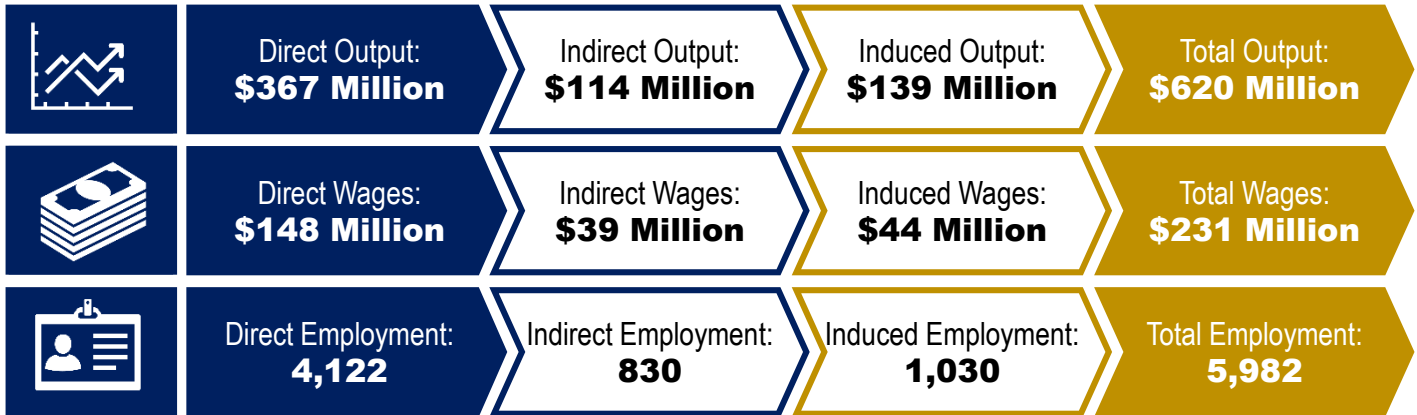


(a) Sourced to August 25, 2106 SNTIC meeting presentation.
 (b) Sourced to debt financing, personal seat license (PSL) funding and NFL G-4 program.
 (c) Sourced to a proposed 0.88% room tax increase (equates to 39 percent of total funding).

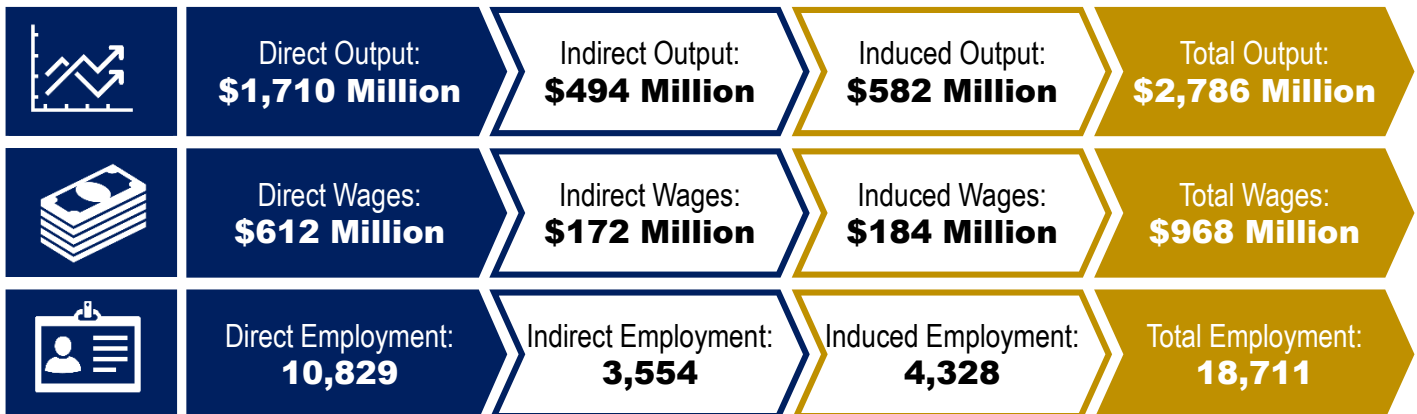
Impact Summary

Las Vegas Stadium | Development and Operations

Economic Impacts (Recurring Annual Impacts During Operations)

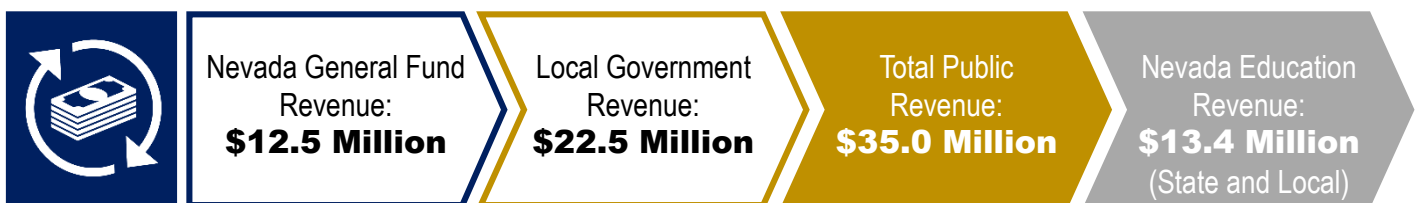


Economic Impacts (One-Time Impacts During Construction)



Notes: Employment impacts during the construction phase are stated in person-years of employment (i.e., one person employed full time for a year). Direct impacts are estimated based on 90 percent of the total investment of \$1.9 billion to account for land acquisition and other costs.

Fiscal (Public Revenue) Impacts (Recurring Annual During Operations)



Economic impacts are sourced to IMPLAN, an input-output model that utilizes complex economic equations to explain how the "outputs" of one industry become the "inputs" of others, and vice versa. This relationship is sometimes referred to as the "multiplier effect," illustrating how changes in one sector of the economy can affect other sectors. Input-output models, as is the case with all econometric models, are not without their limitations; the statistical model used in this analysis, IMPLAN, for example, assumes that capital and labor are used in fixed proportions. Fiscal impacts were quantified for the largest categories sourced to new consumer spending and potentially lost spending. Fiscal impacts are only estimated on direct spending to avoid double counting.



Incremental Funding For Police Protection
Legislative Recommendation | Preliminary Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~[omitted material]~~ is material to be removed.

OVERVIEW

SECTION 1 of this act provides that the act shall be known as the Clark County Crime Prevention Act of 2016. **SECTION 2** provides a series of legislative findings supporting the creation of a special act in Clark County to address the region's interest in enhanced public safety. **SECTION 3** through **SECTION 8** provide definitions for terms used within this act. **SECTION 9** of this act authorizes the Clark County Board of County Commissioners to impose a 0.1 percent sales and use tax. The proceeds of this tax must be used to employ and equip additional police officers. **SECTION 9** also provides for a two-tier distribution of the proceeds of the sales and use tax, with the first tier being allocated to the Las Vegas Metropolitan Police Department for use within the resort corridor and the second tier being allocated to police departments throughout Clark County based on population. **SECTION 10** and **SECTION 11** detail provisions that must be included in the ordinance should the Clark County Board of County Commissioners authorize a sales tax increase pursuant to this act. **SECTION 12** sets forth the requirements of expending or transferring the proceeds of the tax imposed by this act. **SECTION 13** establishes the reporting and accountability requirements for police departments and local governments should the Clark County Board of County Commissioners authorize the sales and use tax increase. **SECTION 14** of this acts sets forth the distribution of the tax revenues generated pursuant to this act and sets aside an administrative collection allowance for the Nevada Department of Taxation. **SECTION 15** of this act provides for the reallocation of tax funds should the Nevada Department of Taxation determine the proceeds of the tax have been improperly allocated. **SECTION 16** and **SECTION 17** create specific county and city funds for the allocation of the proceeds of the tax imposed by this act. **SECTION 18** allows the Nevada Department of Taxation to act on behalf of Clark County in the event legal action is brought regarding this act. **SECTION 19** sets forth the legal construction and severability of this act. **SECTION 20** makes this act effective immediately upon passage and approval.

LANGUAGE FOR CONSIDERATION

CLARK COUNTY CRIME PREVENTION ACT OF 2016
CHAPTER 249, STATUTES OF NEVADA, 2016

SECTION 1. Short title. This act may be cited as the Clark County Crime Prevention Act of 2016.

SECTION 2. Legislative findings and declaration. The Legislature hereby finds and declares that:

1. Nevada continues to be among fastest-growing states in the nation, with the majority of this population growth occurring in Clark County, a region adding 3,000 to 4,000 residents each month;
2. Nevada tourism industry is critically important to the state and local economy, with annual visitor counts in the Clark County exceeding 45 million annually, growing by approximately 1 million trips each year.
3. The increase in the number of police officers to protect the residents and visitors of the Clark County

has failed to keep pace with growth; while the nation as a whole averages 2.2 police officers for each 1,000 residents, the current ratio in Clark County is currently 1.73 officers per 1,000 residents, without adjustment for visitors, which account for nearly 17 percent of the Clark County's full-time equivalent population base;

4. The crime rate in Clark County and within its core resort corridors is increasing, putting residents, visitors and the local economy at an unacceptable level of risk;
5. Funding sources for police protection have struggled to recover post-recession, making it increasingly difficult for police departments in Clark County to dedicate sufficient resources where needed without depleting coverage in other areas of Clark County;
6. A general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act because of the demographic, economic and geographic diversity of the local governments of this State, the unique growth patterns occurring in Clark County and the special financial conditions experienced in the Clark County related to the need to employ and equip more police officers; and
7. The powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act comply in all respects with any requirement or limitation pertaining thereto and imposed by any constitutional provisions.

SECTION 3. Definitions. Except as otherwise provided in this act or unless the context otherwise requires, terms used or referred to in this act have the meanings ascribed to them in chapter 374 of NRS, as from time to time amended, but the definitions in sections 4 to 8, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

SECTION 4. "Act" defined. "Act" means the Clark County Crime Prevention Act of 2016.

SECTION 5. "Board" defined. "Board" means the Board of County Commissioners of Clark County.

SECTION 6. "County" defined. "County" means Clark County.

SECTION 7. "County Treasurer" defined. "County Treasurer" means the County Treasurer of Clark County.

SECTION 8. "Department" defined. "Department" means the Department of Taxation created pursuant to NRS 360.120.

SECTION 8. "Resort corridor" defined. The "resort corridor" as used herein shall be defined as the area depicted in Appendix A of this act.

SECTION 9. Imposition of tax; allocation and use of proceeds; prerequisites to change in use.

1. The Board may enact an ordinance imposing a local sales and use tax of 0.1 percent to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department.
2. Before enacting such an ordinance, the Board shall hold a public hearing to present its plan for implementing the local sales and use tax.

3. The proceeds from the tax authorized pursuant to subsection 1, including interest and other income earned thereon, must be allocated as follows.

(a) A first tier allocation shall be made to the Las Vegas Metropolitan Police Department for resort corridor public safety. This allocation shall be referred to as the “tier one resort corridor public safety sales tax allocation” and shall be based on the estimated share of the sales and use tax generated within the resort corridor. The resort corridor allocation shall be estimated as follows.

(1) The Board shall obtain in October of each year:

(I) Clark County visitor volume for the preceding calendar year as published by the Las Vegas Convention and Visitors Authority;

(II) The most recent estimates available as to average length of stay for all visitors, including the average number of days per trip and the average number of nights per trip as published by the Las Vegas Convention and Visitors Authority;

(III) The most recent Clark County resident population estimate as published by the Nevada State Demographer.

(2) The Board shall estimate Clark County’s full-time equivalency population by dividing the sum of the following by 365:

(I) The product produced by multiplying the visitor volume estimate obtained pursuant to paragraph (a)(1)(I) of subsection 3 and the average stay per visitor. The average stay per visitor shall equal the average length of stay for visitors measured in days stayed plus the average length of stay for visitors measured in nights stayed, both obtained pursuant to paragraph (a)(1)(II) of subsection 3, divided by two. This factor shall be referred to as the “visitor population-day estimate.”

(2) The product produced by multiplying Clark County’s estimated resident population obtained pursuant to paragraph (a)(1)(III) of subsection 3 and 365. This factor shall be referred to as the “resident population-day estimate.”

(3) The Board shall estimate the full-time equivalency population share attributable to visitors by dividing:

(I) The visitor-day estimate produced pursuant to paragraph (a)(2)(I); by

(II) The total number of person days in Clark County, which shall be the sum of the visitor-day estimate produced pursuant to paragraph (a)(2)(I) and the resident-day estimate produced pursuant to paragraph (a)(2)(II).

(III) This factor shall be referred to as the “visitor population share.”

(4) The quotient produced pursuant to paragraph (a)(3) of subsection 3 shall be multiplied by a visitor sales tax increment factor of 1.15. This resulting value shall be referred to as the “resort corridor sales tax share.”

(5) The resort corridor sales tax share generated in paragraph (a)(4) of subsection 3 shall be multiplied by the total amount of the taxes collected pursuant to subsection 1. The resulting product shall be amount of the tier one resort corridor public safety sales tax allocation.

(b) The second tier allocation shall be made for all sales and use taxes collected pursuant to subsection 1 less the tier one resort corridor public safety sales tax allocation made pursuant to paragraph (a)(5) of subsection 3. This allocation shall be referred to as the “tier two public safety sales tax allocation.”

(1) The second tier public safety sales tax allocation shall be distributed among the police departments within the County in the same ratio that the population served by each department bears to the total population of the County. As used in this paragraph, “population” means the estimated annual population determined pursuant to NRS 360.283.

4. The formula used to allocate the proceeds of the tax imposed by subsection 1 as set forth in

subsection 3 shall not be changed for three years from the effective date of this act. From that point forward, the Board may, once in every even-numbered year, reconsider the resort corridor sales tax share calculated pursuant to subsection 3. Should the Board determine that there is a rational basis to modify the resort corridor sales tax share, it shall notify all affected local governments and police departments of the change at least twelve months in advance of making that change.

5. Notwithstanding the provisions of subsection 6 of this section and section 12 of this act:

(a) The proceeds of the tier one resort corridor public safety sales tax allocation shall be used solely for law enforcement and crime prevention within the resort corridor and shall not supplant, replace, offset or otherwise reduce police funding allocations, measured by either funding levels or staffing allocation, within the resort corridor.

(b) The proceeds of the tier two public safety sales tax allocation shall be used solely for law enforcement and crime prevention throughout County and shall not supplant, replace, offset or otherwise reduce police funding allocations, measured by either funding levels or staffing allocation, for police protection in the County or any city within the County.

(c) Distribution of the tier two public safety sales tax allocation shall include the resort corridor and there shall be no discount, offset or other reduction to this distribution in consideration of the tier one resort corridor public safety sales tax allocation or any other revenues dedicated to the resort corridor law enforcement or crime prevention.

6. The taxes imposed pursuant to subsection 1 of this act and distributed pursuant to subsection 3 shall be used only as approved pursuant to section 12 of this act unless the Legislature changes the use. The Board shall, before submitting to the Legislature any request to change the uses for the proceeds from the tax, submit an advisory question to the voters of the County pursuant to NRS 295.230, asking whether the uses for the proceeds from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change.

SECTION 10. Required provisions of ordinance. An ordinance enacted pursuant to this act must include provisions in substance as follows:

1. A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of one-tenth of 1 percent.

2. Provisions substantially identical to those contained in chapter 374 of NRS, insofar as applicable.

3. A provision that an amendment to chapter 374 of NRS enacted after the effective date of the ordinance, not inconsistent with this act, automatically becomes part of the ordinance imposing the tax.

4. A provision that the Board shall contract with the Department, before the effective date of the ordinance, to perform all the functions incident to the administration or operation of the tax in the County.

5. A provision that a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720, inclusive, of the amount of the tax required to be paid that is attributable to the tax imposed upon the sale of, and the storage, use or other consumption in the County, including incorporated cities in the County, of, tangible personal property used for the performance of a written contract for the construction of an improvement to real property:

(a) That was entered into on or before the effective date of the tax; or

(b) For which a binding bid was submitted before that date if the bid was afterward accepted, and pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax.

6. A provision that specifies the date on which the tax must first be imposed or on which any change in the rate of tax becomes effective, which must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.

SECTION 11. Amendatory ordinances. An ordinance amending an ordinance enacted pursuant to this act, except an ordinance authorizing the issuance of bonds or other securities, must include a provision in substance that the Board shall amend a contract made pursuant to subsection 4 of section 10 of this act by a contract made between the Board and the Department before the effective date of the amendatory ordinance, unless the Board determines with the written concurrence of the Department that no such amendment of the contract is needed.

SECTION 12. Requirements for expenditure or transfer of proceeds.

1. A police department shall not expend proceeds received from any sales and use tax imposed pursuant to this act unless the expenditure has been approved by the body designated pursuant to this section for the approval of expenditures of that police department. The body designated pursuant to this section must approve the expenditure of the proceeds by the police department if it determines that:

- (a) The proposed use of the money conforms to all provisions of this act; and
- (b) The proposed use will not replace or supplant existing funding for the police department.

2. The body designated to approve an expenditure for:

- (a) The Boulder City Police Department is the City Council of the City of Boulder City;
- (b) The Henderson Police Department is the City Council of the City of Henderson;
- (c) The Las Vegas Metropolitan Police Department is the Metropolitan Police Committee on Fiscal Affairs;
- (d) The Mesquite Police Department is the City Council of the City of Mesquite; and
- (e) The North Las Vegas Police Department is the City Council of the City of North Las Vegas.

3. In determining that a proposed use meets the requirement set forth in paragraph (b) of subsection 1, a body designated pursuant to subsection 2 must find that either:

- (a) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or greater than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department; or
- (b) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is less than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department and the body projects a decrease in its receipt of revenue in that fiscal year from consolidated taxes and property taxes of more than 2 percent from its base fiscal year.

4. If a body designated pursuant to subsection 2 makes a finding pursuant to subsection 3, the body shall adopt a resolution setting forth the finding and the reasons therefor. If the finding is made pursuant to paragraph (b) of subsection 3, the finding must include, without limitation, all facts supporting the projection of a decrease in revenue.

5. If a body designated pursuant to subsection 2 does not make a finding pursuant to subsection 3 for a fiscal year on or before July 1 of that fiscal year, the body shall retain the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act in the special revenue fund created by the body pursuant to section 17 of this act for use pursuant to this section. Any other body designated pursuant to subsection 2, which makes a finding pursuant to subsection 3 for that fiscal year

may apply to the County Treasurer requesting approval for the use by the police department for which the other body approves expenditures of any portion of those proceeds in accordance with the provisions of this section.

6. The County Treasurer, upon receiving a request pursuant to subsection 5 and proper documentation of compliance with the provisions of this section, shall provide written notice to the designated body, which failed to make a finding pursuant to subsection 3 that it is required to transfer from the special revenue fund created by the body pursuant to section 17 of this act to the County Treasurer such amount of the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act as approved by the County Treasurer for use by the designated body that submitted the request.

7. Notwithstanding the provisions of subsection 3 of section 17 of this act, a designated body that receives written notice from the County Treasurer pursuant to subsection 6 shall transfer all available required money to the County Treasurer as soon as practicable following its receipt of any portion of the proceeds. Upon receipt of the money, the County Treasurer shall transfer the money to the designated body that submitted the request, which shall deposit the money in the special revenue fund created by that designated body pursuant to section 17 of this act.

8. As used in this section, "base fiscal year" means, with respect to a body designated pursuant to subsection 2, Fiscal Year 2015-2016, except that:

(a) If, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, exceeds by more than 2 percent the amount approved for expenditure in Fiscal Year 2015-2016, the base fiscal year for that body becomes the most recent of such subsequent fiscal years.

(b) If the base fiscal year is revised pursuant to paragraph (a) and, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or less than the amount approved for expenditure in Fiscal Year 2015-2016, the base fiscal year for that body becomes Fiscal Year 2015-2016, but is subject to subsequent revision pursuant to paragraph (a).

9.

SECTION 13. Funding accountability and reporting requirements.

1. Any governing body that has approved expenditures pursuant to section 12 of this act shall submit to the Department the periodic reports required pursuant to this section and such other information relating to the provisions of this act as may be requested by the Department.

2. The reports required pursuant to this section must be submitted:

(a) On or before:

(1) February 15 for the 3-month period ending on the immediately preceding December 31;

(2) May 15 for the 3-month period ending on the immediately preceding March 31;

(3) August 15 for the 3-month period ending on the immediately preceding June 30; and

(4) November 15 for the 3-month period ending on the immediately preceding September 30; and

(b) On or before August 15 for the 12-month period ending on the immediately preceding June 30.

3. Each report must be submitted on a form provided by the Department and include, with respect to the period covered by the report:

(a) The total proceeds received by the respective police department from the sales and use tax imposed pursuant to this act;

(b) A detailed description of the use of the proceeds, including, without limitation:

- (1) The total expenditures made by the respective police department from the sales and use tax imposed pursuant to this act;
 - (2) The total number of police officers hired by the police department and the number of those officers that are filling authorized, funded positions for new officers;
 - (3) A detailed analysis of the manner in which each expenditure:
 - (I) Conforms to all provisions of this act; and
 - (II) Does not replace or supplant funding or staffing levels, which existed before October 1, 2016, for the police department;
 - (c) An analysis demonstrating how the proceeds of the taxes imposed by section 9 of this act are being used to prevent crimes from occurring and their effectiveness in actual crime prevention; and
 - (d) Any other information required to complete the form for the report.
4. The Las Vegas Metropolitan Police Department shall prepare and submit separate and distinct reports as required by this section for its tier one resort corridor public safety sales tax allocation received pursuant to paragraph (3)(a) of section 9 of this act and its tier two public safety sales tax allocation received pursuant to paragraph (3)(b) of section 9 of this act. In addition to all other reporting requirement set forth in this section, both reports prepared by the Las Vegas Metropolitan Police Department shall include evidence that the tier one resort corridor public safety sales tax allocations is not offsetting, supplanting, replacing or otherwise reducing the amount of money allocated to the resort corridor from the tier two public safety sales tax allocation.
5. The Department may review and investigate the reports submitted pursuant to this section and the expenditure of any proceeds pursuant to section 12 of this act.

SECTION 14. Payment of proceeds to Department; distribution of proceeds.

1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.
2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.
3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:
 - (a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax.
 - (b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).
 - (c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

SECTION 15. Redistribution of improperly distributed proceeds. The Department may redistribute any proceeds from the tax, interest or penalty collected pursuant to this act which is determined to be improperly distributed, but no such redistribution may be made as to amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.

SECTION 16. Creation by County Treasurer of fund for use of proceeds; distribution of money.

1. The County Treasurer shall deposit money received from the State Controller pursuant to paragraph (c) of subsection 3 of section 14 of this act into the County Treasury for credit to a fund created for the use of the proceeds from the tax authorized by this act.
2. The fund of the County created for the use of the proceeds from the tax authorized by this act must be accounted for as a separate fund and not as a part of any other fund.
3. The County Treasurer upon receipt of the money remitted to him or her pursuant to this section shall distribute it to the appropriate accounts in accordance with the allotments established pursuant to section 9 of this act.

SECTION 17. Creation by city treasurers of special revenue fund for use of proceeds.

1. The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant to subsection 3 of section 16 of this act into one or more special revenue funds created for the use of the proceeds from the tax authorized by this act.
 - (a) The Las Vegas Metropolitan Police Department shall create a separate fund and otherwise account separately for tier one resort corridor public safety sales tax allocation it receives pursuant to paragraph (a) of subsection 3 of this act.
2. Each special revenue fund created for the use of the proceeds from the tax authorized by this act pursuant to subsection 1 must be accounted for as a separate fund and not as a part of any other fund.
3. Interest earned on a special revenue fund created pursuant to subsection 1 must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury at the end of any fiscal year.

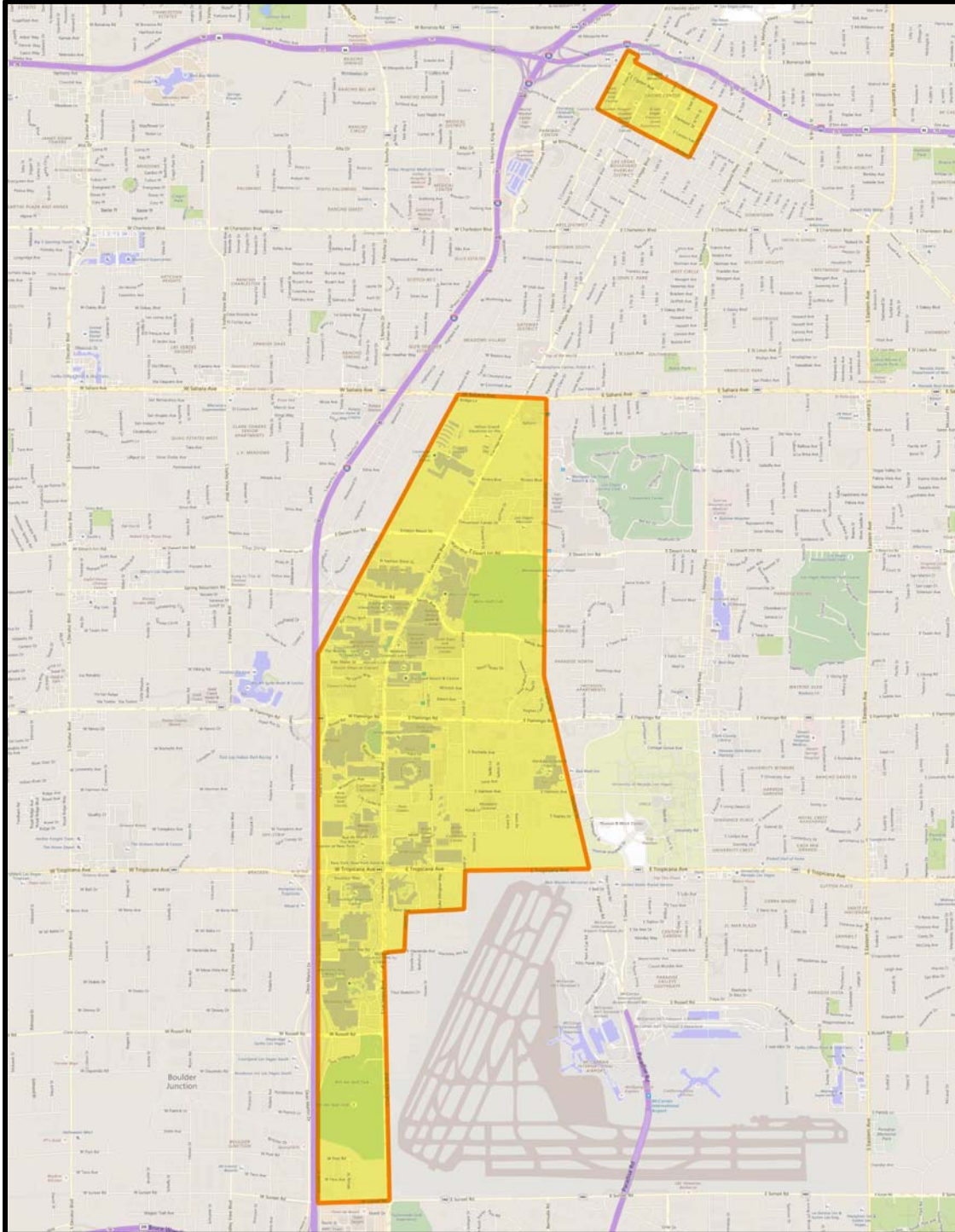
SECTION 18. Action by Department on behalf of County. In a proceeding arising from an ordinance imposing a tax pursuant to this act, the Department may act for and on behalf of the County.

SECTION 19. Construction of act; severability of provisions.

1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.
2. This act must not be construed to prevent the exercise of any power granted by any other law to the County or any officer, agent or employee of the County.
3. This act must not be construed to repeal or otherwise affect any other law or part thereof.
4. This act is intended to provide a separate method of accomplishing the objectives of the act, but not an exclusive method.
5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the provisions or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 20. 1. Sections 1 to 19, inclusive, of this act become effective upon passage and approval of this act.

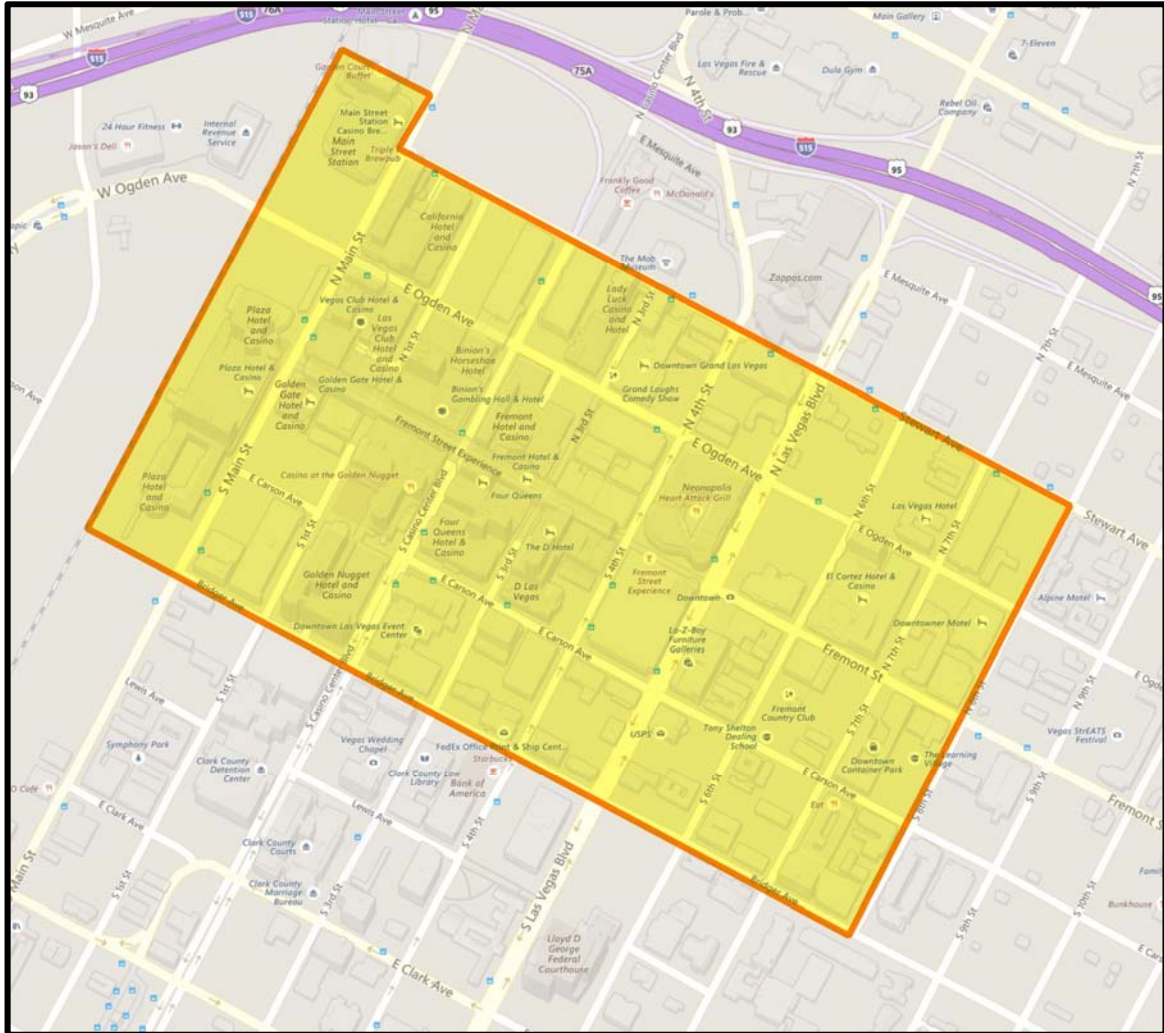
APPENDIX A
ALTERNATIVE 1



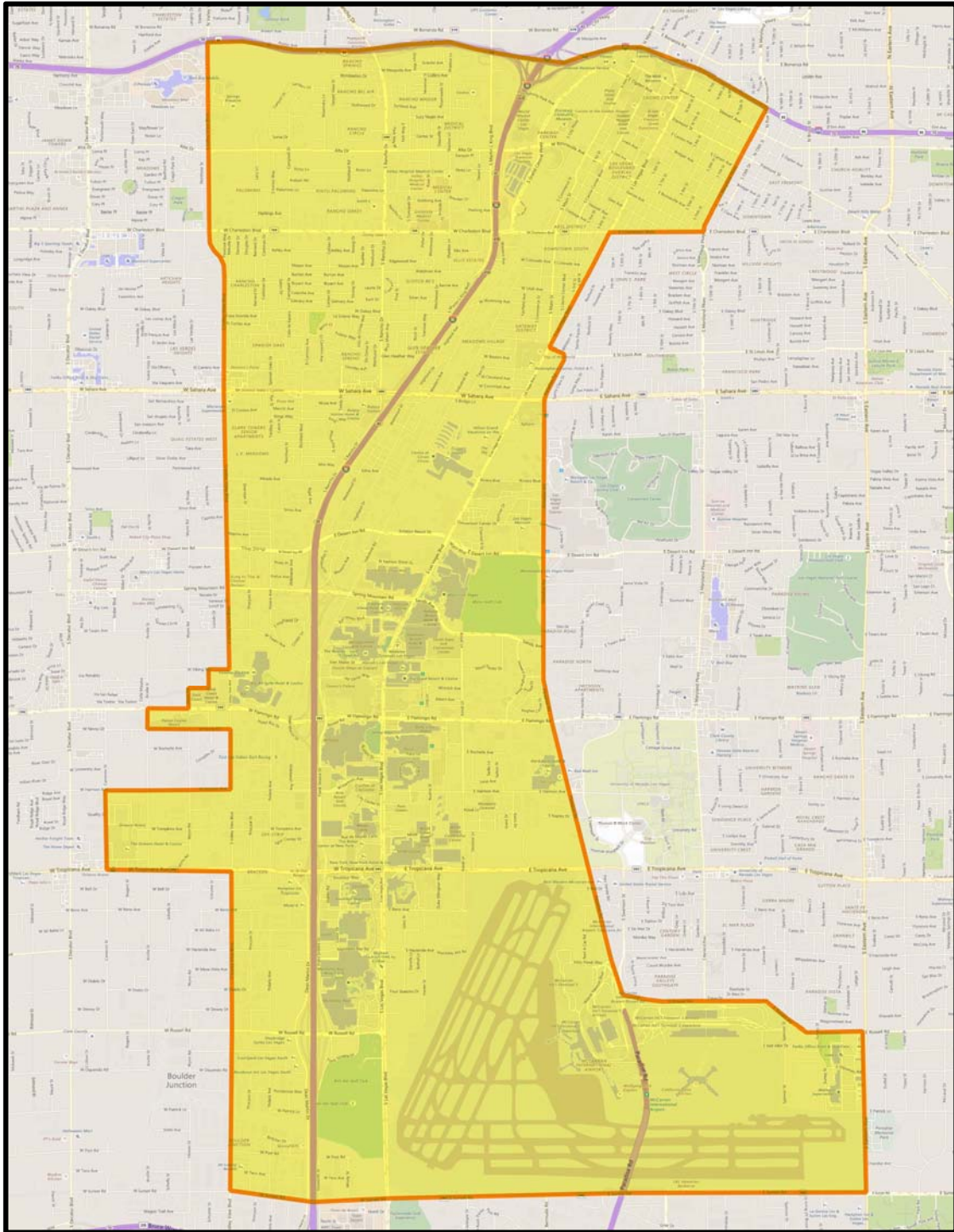
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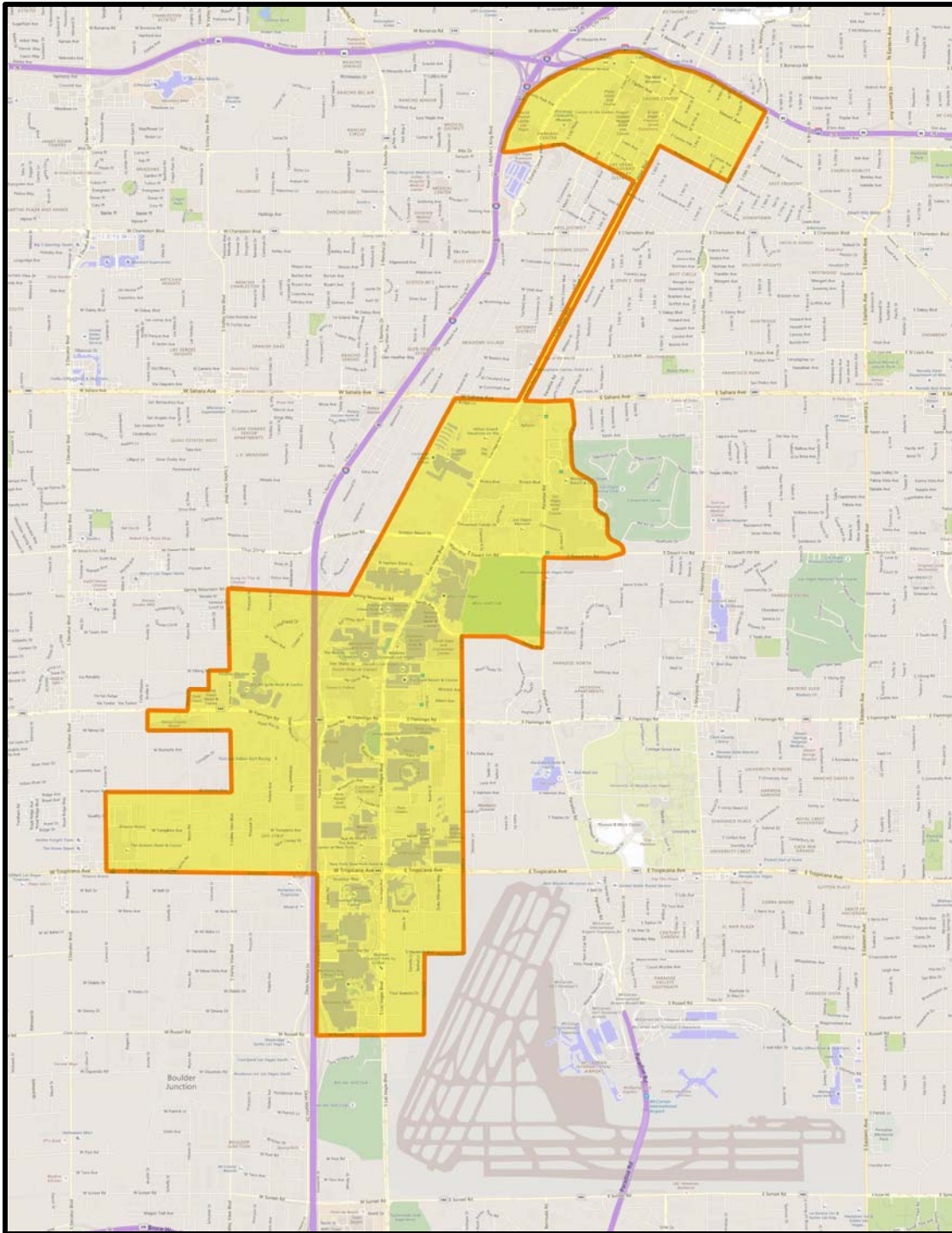
ALTERNATIVE 1 Downtown Las Vegas Detail



ALTERNATIVE 2



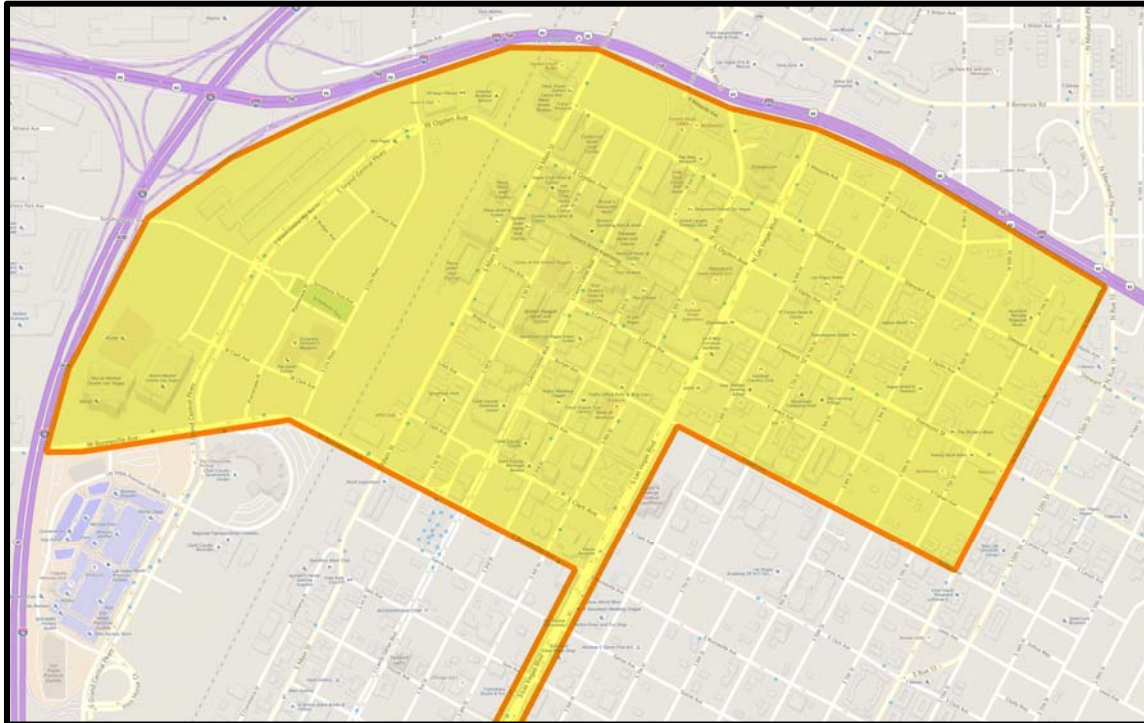
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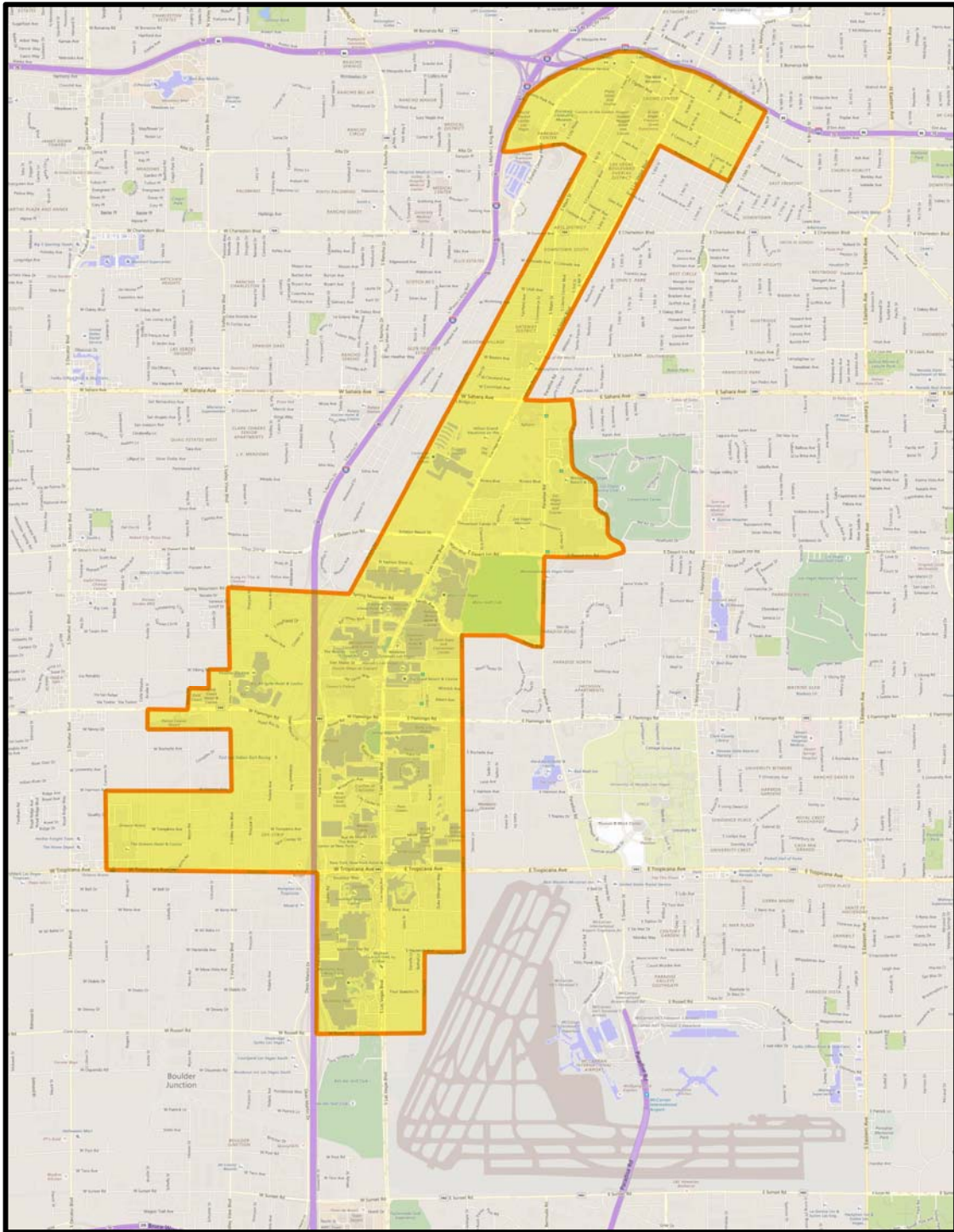
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ALTERNATIVE 3 Downtown Las Vegas Detail



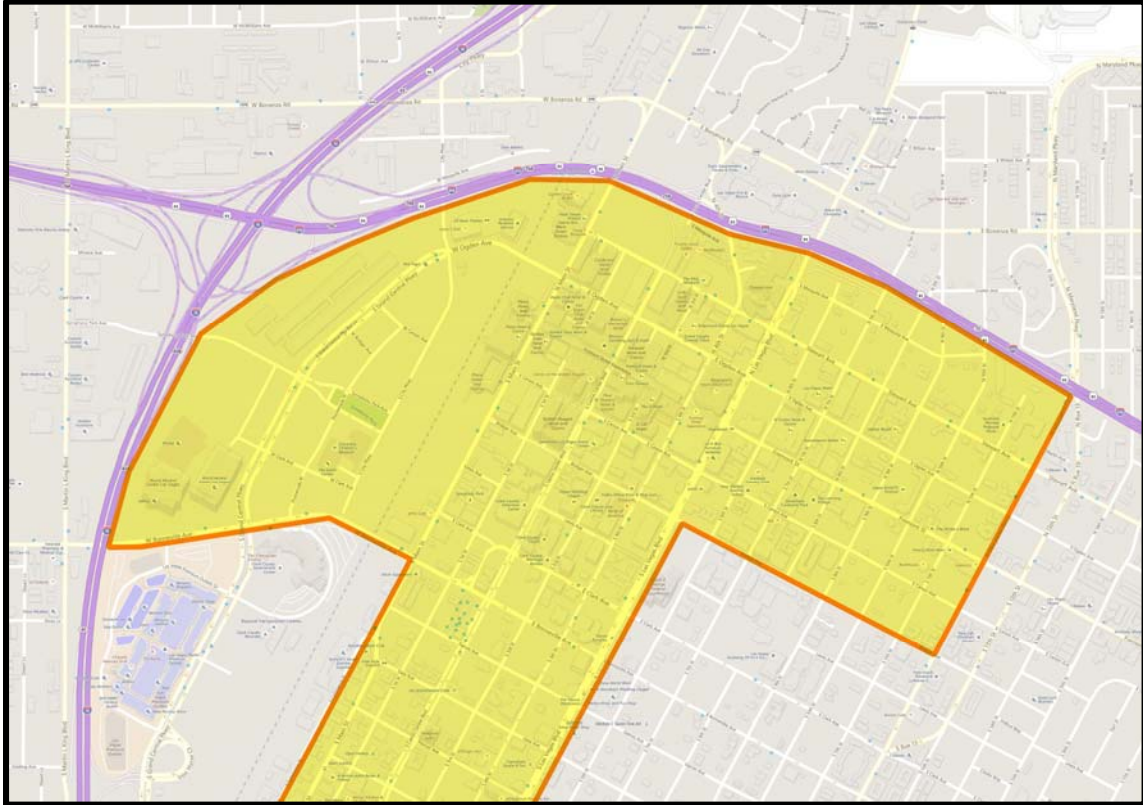
ALTERNATIVE 4



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ALTERNATIVE 4 Downtown Las Vegas Detail



Stadium Project Funding, Administration and Oversight
Stadium Recommendation Working Draft

EXPLANATION: Matter in *bolded italics* is new; matter between brackets ~~{omitted material}~~ is material to be removed.

OVERVIEW

SECTION 1 to **SECTION 25** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League (NFL) stadium project in a county whose population is 700,000 or more (currently Clark County). **SECTION 11** through **SECTION 19** create a stadium authority as a public body and establish its powers and authorities. **SECTION 20** creates a stadium district to finance an NFL stadium project or a collegiate stadium project in such a county and provides that the stadium district consists of all property that is located within the county that is within 25 miles from the location where the board of county commissioners have their regular meetings. **SECTION 20** of this bill also provides for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the stadium district at a specified rate of the gross receipts from the rental of transient lodging in the stadium district. **SECTION 21** and **SECTION 22** of this bill require the stadium authority for the county in which the stadium district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project within the stadium district. **SECTION 23** of this bill provides a number of special conditions that the stadium authority must include in any agreements with the developer and operator of the NFL stadium project. **SECTION 24** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project, if an NFL franchise commits to locate or relocate to the stadium district. **SECTION 25** defines exemptions from and applicability of certain Nevada Revised Statutes dealing with public works. **SECTION 26** transfers collected tax dollars, in the event an NFL franchise does not commit to locate or relocate to the stadium district or other conditions are not met, to a university within the stadium district where that university obtains a commitment of at least \$200,000,000 in funding for a collegiate stadium on its campus. If the conditions for the use of the proceeds of the tax for an NFL stadium project or a collegiate stadium project are not satisfied, **SECTION 26** then requires that the proceeds of the tax be distributed to the county fair and recreation board to pay debts incurred for capital facilities and that all stadium project-related tax increases sunset. **SECTION 27** defines an undertaking for the development of a collegiate stadium project to include the collegiate stadium itself and any supporting projects, improvements or facilities. **SECTION 28** to **SECTION 35** create a campus improvement authority as a public body and defines its powers and authorities. **SECTION 36** reduces the room lodging tax rate imposed by **SECTION 20** in the event the proceeds of the tax will be used to construct a collegiate stadium project as opposed to an NFL stadium project. **SECTION 37** through **SECTION 39** of this bill require the campus improvement authority for the county in which the stadium district is located to use the proceeds of the lodging tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium within the stadium district. **SECTION 40** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium if an NFL franchise does not commit to locate or relocate to the district and a university within the stadium district obtains a commitment of at least \$200,000,000 in private funding for a collegiate stadium on its campus. **SECTION**

41 of this bill clarifies that no provision of this bill shall infringe on the rights and powers of a university or its board of regents. **SECTION 41.5** of this bill provides the procedures under which bond may be issued pursuant to this act. **SECTION 42** establishes the terms of stadium authority board members. **SECTION 43** establishes the terms of campus improvement authority board members. **SECTION 44** provides a timeline for certain actions required by the NFL franchise, stadium developers and the stadium authority board. **SECTION 45** establishes effective dates for each section of the act.

LANGUAGE FOR CONSIDERATION

DEFINITIONS

SECTION 1. *As used in section 1 to 45, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 through 45 of this act have the meanings so ascribed to them in those sections.*

SECTION 2. *“Developer partner” means one or more private parties providing funds needed to construct the stadium project or providing all or a portion of funds needed to make capital improvements to the stadium project in the stadium district. The developer partner, or its affiliate, may also be a part owner or owner of the Stadium Events Company.*

SECTION 3. *“Stadium district” means the district to finance a stadium project that is created by section 20 of this act.*

SECTION 4. *“NFL team” means the National Football League franchise that has committed to locate or relocate to the District and utilize the stadium project for its home National Football League games and related activities. The NFL team, or its affiliate, may also be a part owner or owner of the Stadium Events Company and may be a developer partner.*

SECTION 5. *“Stadium authority” means the stadium authority for the county in which a district is located and is inclusive of its appointed board pursuant to this act.*

SECTION 6. *“Stadium Events Company” means the legal entity owned by and comprised of the NFL team, or its affiliate, and/or any other developer partner, or its affiliate, contributing equity to pay a portion of construction costs of the NFL stadium project. Stadium Events Company will lease the NFL stadium project pursuant to a long-term lease with the stadium authority. Stadium Events Company will be responsible for all stadium operating cost overruns.*

SECTION 7. *“NFL stadium project” means a domed stadium developed within the stadium district containing approximately 65,000 seats constructed by one or more developer partners in cooperation with an NFL team. The location, design, fit and finish of the NFL stadium project shall be consistent with first-class, premier National Football League facilities currently in operation or approved for construction by the National Football League.*

SECTION 8. *“Collegiate stadium project” means a stadium developed within the district containing not less than 40,000 seats constructed by a public university. The location, design, fit and finish of the*

stadium project shall be consistent with similar competitive facilities existing at universities in Power Five athletic conferences within National Collegiate Athletic Association Division I Football Bowl Subdivision.

SECTION 9. *“Campus improvement authority” mean the improvement authority created by a university located within the stadium district and is inclusive of its appointed board pursuant to this act.*

SECTION 10. *“System” means the Nevada System of Higher Education.*

NFL STADIUM PROJECT

PART I | STADIUM AUTHORITY BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 11. **Please see Decision Point #1.**

SECTION 12. 1. *The Governor shall appoint one of the stadium authority members as Chair.*

2. *The stadium authority shall appoint:*

(a) One of its members as Vice Chair; and

(b) A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.

2. *The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.*

(a) The stadium authority shall meet regularly in the stadium district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.

3. *Except as otherwise provided in subsection 5 of NRS 281A.420:*

(a) Four of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.

(b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least four members of the stadium authority when a quorum is present, and only actions complying with this act may be taken by the stadium authority.

4. *The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.*

SECTION 13. 1. *The Secretary of the stadium authority shall keep:*

(a) Audio recordings or transcripts of all meetings of the stadium authority;

(b) Minutes of all the meetings of the stadium authority;

(c) A record of all the proceedings and actions of the stadium authority;

(d) Any certificates issued or received by the stadium authority;

(e) Any contracts made by the stadium authority; and

(f) Any bonds required by the stadium authority from its employees.

2. *Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.*

3. *The Treasurer of the stadium authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the stadium authority.*

4. The Secretary and Treasurer of the stadium authority do not constitute a part of the staff of the stadium authority for the purposes of section 14 of this act.

5. The board of the stadium authority may direct staff of the stadium authority, retained pursuant to section 14 of this act, to provide the services necessary for the Secretary and Treasurer to fulfill their respective duties as set forth in this section.

SECTION 14. 1. *The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:*

(a) Hire the members of its staff as employees;

(b) Contract with any governmental entity or other person to provide the persons to serve as its staff; or

(c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).

2. *The stadium authority shall specify:*

(a) The powers and duties of the members of its staff; and

(b) The amount and basis of compensation for the members of its staff.

SECTION 15. *The stadium authority:*

1. May adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of section 14 to section 19 of this act, for carrying out its business and affairs; and

3. Shall create a stadium tax account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of this act.

SECTION 16. 1. *In addition to the duties and powers granted to the stadium authority in sections 14 and 15, the stadium authority shall:*

(a) In accordance with the facts, certify that the NFL team is authorized an NFL team to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.

(b) In accordance with the facts, certify that the NFL team identified in paragraph (a) has committed to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.

(c) In accordance with the facts, certify that the Stadium Events Company has been properly formed in this State. Certification of the Stadium Events Company shall include, but may not be limited to, a disclosure of all owners and operators of the Stadium Events Company.

(d) Identify and qualify the developer partners as a matter of public record.

(1) Identification of the developer partners shall include, but may not be limited to, a disclosure of all participating entities.

(2) Qualification of the developer partners shall include, but may not be limited to, documented affiliation with the NFL team certified by the stadium authority pursuant to subparagraph (b) and a demonstrated ability to successfully construct the development project.

(e) Prior to approving a development agreement with developer partners, the stadium authority shall ensure that the developer partners have provided suitable financial security for the developer partners' funding obligations as a part of the NFL stadium project financing. This shall include, but may not be limited to, that the assurances required by section 24 of this act are provided in advance of the issuance of any bonds or other forms of indebtedness by the county on behalf of the stadium authority.

2. After all certification and qualifications set forth in subsection 1 have been completed, the stadium authority shall negotiate and may approve a development agreement with the developer partners or the Stadium Events Company for the construction of an NFL stadium project. The development agreement may be combined with the lease to create a development and lease agreement as determined by the stadium authority.

(a) The development agreement shall identify the site of the NFL stadium project.

(b) The development agreement shall set forth the overall design, scope and specifications of the undertaking.

(c) The development agreement shall set forth the sources of funding for the NFL stadium project in a manner consistent with the provisions of this act.

(d) The development agreement shall establish a process and criteria for periodic progress reporting by the developer partners to the stadium authority on the construction and development status of the NFL stadium project.

(e) The development agreement shall state that any and all construction and development cost overruns incurred in the construction and development of the NFL stadium project shall be the sole responsibility of the developer partners. The sole exception to this provision shall be any cost overruns caused by a design or other change mandated by the stadium authority or other governmental entity subsequent to the approval of the development agreement required by this section, excluding any change subsequent to the development agreement required to comply with building codes, including without limitation, those relating to building safety.

(f) The development agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.

(g) The development agreement, nor any action taken by the stadium authority, shall not conflict with, limit or otherwise alter any provision of section 25 of this act.

(h) The development agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.

3. Once all certification and qualifications set forth in subparagraph 1 have been completed, the stadium authority shall negotiate and may approve a lease agreement, which may be combined with the development agreement to create a development and lease agreement, with the Stadium Events Company and/or an NFL Team or its affiliate.

(a) The lease agreement(s) shall set forth all of the requirements and responsibilities of the Stadium Events Company and/or NFL Team or its affiliate as the operator(s) of the NFL stadium project and empower such lessee the right to engage a stadium operations company to operate the NFL stadium on a day-to-day basis as determined by the lessee.

(b) The lease agreement(s) shall establish minimum standards for capital reinvestment and maintenance of the NFL stadium project, ensuring that the design and development standards set forth in this act are maintained or enhanced throughout the life of the lease agreement(s).

(c) The lease agreement(s) shall provide for the annual allocation of revenues and expenses consistent with this act.

(d) The lease agreement(s) shall state that all operating losses generated by the NFL stadium project or the Stadium Events Company shall be the sole responsibility of the Stadium Events Company, the developer partners, and/or the NFL Team or its affiliate.

(e) Should a public university with a Division I football program exist within the stadium district, the lease agreement(s) shall provide for accommodation of a sufficient number of dates to host the university's regular and post-season home games at the NFL stadium project, with the express

understanding that NFL events shall have absolute priority of use and the NFL team shall have priority in terms of dates, the stadium, the playing surfaces and all related stadium assets.

(1) These dates shall be mutually agreed upon by the university and the Stadium Events Company and shall be approved by the stadium authority board, respecting the requirement set forth in paragraph (e) that such dates may not interfere with the NFL schedule.

(2) The university football dates may not conflict with major non-NFL events that are scheduled by the Stadium Events Company prior to the public university's schedule being finalized for a particular season. After the public university's complete home game schedule has been finalized for a season, and such dates have been approved, the public university's game dates may not be changed to accommodate such non-NFL events without the public university's approval. If the public university has an opportunity to adjust its home game schedule for TV purposes, the Stadium Events Company shall use reasonable commercial efforts to assess the feasibility of such change, but in no event may any change interfere with or impair the ability of the NFL stadium project's ability to host any NFL games or other previously scheduled non-NFL events.

(3) The stadium authority shall establish and include in the lease agreement(s) a reasonable rent for the university's use of the NFL stadium project.

(4) During university football dates, the university shall be given reasonable access to the stadium, its facilities and its amenities to create a reasonable "home field" environment for the public university, acknowledging that the NFL team may need certain simultaneous access to areas of the stadium when the public university's home game days and NFL event days are scheduled on consecutive days, provided such access does not impede or interfere with the public university's use of or access to the stadium.

(5) The stadium authority shall have final discretion in any disputes relative to the provisions of paragraph (e) of subsection 3.

(f) The lease agreement(s) shall include a provision for an annual audit of the Stadium Events Company.

(1) The auditor shall be an independent certified public accountant in this State, who does not provide similar or related services to any developer partner, the NFL team or any affiliate, subsidiary, principal or related party of any developer partner or the NFL team.

(2) The auditor shall be mutually agreed to by the Stadium Events Company and the stadium authority;

(3) Cost for the audit shall be divided equally between the Stadium Events Company and the stadium authority.

(g) The lease agreement shall include a confidentiality provision stating:

(1) Except as otherwise provided in subsection 3 of NRS 239.0115 or other state statutes or local ordinances, the stadium authority shall keep confidential any record or other document provided by any developer partner, the NFL team or the Stadium Events Company, which is in the stadium authority's possession, if the entity providing such information:

(i) Submits a request in writing that the record or other document be kept confidential by the stadium authority; and

(ii) Demonstrates to the satisfaction of the stadium authority that the record or other document contains proprietary or confidential information.

(2) If the stadium authority determines that a record or other document contains proprietary or confidential information, the chair of the stadium authority shall attach to the file containing the record or document:

- (i) A certificate signed by him or her stating that a request for confidentiality was made by the requesting entity and the date of the request;*
 - (ii) A copy of the written request submitted by the requesting entity;*
 - (iii) The documentation to support the request, which was submitted by the requesting entity; and*
 - (iv) A copy of the decision of the stadium authority determining that the record or other document contains proprietary or confidential information.*
- (3) Records and documents that are confidential pursuant to this subsection:*
- (i) Are proprietary or confidential information of the requesting entity;*
 - (ii) Are not a public record; and*
 - (iii) Must not be disclosed to any person who is not an officer or employee of the stadium authority unless the requesting entity consents to the disclosure.*
- (4) Nothing in paragraphs (1) through (3) of this subsection shall limit or otherwise restrict the disclosure or release of information required by the stadium authority as part of any public meeting.*
- (5) As used in this subsection, "proprietary or confidential information" has the meaning ascribed to it in NRS 360.247.*
- (i) The lease agreement(s) shall include the requirement that a lease or sublease with the NFL team certified in subsection 1 of this section, or its affiliate, shall be for a period of not less than 30 years.*
 - (j) The lease agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.*
 - (k) The lease agreement(s) shall provide that interest in the Stadium Events Company may be sold or otherwise transferred, in whole or in part, to a related or unrelated third party with the approval of the stadium authority and NFL team. The stadium authority's approval of such transfer of interest shall not be unreasonably withheld.*
 - (l) The lease agreement(s) may include other terms and conditions as deemed necessary and appropriate by the stadium authority board; however, the lease agreement(s) must generally provide that the Stadium Events Company and/or the NFL team shall have full operational control of the NFL stadium project and nothing in such lease agreement(s) may interfere with the discretion to operate the NFL stadium project, including but not limited to not restricting programming or events that may be held in the stadium in any way.*
- 4. In furtherance of the specific duties and responsibilities of the stadium authority as set forth in subsections 1 through 3 of this section, the stadium authority may:*
- (a) Enter into any contracts and other agreements with any person or other entity.*
 - (b) Sue and be sued.*
 - (c) Acquire by purchase, lease, gift, devise, condemnation or otherwise and own, in its own name, all necessary right, title, and interest in and to land and the improvements upon that land as well as any associated air rights and personal property.*
 - (d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable.*
 - (e) Enter into a lease, ground lease, sublease or management agreement with any party.*
 - (f) Receive any public and private resources necessary to fund, finance and develop the undertaking.*
 - (g) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of this act. This may include an audit of the lessee(s), but shall not include in any event any right to audit the business of the NFL team generally or the business of any of the developer partners generally.*

(h) Consider and approve or disapprove an annual capital improvement budget submitted by the lessee(s) and approve or disapprove specific requests for capital improvements made by the lessee(s) or the NFL team.

(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.

SECTION 17. 1. *The stadium authority shall retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builders' licenses or other similar instruments for any and all seats in the NFL stadium project to generate revenues used for construction of the NFL stadium project.*

2. The stadium authority may not grant any other person the right to enter into such agreements, but it may in its contract with the developer partners, agree that any agreements regarding seat licenses will be made only in consultation with the developer partners, or if applicable, the Stadium Events Company and the NFL team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the NFL stadium project, including the NFL team's home games.

3. Proceeds from the sale of such personal seat licenses or similar instruments shall be collected by or on behalf of the stadium authority for the benefit of the NFL stadium project and are a payment by purchasers to the owner of the NFL stadium project for special rights of access to events at the NFL stadium project.

4. With the consent of the Stadium Events Company and the NFL team, the stadium authority shall have the power to enter into one or more agreements with third parties pursuant to which it sells to each such third party, the right to receive and own the proceeds from the sale, license or transfer of personal seat licenses, stadium builders' licenses or other similar instruments as described in subsection 1, for cash and such other consideration as it deems appropriate to be paid upon sale or over time. Any financing or similar transaction by any such third party to affect such sale:

(a) Shall not be deemed a debt of the stadium authority for any purpose;

(b) Must not provide for recourse against the stadium authority for any reason, including any actual or alleged non-performance by any person; and

(c) Shall not give rise to any obligation of or liability of the stadium authority to any person, including the third party or anyone purchasing a personal seat license or providing financing based on personal seat licenses through such third party or otherwise, but may, with the approval of the Stadium Events Company, provide remedies against the Stadium Events Company.

5. The lessees and subleases of the NFL stadium project shall agree to honor the rights granted to purchasers of the personal seat licenses or similar instruments, which are approved by the stadium authority, the Stadium Events Company and the NFL team prior to the execution of any agreement described in subsection 4.

SECTION 18. 1. *The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:*

(a) Expend or authorize the expenditure of more than \$1,000,000 from the stadium tax account unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) subsection 3 of section 16 of this act, or a combined development and lease agreement.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a development agreement pursuant to

subsection 2 of section 16, a lease agreement(s) pursuant to subsection 3 of section 16 of this act, or a combined development and lease agreement.

SECTION 19. 1. *The stadium authority shall dissolve and wind down its affairs in the event that:*

(a) The stadium authority is unable to certify that an NFL team has committed to locate or relocate to the stadium district as required by subparagraphs (a) and (b) of subsection 1 of section 16 of this act;

(b) The stadium authority is unable to certify that the Stadium Events Company has been properly formed pursuant to subparagraph (c) of subsection 1 of section 16 of this act;

(c) The stadium authority does not approve a development agreement with the developer partners within 18 months of creation of the stadium district pursuant to section 11 of this act, such agreement may be combined with the lease;

(d) The stadium authority does not approve a lease agreement with the Stadium Events Company and/or an NFL Team or its affiliate within 18 months of creation of the stadium district pursuant to section 11 of this act, such agreement may be combined with the development agreement; or

(e) Seven of the stadium authority board members vote to dissolve the stadium authority, and the stadium authority has no outstanding financial obligations.

2. *If any of the conditions of subsection 1 are met:*

(a) The stadium authority shall have 60 days to dissolve and wind down its affairs.

(b) The Chair of the stadium authority shall provide notice to the office of the Governor that the stadium authority intends to dissolve and wind down its affairs.

(c) The Chair of the stadium authority shall provide notice to the presidents of all public universities within the stadium district that the stadium authority intends to dissolve and wind down its affairs.

3. *All funds remaining in the stadium tax account, stadium capital fund and stadium authority operating accounts shall be transferred to the campus improvement district collegiate stadium tax account created pursuant to subsection 3 of section 37 of this act.*

NFL STADIUM PROJECT

PART II | CREATION OF A STADIUM DISTRICT AND IMPOSITION OF ROOM TAX

SECTION 20. 1. *In each county whose population is 700,000 or more, the board of county commissioners shall, by ordinance, create a stadium district to finance an NFL stadium project or a collegiate stadium project. The stadium district consists of all property that is within the county and that is located within a radius of 25 miles from the location where the board of county commissioners have their regular meetings.*

2. *Once a stadium district is created, the board of county commissioners shall impose upon all persons in the business of providing lodging in the district a tax at the rate of:*

(a) Eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.

(b) One-half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of the primary gaming corridor within the stadium district.

3. *The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the stadium district is located for the tax whether or not it is actually collected from a paying guest.*

4. *The taxes imposed by subsection 2 must:*

- (a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;*
- (b) Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and*
- (c) Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 21 of this act.*
- (d) Be imposed and collected in each incorporated city in the county in addition to being imposed in the portion of the district which is not in an incorporated city.*
- 5. The tax imposed in subsection 2 of this act shall be effective on the first day of the month that is not less than 3 nor more than 4 months after the adoption of the ordinance imposing the tax.*
- 6. The provisions of NRS 237.030 through 237.150 shall not apply to the adoption of any ordinance creating a stadium district or imposing a tax under this section or any amendment thereof or any other action of the board of county commissioners relating thereto.*
- 7. Any parcel of land, building or other structure which is partially within a district created under this section or the primary gaming corridor described in paragraph (a) of subsection 10 section shall be treated as being wholly within the applicable district or corridor for the purposes of the tax imposed by this section.*
- 8. Except as otherwise provided by subsection 9, all taxes imposed by this section shall sunset:*
- (a) On the first day of the fiscal year that is 33 full fiscal years after the date the tax is first imposed under this section.; or*
- (b) On the first day of the fiscal year following the last fiscal year in which there are bonds or other securities outstanding to which the receipts those taxes are pledged or there is an unexpired lease with Stadium Events Company, and/or NFL team or its affiliate, Whichever occurs first.*
- 9. Upon full payment of the bonds or other securities to which the receipts the taxes imposed by this section are pledged, the tax rate defined in paragraph (a) of subsection 2 shall be reduced to a rate determined by the board of county commissioners to be sufficient for the stadium authority to meet its recurring obligations.*
- (a) The recurring obligations of the stadium authority shall be limited to the normal operating expenses and recurring capital maintenance obligations of the stadium authority for the NFL stadium project.*
- (b) The combined tax reduced pursuant to this subsection shall not exceed one-eighth of one percent.*
- 10. As used in this section:*
- (a) "Primary gaming corridor" shall:*
- (1) Be defined in terms of its geographic boundaries by the board of county commissioners within 30 days of creating the stadium district;*
- (2) Be generally based on the geographic area comprising the submarket within the stadium district with greatest amount of gaming revenue as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract;*
- (3) Be a single, contiguous area.*
- (4) Include gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging, which shall be subject to the taxes imposed by subsection 2 whether or not they are specifically included in the Nevada Gaming Control Board Gaming Abstract.*
- (5) The decision of the board of county commissioners establishing the boundaries, and any amendment thereof, is conclusive, absent fraud. After bonds are issued under this act, the boundaries*

of the primary gaming corridor are fixed and may not be amended until all bonds secured by any tax authorized under this act are paid in full and retired, except that the board of county commissioners may amend the boundaries to add additional property, which the board finds would have been included in those boundaries if the primary resort corridor was being established on the date of the action to include additional properties in the primary gaming corridor.

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

NFL STADIUM PROJECT
PART III | STADIUM AUTHORITY USE OF FUNDS

SECTION 21. 1. *The stadium authority shall create a stadium tax account and deposit into such account any proceeds of the taxes imposed by subsection 2 of section 20 of this act received by the stadium authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 24 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 20 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the district an NFL stadium project or to establish a bond reserve fund and other reserves to secure any bonds or other securities issued pursuant to section 24 of this act, or any combination thereof, as directed by the stadium authority.

3. Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection 2 of section 20 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project unless all of the requirements of section 13 of this act have been met.

4. The stadium authority may expend up to \$1,000,000 from the stadium tax account to execute its duties as set forth in sections 13 through 19 of this act prior to the issuance of bonds or other securities pursuant to section 24 of this act. After the issuance of bonds or other securities pursuant to section 24, stadium authority expenditures shall be governed by section 22 of this act.

SECTION 22. 1. *After bonds or other securities are issued under section 24 of this act, the stadium authority shall use the proceeds of the tax imposed under subsection 2 of section 20 of this act, and any penalties or interest only for the following, listed in order of funding priority:*

(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium construction, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years;

(b) Payment of the administrative costs of the stadium authority of not more than \$2,000,000 per year;

(c) In the event that the Stadium Events Company or any other lessee fails to perform or otherwise breaches an agreement with the stadium authority entered into pursuant to subsection 3 of section 16 of this act, supplemental operations and maintenance cost of the NFL stadium project should such funding be required to fill a gap in the stadium operating budget.

(d) Contributions to the police department in the stadium district to support enhanced police protective services within one or more primary gaming corridors within the district of \$4,000,000 per year;

(e) Payments to a public university in the event that the university operated a stadium in the stadium district prior to the construction of the NFL stadium project to mitigate demonstrated losses to that university as a result of the operations of the NFL stadium project of not more than \$3,500,000 for a period of not more than exceeding ten years;

(1) The ten-year period shall be ten consecutive fiscal years commencing from the fiscal year in which the NFL stadium project first opens to the public.

(2) Demonstrated losses to the university shall include lost net income for the university from football-related events and non-football events hosted at the university's existing stadium. Demonstrated losses shall also consider incremental net income for the university generated by the university's use of the NFL stadium project.

(3) The base year for calculating net income changes for the university shall be determined mutually by the stadium authority and the university based on the fiscal year most representative of the university's net income without the NFL stadium project, but that base year shall not be earlier than fiscal 2015-2016.

(f) Creation of and contributions to a debt service reserve fund.

(1) Annual contributions to the in an amount of \$9,000,000 per year until such time as the maximum required debt service reserve level is reached as calculated pursuant to paragraph (e)(2) of this subsection.

(2) The maximum required debt service reserve level shall be:

(i) Not less than two times the annual debt service for the prior year, in any year in which the debt service coverage ratio on the bonds or other securities issued pursuant to section 24 of this act is less than or equal to 2.0x.

(ii) Not less than one and one-half times annual debt service for the prior year, in any year in which the debt service coverage ratio on the bonds or other securities issued pursuant to section 24 of this act is greater than 2.0x but less than or equal to 2.5x.

(iii) Not less than one times annual debt service for the prior year, in any year in which the debt service coverage ratio on the bonds or other securities issued pursuant to section 24 of this act is greater than 2.5x but less than or equal to 3.0x.

(iv) Not less than one-half times annual debt service for the prior year, in any year in which the debt service coverage ratio on the bonds or other securities issued pursuant to section 24 of this act is greater than 3.0x but less than or equal to 3.5x.

(v) Zero in any year in which the debt service coverage ratio on the bonds or other securities issued pursuant to section 24 of this act is greater than 3.5x.

(3) Funds held in the debt service reserve fund will be available to fund stadium authority debt service in the event that there is a revenue shortfall in any future year.

(4) Once the bonds have been repaid, the reserve will be transferred to the stadium capital improvement fund;

(g) Upon completion of the NFL stadium project, creation and contribution to a stadium capital improvement fund in an amount of at least \$5,000,000 per year.

(h) All remaining amounts shall be contributed to the creation and maintenance of a fund to provide early debt retirement, additional capital improvements to the stadium in an amount determined by the stadium authority, and to fund any required infrastructure on or around the site of the NFL stadium project, provided that no payment will be made under this provision that would violate any

covenant made in connection with the bonds issued by the county under section 24, and if a payment would violate such a covenant, the amount of the payment will be used for such purpose as specified in the ordinance or other instrument under which the bonds are issued.

2. Allocations of funds available after all bond and other current debt obligations of the stadium authority are paid shall be at sole discretion of the stadium authority, but those expenditures shall be restricted to those items set forth in paragraphs (b), (c), (g) and (h) of subsection 1.

3. Not-to-exceed and minimum payment amounts set forth in paragraphs (b), (d) and (g) of subsection 1 shall be adjusted annually by the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor, between the effective date of this act and July 1 of each subsequent fiscal year.

NFL STADIUM PROJECT

PART IV | SPECIAL PROVISIONS ON THE FUNDING, FINANCING AND ALLOCATION OF AVAILABLE FUNDS SOURCED TO THE STADIUM PROJECT

SECTION 23. Please see Decision Point #2.

NFL STADIUM PROJECT

PART V | ISSUANCE OF STADIUM PROJECT CONSTRUCTION BONDS

SECTION 24. 1. If:

(a) All certifications and other requirements of subsection 1 of section 16 have been met; and the stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 20 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain an NFL stadium project, the board of county commissioners in which the stadium district is located, at the request of the stadium authority, shall issue general obligations of the county in an amount not to exceed \$750,000,000.

2. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.

3. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the NFL stadium project.

4. The board of county commissioners shall not issue the bonds authorized by paragraph (a) of subsection 1 unless:

(a) The construction contract for the NFL stadium project is a guaranteed maximum price contract with a contingency amount of ten percent of the estimated hard costs of the project or such lesser percentage, but not less than five percent, as is determined to be adequate by the stadium authority.

(b) The security provided by the contractor to guaranty timely performance of the construction of the project and liquidated damages related thereto, is determined to be adequate by the stadium authority;

(c) The developer partners provide a financing commitment reasonably satisfactory to the stadium authority sufficient to pay the portion of the estimated cost of the stadium project that is to be paid from sources other than the county funds plus a contingency amount approved by the stadium

authority, which must be ten percent of the estimated construction cost of the stadium project as described in section 23.1.(c)(1)(I), which commitment is secured by any combination of the following totaling the amount of such costs to be paid from sources other than County funds plus the approved contingency amount:

(i) An irrevocable deposit of cash into a stadium project construction fund in trust by a commercial bank with trust powers established by the developer partners and the stadium authority that cannot be used for any purpose other than the payment of stadium project costs until those costs have been paid in full;

(ii) Closed construction debt financing, from a lender or lenders rated A- or better by Standard and Poor's or A3 or better by Moody's which provides draws for construction of the stadium project interest during construction and costs of issuance. Draws under the construction debt financing may be subject to conditions precedent including, without limitation, delivery of proof of the availability of County funds, delivery of satisfactory reports from an independent engineer certifying, among other things, that work being paid for under such construction debt financing has been completed and that stored materials have been verified, conditions required by bank regulations or regulators, and confirmations relating to the insurance for the stadium project, and such conditions precedent may also be required by the county or the stadium authority to allow a draw on bond funds held on deposit in a separate bond funded stadium project construction fund that is also held in trust by a commercial bank with trust powers;

(iii) Closed NFL financing, provided that the lender is rated A- or better by Standard and Poor's or A3 or better by Moody's, which allows draws for construction of the NFL stadium project and no other purpose until those costs have been paid in full. Draws under the NFL financing may be subject to conditions precedent similar to those allowed for the construction debt financing described in (ii) above or

(iv) Irrevocable letters of credit or commitments to fund stadium project construction costs, which irrevocably and unconditionally allow draws to fund construction of the stadium project and no other purpose until those costs have been paid in full provided by a bank with at least one billion dollars (\$1,000,000,000) of assets and an A or better rating by Standard and poor's and A2 or better Rating by Moody'.

The rating requirements in the above clauses (ii), (iii) and (iv) may be met by a rating equivalent to the rating specified above from another nationally recognized rating agency as approved by the stadium authority.

(d) Payment of construction costs for the stadium project will be made over time by both the county and the developer partners. The initial \$150,000,000 of project costs must be paid by the development partners. Payments after the initial \$150,000,000 of project costs will be pro-rata based on the percentage of the total cost of the stadium project to be paid from county funds as compared to the costs to be paid from sources other than county funds. The mechanics of the monthly draw process will be delineated in a trust agreement or agreements which agreements will ensure that no County money is expended unless developer partners' funds are also expended simultaneously and vice versa, except that the first \$150,000,000 of costs will be paid from the developer partner's funds. The construction funds trust agreements will detail the evidence required to be provided before a draw can be made as well as requirements for an independent engineer to review all work prior to payment of funds. In addition, the independent engineer will review the stadium project sources and uses of funding each month. If the independent engineer determines there is a need for additional project funds due to a cost overrun, no payments can be made from county funds until the cost overrun is funded with a source described in (i), (ii), (iii), or (iv) above.

(e) As used in this subsection 4, "county funds" means monies derived from county bonds issued under this act and taxes on transient lodging imposed under this act.

(f) A finding by the board of county commissioners that the requirements of subsection 4 of this section have been met or will be met at the time of delivery of the bonds is conclusive absent fraud..

NFL STADIUM PROJECT
PART VI | APPLICABILITY OF STATE PUBLIC WORKS PROVISIONS

SECTION 25. 1. *Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the stadium authority, the developer partners or any related entity relating to the NFL stadium project financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreements of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a).

(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The stadium authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the county had undertaken the project or had awarded the contract.

2. The stadium authority and any prime contractor, construction manager or project manager selected by the stadium authority shall competitively bid all subcontracts involving construction which the stadium authority determines can be competitively bid without affecting the quality of the project. Any determination by the stadium authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of

discretion. The stadium authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the stadium authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

4. For purposes of this section, "undertaking" refers to an NFL stadium project as defined in section 7 of this act.

SECTION XX. Please see Decision Point #3.

TRANSITION: TRANSFERRING UNUSED REVENUES FROM THE NFL STADIUM PROJECT TO COLLEGIATE STADIUM PROJECT TO FAIR AND RECREATION BOARD

SECTION 26. 1. *In the event that the requirements of section 16 of this act are not met, and an NFL stadium project is not constructed:*

(a) After having received notice of this fact pursuant to paragraph (c) subsection 2 of section 19 of this act that an NFL stadium project will not be constructed, a university in the district shall have 90 days to notify the Governor and the director of Legislative Counsel Bureau of the university's intent to construct a collegiate stadium project with the district.

(b) That university will have 24 months from the date the president of the university receives the notice pursuant to paragraph (c) subsection 2 of section 19 of this act to secure a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a collegiate stadium within the boundaries of the district.

2. If the funding commitment required by paragraph (b) of subsection 1 are met within the established timeframe, the campus improvement authority may use the remaining proceeds of the taxes imposed by subsection 2 of section 20 of this act and the proceeds of the tax imposed by subsection 1 of section 36 of this act to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project within the boundaries of the stadium district, and to pay for any bonds or other securities issued for that purpose, including refunding securities.

3. If, within the period prescribed by paragraph (b) of subsection 1, no university within the boundaries of the stadium district has raised the required private funding, the remaining taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act shall be distributed to the county fair and recreation board for the payment of outstanding securities issued to finance the renovation and expansion of its facilities located with the stadium district.

4. The board of county commissioners shall, within 60 days of funds being transferred to the county fair and recreation board pursuant to subsection 2, sunset any taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act.

COLLEGIATE STADIUM PROJECT
ADDITIONAL, SECTION-SPECIFIC DEFINITION

SECTION 27. *For purposes of sections 28 through 39 of this act, “undertaking” means any enterprise to acquire, construct, improve, equip, operate or maintain, or any combination thereof, a collegiate stadium project and such other projects, improvements or facilities related to the development of a collegiate stadium deemed necessary or desirable by the campus improvement authority.*

COLLEGIATE STADIUM PROJECT
PART I | CAMPUS IMPROVEMENT BOARD FORMATION, POWERS AND AUTHORITIES

SECTION 28. 1. *Upon receiving notice that stadium authority intends to dissolve and wind down its affairs pursuant to paragraph (c) of subsection 2 of section 19 of this act, the president of a public university within the stadium district may create a campus improvement authority.*

(a) The campus improvement authority shall be comprised of nine members appointed as follows:

(1) Four members appointed by the university’s board of regents.

(i) One of these members must be either a member of the university’s board of regents or an officer of the university and the remainder must be members of the university’s board of regents.

(2) One member appointed by the Governor.

(3) One member appointed by the board of county commissioners for the county in which the stadium district is located and must be either a member of the board of county commissioners or an officer of that county.

(4) One member appointed by the county fair and recreation board of the county in which the stadium district is located and must be a member of the county fair and recreation board who is not also a member of a board of county commissioners.

(5) Two members appointed by the members appointed pursuant to paragraphs (1) to (4), inclusive. Each of these members must be employed in an executive position in the county by a business in the tourism, hotel and gaming industry in which the stadium district.

2. *A vacancy on the board occurs when a member:*

(a) Dies or resigns;

(b) Is removed, with or without cause, by the person or entity who appointed that member; or

(c) Ceases to be qualified for appointment as a member pursuant to the pertinent provisions of subsection 1.

3. *The campus improvement authority constitutes:*

(a) A body corporate and politic; and

(b) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the stadium district.

4. *A vacancy in the campus authority board must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1, except that, notwithstanding any provision of this section to the contrary, a member appointed pursuant to paragraph (5) of subsection 1 whose position becomes vacant as the result of his or her cessation of employment in an executive position in the county by a business in the tourism, hotel and gaming industry may be reappointed to serve the remainder of his or her unexpired term.*

5. No member of the campus improvement authority may receive any compensation for serving as a member or officer of the board.

6. The members of the campus improvement authority constitute public officers for the purposes of chapter 281A of NRS.

SECTION 29. 1. *At the initial meeting of the campus improvement authority, the board of the campus improvement district shall appoint:*

(a) One of its members as Chair;

(b) One of its members as Vice Chair; and

(c) A Secretary and a Treasurer, who may be one person.

2. The Vice Chair shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.

3. The campus improvement authority shall meet regularly in the stadium district at such times and places as it designates.

(a) Special meetings may be held at the call of the Chair, upon notice to each member of the campus improvement authority, as often as the needs of the campus improvement authority require.

(l) Except as otherwise provided in subsection 5 of 19 NRS 281A.420:

(b) Six of the members of campus improvement authority shall constitute a quorum.

(c) The campus improvement authority may take action only by a motion or resolution adopted with the approval of at least six members of its membership.

4. The campus improvement district constitutes a public body for the purposes of chapter 241 of NRS.

SECTION 30. 1. *The Secretary of the campus improvement authority shall keep:*

(a) Audio recordings or transcripts of all meetings of the campus improvement authority;

(b) Minutes of all the meetings of the campus improvement authority;

(c) A record of all the proceedings and actions of the campus improvement authority;

(d) Any certificates issued or received by the campus improvement authority;

(e) Any contracts made by the campus improvement authority; and

(f) Any bonds required by the campus improvement authority from its employees.

2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.

3. The Treasurer of the campus improvement authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the campus improvement authority.

4. The Secretary and Treasurer of the campus improvement authority do not constitute a part of the staff of the campus improvement authority for the purposes of section 30 of this act.

SECTION 31. 1. *The campus improvement authority may retain such staff as it determines to be necessary to conduct the activities of the campus improvement authority. It may:*

(a) Hire the members of its staff as employees;

(b) Contract with any governmental entity or other person to provide the persons to serve as its staff;
or

(c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).

2. The campus improvement authority shall specify:

(a) The powers and duties of the members of its staff; and

- (b) The amount and basis of compensation for the members of its staff; and*
- (c) May delegate any of its powers and duties to any member of its staff as it determines to be appropriate, except that the campus improvement authority shall not delegate:
 - (1) Any of the specific obligations or responsibilities of the campus improvement authority imposed by sections 28 to 31, inclusive, paragraph (d) or (e) of subsection 1 of section 33, subsection 2 of section 34 or section 35 of this act; or*
 - (2) Any ability to bind the campus improvement authority to a contract that could require an expenditure by the campus improvement authority in excess of such an amount as the campus improvement authority determines to be appropriate, which amount must not exceed the sum of \$500,000, as adjusted by the percentage change between the effective date of this act and July 1 of the fiscal year the delegation is made in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor.**

SECTION 32. *The campus improvement authority:*

- 1. Shall adopt a seal;*
- 2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of this act, for carrying on the business and affairs of the campus authority board; and*
- 3. Shall create a collegiate stadium tax account, a collegiate stadium capital projects fund and a campus improvement authority operating account to carry out the provisions of this act.*

SECTION 33. *1. Except as otherwise provided in section 34 of this act, the board of the campus improvement authority may:*

- (a) Enter into any contracts and other agreements with any person or other entity that the campus improvement authority determines to be necessary or desirable to conduct the business of the campus improvement authority.*
- (b) Sue and be sued.*
- (c) Proceed with any undertaking and enter into any contracts or other agreements that the campus improvement authority determines to be necessary or desirable therefor. The contracts and other agreements authorized by this subsection:
 - (1) May include, without limitation, contracts or other agreements relating to the construction, acquisition, lease, lease-purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and*
 - (2) Are not subject to the limitations of subsection 1 of NRS 354.626.**
- (d) Enter into a lease, ground lease or management agreement with the Nevada System of Higher Education authorizing the campus improvement authority to lease from the System any portion of the land area owned by the System and any improvements thereon, or to manage any such land or improvements for the System, on such terms as may be acceptable to the campus improvement authority and the university's board of regents and which do not violate any covenants concerning any securities issued by the board of regents, provided that:
 - (I) The property subject to the lease, ground lease or management agreement is limited to:
 - (I) Land and improvements that will be developed and used to carry out the development of a collegiate stadium project; and*
 - (II) Any other land, improvements and appurtenances that the university's board of regents determines to be necessary or desirable to carry out the development of a collegiate stadium project;***

(2) The university's board of regents is entitled to limit any uses, rates, charges or other factors pertaining to the property subject to the lease, ground lease or management agreement by including the limitations in the agreement; and

(3) After any indebtedness incurred to improve the property subject to the lease, ground lease or management agreement has been retired or defeased and any other contracts and obligations of the campus improvement authority pertaining to that property have been satisfied and terminated, the improvements will become the property of the Nevada System of Higher Education and will no longer be subject to the lease, ground lease or management agreement.

(e) Enter into, with any person or other entity:

(1) One or more subleases of all or any portion of any land or improvement leased to the campus improvement authority;

(2) One or more management agreements to provide for the management by that person or other entity of any land or improvement that the campus improvement authority is authorized to manage, control or occupy;

(3) One or more leases or management agreements pertaining to any undertaking or any facility owned by the campus improvement authority; or

(4) Any combination of the agreements described in subparagraphs (1), (2) and (3), on such terms as may be acceptable to the campus improvement authority and which are not inconsistent with the terms of the lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to which the campus improvement authority has possession or control of the subject property. The leases, subleases and management agreements authorized by this subsection are not subject to the limitations of subsection 1 of NRS 354.626.

(f) Fix, and from time to time increase or decrease, fees, rates, tolls, rents or charges for services or facilities furnished in connection with any undertaking and take such action as may be necessary or desirable to affect their collection or, by contract or other agreement described in paragraph (d) or (e), authorize another person or entity to fix, from time to time increase or decrease, and collect all or any designated portion of such fees, rates, tolls, rents or charges. Such fees, rates, tolls, rents or charges must be consistent with or allowed by the lease, ground lease or management agreement with the System pursuant to which the campus improvement authority has possession or control of the land or improvements upon which the undertaking is located.

(g) Receive, control, invest and order the expenditure of pledged revenues and any other money pertaining to or derived from any undertaking, including, without limitation, any grants from the Federal Government, the State, the County or any incorporated cities in the County, or from any other person or entity, for the purposes described in section 37 of this act.

(h) Except as otherwise provided in this act, exercise all or any part or combination of the powers and duties of the campus improvement authority set forth in this act.

(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the purposes and provisions of this act.

2. If the campus improvement authority has no indebtedness or other financial obligations, the campus improvement authority board, by an affirmative vote of at least six of its members, may dissolve.

SECTION 34. 1. The board of the campus improvement authority and any person to whom the campus improvement authority delegates any of its powers or duties shall not:

(a) Expend or authorize the expenditure of any money in the collegiate stadium tax account unless the board of the campus improvement authority has entered into a lease, ground lease or management

agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes a specific undertaking.

(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.

2. The campus improvement authority shall not own any land, but may own improvements on land located in the stadium district if the Board of Regents, in its sole discretion, allows that ownership.

SECTION 35. 1. Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the campus improvement authority, the Nevada System of Higher Education or any related entity relating to any undertaking financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreements of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that the provisions of paragraph (a) of subsection 9 of NRS 341.100 and of NRS 341.105 apply to any such undertaking.

(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The campus improvement authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.

2. The campus improvement authority and any prime contractor, construction manager or project manager selected by the campus improvement authority shall competitively bid all subcontracts involving construction which the campus improvement authority determines can be competitively bid without affecting the quality of the project. Any determination by the campus improvement authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project

is conclusive in the absence of fraud or a gross abuse of discretion. The campus improvement authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the campus improvement authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the campus improvement authority or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

COLLEGIATE STADIUM PROJECT

PART II | REDUCTION OF ROOM TAX DEDICATED TO COLLEGIATE STADIUM PROJECT

SECTION 36. 1. *If the stadium authority has provided notice of its intent to dissolve and wind down its affairs pursuant to section of this act and a campus improvement authority has been created pursuant to section 28 of this act, the board of county commissioners in the stadium district shall reduce the taxes imposed under subsection 2 of section 20 to the following rates:*

(a) Three-eighths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.

(b) One-quarter of one percent of the gross receipts from the rental of transient lodging in areas within the stadium district but outside of a primary gaming corridor.

2. *Except as otherwise provided by subsection 3, all taxes imposed by this section shall sunset:*

(a) On the first day of the fiscal year that is thirty-three full fiscal years after the tax imposed under section 20 of this act is first reduced as provided in subsection 1; or

(b) On the first day of the fiscal year following the last fiscal year in which there are bonds or other securities outstanding to which the receipts of that tax are pledged, Whichever occurs first.

3. *Upon full payment of the bonds or other securities to which the receipts the taxes imposed by this section are pledged, the tax rate defined in subsection 1 shall be reduced to a rate determined by the board of county commissioners to be sufficient for the campus improvement authority to meet its recurring obligations.*

(a) The recurring obligations of the campus improvement authority shall be limited to the normal operating expenses and recurring capital maintenance obligations of the campus improvement authority for the collegiate stadium project.

(b) The combined tax reduced pursuant to this subsection shall not exceed one-tenth of one percent.

3. *In addition to the rate sunset requirements set forth in subsection 2, in the event tax rates are reduced pursuant to subsection 1, taxes imposed by this section shall not be reduced further or otherwise modified for a period of two years following the rate reduction.*

4. *As used in this section:*

(a) "Primary gaming corridor" shall:

(1) Be defined in terms of its geographic boundaries by the board of county commissioners within 30 days of creating the stadium district;

(2) Be generally based on the geographic area comprising the submarket within the stadium district with the greatest amount of gaming revenue as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract;

(3) Be a single, contiguous area.

(4) Include gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging, which shall be subject to the taxes imposed by subsection 2 whether or not they are specifically included in the Nevada Gaming Control Board Gaming Abstract.

(5) The decision of the board of county commissioners establishing the boundaries, and any amendment thereof, is conclusive, absent fraud. After bonds are issued under this act, the boundaries of the primary gaming corridor are fixed and may not be amended until all bonds secured by any tax authorized under this act are paid in full and retired, except that the board of county commissioners may amend the boundaries to add additional property, which the board finds would have been included in those boundaries if the primary resort corridor was being established on the date of the action to include additional properties in the primary gaming corridor.

(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

COLLEGIATE STADIUM PROJECT

PART III | CAMPUS IMPROVEMENT AUTHORITY USE OF FUNDS

SECTION 37. 1. *The campus improvement authority shall create a collegiate stadium tax account and deposit into such account any proceeds of the taxes imposed by section 36 of this act received by the campus improvement authority.*

2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 40 of this act, the campus improvement authority shall use the proceeds of the taxes imposed by subsection section 36 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the stadium district a collegiate stadium project or to establish a bond reserve fund and other reserves to secure any securities issued pursuant to section 40 of this act, or any combination thereof, as directed by the campus improvement authority.

3. The campus improvement authority shall not expend any of the proceeds of the taxes imposed by section 36 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project until the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.

SECTION 38. 1. *After bonds or other securities are issued under section 40 hereof, the campus improvement authority shall use the proceeds of the tax imposed under section 36 of this act, any funds transferred from the stadium authority to the campus improvement authority pursuant to subsection 3 of section 19 of this act and any penalties or interest received only for the following:*
(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium construction, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years; and

(b) Costs of capital improvements to the collegiate stadium and the creation and maintenance of a fund to provide capital improvements to the collegiate stadium in an amount determined by the campus improvement authority.

SECTION 39. 1. *If the campus improvement authority does not raise funds required by paragraph (b) of subsection 1 of section 26 of this act within the time allocated by that section, notwithstanding any other provision of this act to the contrary, the campus improvement authority shall:*

(a) Remit all funds deposited in the stadium infrastructure account to the fair and recreation board within the stadium district;

(b) Wind up the affairs of the campus improvement authority; and

(c) Dissolve the campus improvement authority pursuant to subsection 2 of section 33 of this act.

2. *After dissolution, all the remaining assets of the campus improvement authority shall become property of the Nevada System of Higher Education.*

COLLEGIATE STADIUM PROJECT

PART IV | ISSUANCE OF COLLEGIATE STADIUM BONDS

SECTION 40. 1. *If:*

(a) General obligations of the county are not issued pursuant to section 24 of this act;

(b) Within 24 months after notice has been provided pursuant to paragraph (c) of subsection 3 of section 19 of this act, a university located within the stadium district has secured a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the district; and

(c) The campus improvement authority determines that the proceeds of the taxes imposed by section 36 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a collegiate football stadium, the board of county commissioners of the county in which the district is located, at the request of the campus improvement authority, may issue general obligations of the county in an amount not to exceed \$300,000,000.

2. *The board of county commissioners shall not issue the bonds authorized by paragraph (c) of subsection 1 unless:*

(a) The construction contract for the collegiate stadium project is a guaranteed maximum price contract with a contingency amount of ten percent of the estimated hard costs of the project or such lesser percentage as is determined to be adequate by the campus improvement authority; and

(b) The security provided by the contractor to guaranty timely performance of the construction of the project and liquidated damages related thereto, is determined to be adequate by the campus improvement authority.

(c) The university, which has secured a commitment for funding in the amount of at least \$200,000,000 for the collegiate stadium project as required by this act, provides a financing commitment reasonably satisfactory to the college improvement authority for such \$200,000,000, which commitment is secured by any combination of the following, which aggregate totals at least \$200,000,000:

(1) An irrevocable deposit of cash into an escrow held in trust by a commercial bank with trust powers that cannot be used for any purpose other than the payment of collegiate stadium project costs until those costs have been paid in full;

(2) Closed construction debt financing, which irrevocably and unconditionally allows draws for construction of the collegiate stadium project and no other purpose until those costs have been paid in full; and

(3) Irrevocable letters of credit or surety bonds or commitments to fund construction costs, which irrevocably and unconditionally allow draws for construction of the collegiate stadium project and no other purpose until those costs have been paid in full.

3. The obligated party on any security for payment of costs as described in subparagraphs (ii) or (iii) of paragraph (c) of subsection 2 must be rated, or its obligation described above must be guaranteed by an entity that is rated, A2 or better by Moody's or A or better by Standard and Poor's or an equivalent rating from another rating agency that provides ratings on security of the type being provided.

4. A finding by the Board of County Commissioners that the requirements of subsection 2 of this section have been met or will be met at the time of delivery of the bonds is conclusive absent fraud.

5. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law. 6. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated pursuant to section 38 of this act.

COLLEGIATE STADIUM PROJECT

PART V | NONINTERFERENCE WITH EXISTING RIGHTS, POWERS AND AUTHORITIES OF THE UNIVERSITY OR ITS BOARD OF REGENTS

SECTION 41. 1. *The provisions of this act do not:*

(a) Require the any university or its board of regents to enter into any lease, ground lease, management agreement or any other contract or agreement.

(b) Limit the conditions or other provisions which a university or its board of regents may, in their sole discretion, determine to include in any lease, ground lease, management agreement or any other contract or agreement.

ADMINISTRATIVE PROVISIONS

PART I | BOND PROCEDURE

SECTION 41.5. 1. *Bonds issued by the board of county commissioners under this act shall be general obligations of the county.*

2. *Prior to the issuance of general obligations:*

(a) Under section 24 of this act, the stadium authority must have made a finding that the transient lodging taxes pledged to the payment of the bonds will generate sufficient revenue to meet or exceed the debt service coverage ratio required pursuant to subsection 1 of section 24 of this act, based on the anticipated annual debt service for each year of the term of the bonds.

(b) Under section 40 of this act, the campus improvement authority must have made a finding that the transient lodging taxes pledged to the payment of the bonds will generate sufficient revenue to meet or exceed the debt service coverage ratio required pursuant to subsection 1 of section 40 of this act, based on the anticipated annual debt service for each year of the term of the bonds.

Any finding of the stadium authority or campus improvement authority under this section shall be conclusive, absent fraud

3. *If the board of county commissioners issues general obligations after a finding has been made by the stadium authority or the campus improvement authority under subsection 2:*

(a) The bonds may be issued without complying with the requirements of NRS 350.011 through 350.0165 and 350.020, pursuant to an ordinance of the county as provided in the Local Government Securities Law, and no other approval by a governmental entity or otherwise is required for the issuance of the bonds under Nevada law.

(b) The bonds shall be exempt from the limitation on indebtedness contained in NRS 244A.059, and shall not be included in the calculation of county indebtedness under that section, but the county shall not become indebted by the issuance of general obligation indebtedness for the purposes provided under this act in an amount exceeding five percent of the total last assessed valuation of the taxable property of the county.

(c) The bonds shall be treated as if the finding described in paragraph (b)(1) of NRS 361.4727 had been made by the board of county commissioners and approved by debt management commission of the county under paragraph (b)(2) of NRS 361.4727.

4. Any bonds issued under this act may be refunded by the county as provided in the Local Government Securities Law.

ADMINISTRATIVE PROVISIONS

PART II | TIMING AND TERMS OF AUTHORITY APPOINTMENTS

SECTION 42. 1. *For a stadium authority created by section 11 of this act:*

(a) The Governor shall within 30 days of passage and approval of this act appoint the three members of the stadium authority pursuant to paragraph Error! Reference source not found. of subsection 1 of section 11 of this act to an initial term that, for two of the appointees commences on the date of their appointment and expires on December 31 of the third calendar year following the date of their appointment, and for the third appointee, commences on the date of their appointment, and expires on December 31 of the second calendar year following the date of their appointment; and

(b) The board of county commissioners shall, within 30 days of the passage and approval of this act, appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of section 11 of this act to an initial term that, for one appointee, commences on the date of their appointment and expires on December of the third calendar year following the date of their appointment, and for the second appointee commences on the date of their appointment and expires on the second calendar year following the date of their appointment;

(c) The stadium authority shall within 30 days after all members are appointed pursuant to paragraphs (a) and (b) appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 11 of this act to an initial term that, for one appointee, will commence immediately upon appointment and will expire on December 31 of the third calendar year following the date of their appointment, and, for the second appointee, will commence immediately upon appointment and will expire on December 31 of the second calendar year following the date of their appointment.

2. After each stadium authority member's initial term, each subsequent stadium authority member appointment shall be for a period of three years;

3. The same person may be appointed to serve multiple consecutive or non-consecutive terms as a member of the stadium authority.

4. The stadium authority appointed pursuant to this section shall hold an organizational meeting within 75 days of passage and approval of this act. At that meeting, the stadium authority shall elect:

(a) One of its members as Vice Chair; and

(b) A Secretary and Treasurer.

SECTION 43. 1. *If the campus improvement authority is created by section 28 of this act:*

(a) The board of regents shall appoint:

(1) Two of the members of the campus improvement authority pursuant to paragraph (a)(1) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment and expire on September 30 of that same year; and

(2) Two of the members to the campus improvement authority pursuant to paragraph (a)(1) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment and expire on September 30 of the following year.

(b) The member of the campus improvement authority appointed by the Governor pursuant to paragraph (a)(2) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment and expires on September 30 of the following year.

(c) The member of the campus improvement authority appointed by the board of county commissioners pursuant to paragraph (a)(3) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment and expires on September 30 of that same year;

(d) The member of the campus improvement authority appointed by the fair and recreation board pursuant to paragraph (a)(4) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment and expires on September 30 of the subsequent year;

(e) The members of the campus improvement authority appointed by the pursuant to paragraph (a)(5) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires September 30 of the following year;

2. After the initial terms, each member of the campus authority board shall be appointed for a 4-year term.

ADMINISTRATIVE PROVISIONS

PART III | TIME REQUIREMENTS FOR NFL ACTION AND AGREEMENTS

SECTION 44. 1. *The NFL team and the developer partners shall have twelve months from the effective date of the act as set forth in subparagraph (1) of section 45 to secure the rights and any necessary approvals to locate or relocate an NFL team into the district created pursuant to section 20 of this act.*

(a) The stadium authority shall have the ability to grant one, six-month extension to the established timeline for securing the rights to locate or relocate an NFL franchise into the stadium district.

2. Once the rights to locate or relocate an NFL franchise have been secured pursuant to subsection 1, the developer partners and the NFL team shall have six months to form the Stadium Events Company and to enter into all required contracts and agreements with the stadium authority as set forth in section 16 of this act.

(a) The stadium authority shall have the ability to grant one, six-month extension to the timeline established for forming the Stadium Events Company and entering into all required contracts and agreements with the stadium authority.

ADMINISTRATIVE PROVISIONS
PART IV | EFFECTIVE DATES

SECTION 45. *1. Section 1 to section 44, inclusive, of this act become effective upon passage and approval of this act, and expire by limitation:*

(a) Seven years after enactment if no bonds are issued under this act by that date.

(b) On the date on which all authority to levy taxes under this act has expired as provided in subsection 8 of section 20 and subsection 2 of section 36.

END

DECISION POINT #1

Section 11 | Make Up of the Stadium Authority Board

ALTERNATIVE A

Note: Seven members total. Appointments made by the Governor, the board of county commissioners and the stadium authority.

SECTION 11. 1. *In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:*

(a) Three members appointed by the Governor;

(b) Two members appointed by the board of county commissioners of the county in which the stadium district is located; and

(c) Two members representing the public at-large shall be appointed by members of the stadium authority appointed pursuant to paragraphs (a) and (b), with consideration given to appointment recommendations made by the Stadium Events Company and the NFL Team.

2. *The stadium authority constitutes:*

(a) A body corporate and politic;

(b) A political subdivision of the county in which the stadium district is located; and

(c) A political subdivision of this State, the boundaries of which are coterminous with the boundaries of the stadium district.

3. *A vacancy on the stadium authority occurs when a member:*

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the person or entity who appointed that member.

4. *A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.*

5. *A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.*

6. *The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.*

7. *All members of the stadium authority shall reside in the county in which the stadium district is created.*

8. *Stadium authority members appointed pursuant to subsection 1 shall be:*

(a) Professionals experienced in design, development, engineering, cost estimating and construction of major commercial projects;

(b) Professionals experienced in the financing of capital projects within the state of Nevada;

(c) Professionals experienced in the field of stadium, arena or event management; or

(d) Other private sector representatives with the education, experience and skills necessary to effectively execute the duties and responsibilities of to the stadium authority as set forth in this act.

9. *Not less than two stadium authority members shall be representatives of businesses within the county generating the greatest amount of transient lodging taxes. Combined, these representatives share of total transient lodging taxes generated within the county shall not be less than 60 percent.*

Not less than one such appointment shall be made by the Governor pursuant to paragraph (a) of subsection 1 and by the board of county commissioners pursuant to paragraph (b) of subsection 1.

10. *No two members of the stadium authority shall be representatives of the same company.*

DECISION POINT #1

Section 11 | Make Up of the Stadium Authority Board

ALTERNATIVE B

Note: Alternative increases the number of stadium authority members to nine, adding a representative from the largest city and a rotating appointment for all other cities within the county.

SECTION 11. 1. *In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of nine members to be appointed as follows:*

(a) Three members appointed by the Governor;

(b) Two members appointed by the board of county commissioners of the county in which the stadium district is located;

(c) One member appointed by the city council of the largest city in which the stadium district located;

(d) Three members representing the public at-large shall be appointed by members of the stadium authority appointed pursuant to paragraphs (a) through (d), with consideration given to appointment recommendations made by the Stadium Events Company and the NFL Team.

2. *The stadium authority constitutes:*

(a) A body corporate and politic;

(b) A political subdivision of the county in which the stadium district is located; and

(c) A political subdivision of this State, the boundaries of which are coterminous with the boundaries of the stadium district.

3. *A vacancy on the stadium authority occurs when a member:*

(c) Dies or resigns; or

(d) Is removed, with or without cause, by the person or entity who appointed that member.

4. *A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.*

5. *A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.*

6. *The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.*

7. *All members of the stadium authority shall reside in the county in which the stadium district is created.*

8. *Stadium authority members appointed pursuant to subsection 1 shall be:*

(a) Professionals experienced in design, development, engineering, cost estimating and construction of major commercial projects;

(b) Professionals experienced in the financing of capital projects within the state of Nevada;

(c) Professionals experienced in the field of stadium, arena or event management; or

(d) Other private sector representatives with the education, experience and skills necessary to effectively execute the duties and responsibilities of to the stadium authority as set forth in this act.

9. *Not less than two stadium authority members shall be representatives of businesses within the county generating the greatest amount of transient lodging taxes. Combined, these representatives share of total transient lodging taxes generated within the county shall not be less than 60 percent.*

Not less than one such appointment shall be made by the Governor pursuant to paragraph (a) of subsection 1 and by the board of county commissioners pursuant to paragraph (b) of subsection 1.

10. *No two members of the stadium authority shall be representatives of the same company.*

TECHNICAL NOTES:

If alternative B is selected:

1. The quorum provisions of section 12 will need to be amended to reflect five instead of four.

2. Section 19, will also need to be revised (dissolution)

DECISION POINT #1

Section 11 | Make Up of the Stadium Authority Board

3. The appointment provisions of section 42 will need to be amended to reflect nine members instead of seven.

DECISION POINT #2

Section 23 | Special Provisions on the Funding, Financing and Allocation of Available Funds Sourced to the Stadium Project

ALTERNATIVE A

Note: Limits total investment to the lesser of \$750,000,000 or the amount that can be bonded from the incremental transient lodging tax authorized by the act. Limits the public investment to 39 percent of the total NFL stadium project cost. Sets developers' preferred return at 10 percent on up to \$650,000,000 million of private capital investment. Requires a 50/50 split of free cash flow after the preferred return between the developer and a capital improvement fund for NFL stadium project. Does not allow operating shortfalls or construction cost overruns to be added to the developers' basis for the preferred return calculation. Requires that distributions in excess of the 10 percent preferred return be consider a return of capital, thereby reducing the developers' investment basis for subsequent preferred return calculations.

SECTION 23. 1. *Any development agreement entered into pursuant to subsection 2 of section 16 of this act, any lease agreement(s) entered into pursuant to subsection 3 of section 16 of this act and any and all other agreements of any kind entered into between the stadium authority and one or more developer partners, NFL team, or any affiliate, subsidiary or related entity of a developer partner or NFL team, shall include the following:*

(a) The stadium authority's contribution to the construction cost of the NFL stadium project shall not:

(1) Exceed \$750,000,000 exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto; or

(2) The maximum amount that can be raised from the issuance of bonds pursuant to section 24 of this act, secured by revenues generated by the tax imposed in subsection 2 of section 16 of this act, Whichever is less.

(b) The total debt undertaken by the county on behalf of the stadium authority shall not, at any given point in time, exceed the stadium authority's contribution limits set forth in paragraph (a) of subsection 1.

(c) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall not exceed 39 percent of the total cost of the stadium project.

(1) The following shall be included in determining the total cost of the NFL stadium project:

(I) All design, development, and construction costs related to the NFL stadium project;

(II) Land costs;

(III) All infrastructure costs on and around the NFL stadium project site paid funded through the capital contributions made by the developer partners and/or the stadium authority;

(IV) NFL practice facility costs, regardless of whether such facility is constructed in the same site as the stadium project so long as it is constructed within the stadium district, up to \$100,000,000; and

(V) Other soft costs related to the stadium project.

(2) The stadium authority's contribution to the construction and development cost of the NFL stadium project shall be exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto.

(3) All land, improvements and other property of any kind included in the total cost of the NFL stadium project pursuant to subparagraph (c)(1) shall be the sole and exclusive property of the stadium

DECISION POINT #2

Section 23 | Special Provisions on the Funding, Financing and Allocation of Available Funds Sourced to the Stadium Project

authority and shall be exempt from ad valorem property taxes in this State. The developer partners and NFL team shall be responsible for ensuring that any required transfer of property interest occurs within a reasonable period of time. The sole exception to this provision shall be any capital expenditures that the stadium authority and the Stadium Events Company agree are made solely by the Stadium Events Company. In the case of this exception, such property shall be transferred to the stadium authority at the end of lease agreement, at which time it will become the sole and exclusive property of the stadium authority, unless the stadium authority and the Stadium Events Company agree otherwise.

(d) Unless otherwise provided for in this act, the stadium authority's contribution to the construction and development cost of the NFL stadium project shall be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the developer partners' contribution to the construction and development costs of the NFL stadium project.

(e) The developer partners shall be entitled to receive a preferred return of not more than 10% annually on the amount of their capital contribution to the NFL stadium project.

(f) The amount upon which the preferred return shall be calculated shall not exceed \$650,000,000.

(g) Operating losses, construction cost overruns or any other losses incurred by the developer partners or the NFL team shall not be added to or otherwise adjust the basis upon which the preferred returns described in paragraph (e) of subsection 1, or any other payments to the developer partners or the NFL team, are calculated.

(h) The preferred return as set forth in paragraph (e) of subsection 1 shall be paid annually out of the net operating income of the Stadium Events Company. The net operating income shall be the difference between normal operating revenues and normal operating expenditures of the Stadium Events Company. Net operating income shall not include depreciation or any other noncash items. Notwithstanding any other provision of this section, the revenues of Stadium Events Company shall include only those NFL event revenues that the NFL team as agreed will be paid to the Stadium Events Company and in no event shall any other distribution of NFL team or NFL event revenues be otherwise included in this calculation.

(i) Should any net operating income of the Stadium Event Company remain after the payment of the preferred return made to the developer partners pursuant to paragraph (e) of subsection 1, the residual amount shall be distributed equally between the developer partners and a stadium capital construction improvement fund.

(j) Any return to the developer partners in excess of the preferred return set forth in paragraph (e) shall be considered return of capital and shall lower the developer partners' basis used to calculate preferred returns in later years.

(k) No payments of any kind shall be due to the developer partners or the NFL team after the term of the master lease agreement(s) set forth in subsection 3 of section 16 of this act expires.

DECISION POINT #2

Section 23 | Special Provisions on the Funding, Financing and Allocation of Available Funds Sourced to the Stadium Project

ALTERNATIVE B

Note: Requires a total public investment of \$750,000,000. In the event that the bond proceeds are insufficient to produce a \$750,000,000 public investment, the public sector would need to make up the shortfall via priority distributions from the transient lodging tax waterfall, including principal and interest payments due to the developer partners for any supplemental incremental capital contribution they were required to make. Eliminates the 39 percent contribution cap, replacing it with a “premier National Football League facility” standard. All profits from the stadium are allocated to the developer during the lease period.

SECTION 23. 1. *Any development agreement entered into pursuant to subsection 2 of section 16 of this act, any lease agreement(s) entered into pursuant to subsection 3 of section 16 of this act and any and all other agreements of any kind entered into between the stadium authority and one or more developer partners, NFL team, or any affiliate, subsidiary or related entity of a developer partner or NFL team, shall include the following:*

(a) The stadium authority’s contribution to the construction cost of the NFL stadium project shall not:
(1) Exceed \$750,000,000 exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto; or

(2) The maximum amount that can be raised from the issuance of bonds issued pursuant to section 24 of this act, secured by revenues generated by the tax imposed in subsection 2 of section 16 of this act, whichever is less.

(b) The total debt undertaken by the stadium authority shall not, at any given point in time, exceed the stadium authority’s contribution limits set forth in paragraph (a) of subsection 1.

(c) The construction and development of the NFL stadium project shall be consistent with first class, premier National Football League facilities currently in operation or approved for construction by National Football League.

(d) All land, improvements and other property of any kind included in the total cost of the NFL stadium project pursuant to subparagraph (c)(1) shall be the sole and exclusive property of the stadium authority and shall be exempt from ad valorem property taxes in this State. The developer partners and NFL team shall be responsible for ensuring that any required transfer of property interest occurs within a reasonable period of time. The sole exception to this provision shall be any capital expenditures that the stadium authority and the Stadium Events Company agree are made solely by the Stadium Events Company. In the case of this exception, such property shall be transferred to the stadium authority at the end of lease agreement, at which time it will become the sole and exclusive property of the stadium authority, unless the stadium authority and the Stadium Events Company agree otherwise.

(e) Unless otherwise provided for in this act, the stadium authority’s contribution to the construction and development cost of the NFL stadium project shall be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the developer partners’ contribution to the construction and development costs of the NFL stadium project.

TECHNICAL NOTES:

If Alternative B is selected:

DECISION POINT #2

Section 23 | Special Provisions on the Funding, Financing and Allocation of Available Funds Sourced to the Stadium Project

1. Section 22 (Financing Waterfall) will need to be adjusted to reflect the priority payment for any public funding shortfall, including both principal and interest.

“(x) In the event that proceeds generated from tax revenues defined in section 23 and bonds or other securities to which the receipts of that tax are pledged generate less than \$750,000,000 for the stadium authority’s contribution to the construction of the stadium project and Stadium Events Company funds the difference, a payment to Stadium Events Company for the difference plus interest based on a payment schedule agreed to by the stadium authority in the development agreement or lease.”

DECISION POINT #3

Section XX | Exemption from New or Expanded Industry-Specific Taxes

ALTERNATIVE A

Note: The current draft does not provide any exemption from new or expanded industry specific taxes.

ALTERNATIVE B

Note: Exempts to the NFL stadium project, NFL team and NFL events from any new or expanded industry-specific taxes imposed subsequent to the approval of this act.

SECTION XX. *No new or additional local sales, use or other tax shall be imposed on sales at the NFL stadium project site, including but not limited to any ticket tax, unless the tax is applicable throughout the taxing jurisdiction. To the extent any tax not in existence at the time this act is passed is subsequently imposed on the NFL team or any NFL event related revenues at the NFL stadium project, then the NFL team shall be reimbursed for all amounts paid by the NFL team to satisfy any such tax obligations as set forth in section 22 of this act, .*

TECHNICAL NOTES:

If Alternative B is selected:

1. Section 22 (Financing Waterfall) will need to be adjusted to reflect the reimbursement amount.

“(h) A reimbursement to the NFL team in the amount of any taxes paid by the NFL team for any tax levied by any state, local or municipal tax on the NFL stadium project, NFL events or NFL event related revenues, including but not limited to any ticket tax, that are passed or imposed subsequent to the approval of this act or any tax paid as a result of a modification or repeal of any abatement or incentive existing on the date this act is approved.”