

SENATE TAXATION COMMITTEE
MEETING OF APRIL 26, 1977

The meeting was called to order by Chairman Bryan. The following members were present:

Senators Gary Sheerin, Norman Ty Hilbrecht, Carl Dodge, Norman Glaser, Floyd Lamb and Richard Bryan.

The following items were considered:

AB 363 Provides imposition of county cigarette tax to finance certain recreational projects.

Senator Bryan explained that during the course of the testimony taken last week some projections were offered about the revenue which would be realized by the imposition of an additional five cents on the cigarette tax. At that point, the committee wished to take additional testimony on alternative sources for means of financing the project.

Mr. Don Ashworth, of the Downtown Progress Association, read into the record the names of those who sent telegrams in support of AB 363. (See tape #1.) He read a portion of Mr. Bob Brown's column which appeared in the Las Vegas newspaper. The article stated that if the committee changed the financing from cigarette tax to increasing room tax much of the Nevada resort industry, which presently favors the new downtown facility, may withdraw its support.

Dr. Guild Gray, of Burroughs, Smith and Company, stated he was not under contract with this project. His company is offering a public service. The bill would authorize general obligation bonds additionally secured by some form. The Las Vegas Convention Authority would be the agency within the county which would operate and finance this project. \$3.4 million would be generated from this additional cigarette tax, based on sales figures for last year. This figure is approximately three per cent less than the collection on the cigarette tax the year before. This facility will cost approximately \$26 million. The debt service on that, assuming it would be backed by general obligation bonds which do not require a coverage factor, would be nearly \$2.6 million based on 6.5 per cent interest. That leaves nearly a \$1 million leeway which appears to be ample and safe with the cigarette tax.

Mr. Jim McDaniel, architect of the building, presented a brochure which describes the project in detail. The brochure is attached. There will be a multi-purpose sports arena and additional convention center space which works off the convention center building.

Senator Bryan asked how many parking spaces would be provided.

Mr. McDaniel said the railroad has authorized the Downtown Progress Association to obtain as much additional land for parking as the facility will need.

Senator Bryan asked if additional road construction would be necessary.

Mr. McDaniel said a new underpass will be constructed at Ogden. There is a freeway interchange to be constructed at Charleston and additional access onto Bonanza. The street will be widened, also.

Senator Glaser asked if this would be an additional cost.

Mr. McDaniel said they would be separate projects.

Mr. Ashworth said Union Pacific has dedicated the land for the overpass at Ogden. It will be undertaken by the regional highway and streets program.

Senator Lamb asked what the cost would be for additional parking.

Mr. Frank Scott, President of the Resort Hotel Association, said it would cost an additional \$6,000 for the land.

Senator Bryan asked how many cars would fit into this additional space.

Mr. Scott said it would bring it up to approximately 5,000 cars. He added there are 12,000 parking spaces in the downtown area.

Mr. McDaniel explained that it is estimated that 3.5 people travel per auto.

Senator Bryan stated that would almost meet the need.

Mr. Burrel Cohen, an urban planner and economist employed by the Downtown Progress Association to prepare plans along with Mr. McDaniel, stated this facility would be used approximately 200 times per year. Its revenue generating capabilities would exceed \$2 million per year. The operating cost, under a separate staff under the direction of the Convention Authority Board, would be \$1 million per year. That would provide a surplus of approximately \$1 million. Those funds cannot be pledged as a basis for issuing bonds for the project because they are speculative.

Senator Hilbrecht asked how would the parking space addition impact the cost of the project.

Mr. Cohen said it would cost approximately \$1 million.

Senator Hilbrecht asked Mr. Cohen if he felt the 5,000-space parking lot would be adequate.

Mr. Cohen said, because of the availability of downtown parking spaces and the way the project is going to be physically connected with Main Street, as little as 4,000 spaces could still adequately accomodate capacity crowds.

Mr. Zack Taylor, Director of the Greater Las Vegas Chamber of Commerce, stated the Chamber of Commerce supports the project because it felt it would revitalize the downtown area, boost the economy, increase jobs and broaden the revenue base to both the local area and the state.

Senator Dodge questioned whether the Chamber of Commerce had these benefits in mind when it opposed the estate tax credit. He criticized the Chamber for being inconsistent. If that amendment could have been processed to put another \$5 million into the state coffers per year, it might have offered some method by which this project could be accomodated and still give some relief to cities.

Mr. Taylor said he felt both would accomplish the same thing. There was objection to the estate tax because it was felt that it would keep people from coming to Nevada.

Senator Bryan asked if the Chamber of Commerce had considered any alternative revenue sources.

Mr. Taylor stated there was no detailed discussion on the method of funding.

Senator Bryan asked if the chamber received any information about the prblems with the erosion of the cigarettes tax base.

Mr. Taylor said that subject wasn't addressed.

Mr. Harry Wald, Executive Vice President and Chief Operating Officer of Ceaser's Palace, stated Ceaser's Palace has no objection to the downtown complex if it was to be financed by the cigarette tax. Any increase in room tax would be opposed because this would be counterproductive. With the conventions that have been booked through the 1980's, these prices cannot be increased. It would also make Las Vegas the highest room tax city on the West Coast.

Senator Bryan indicated that he had information that room tax was never an issue in getting a contract for the Nevada Home Builders Association in Las Vegas.

Mr. Wald stated he would disagree with that. In trying

to sell conventions at Ceaser's Palace, it is very comptitive with other cities. He said he feared these conventions would look elsewhere if the room tax was increased.

Senator Sheerin said, if the five cents produces \$3.4 million, two cents would produce \$1.3 million. The brochure says this project will bring in \$1.4 million and it takes \$2.3 million for the debt service. Would there be objection to lowering this to a two cent cigarette tax to pay for part of it with the income from the facility paying for the rest of it.

Mr. Wald said that is not possible because that reserve cannot be put in with a bond issue.

Mr. Jim Lien, Deputy Director of the Department of Taxation, said the revenue can be used but there would be a pledging problem because it is not a dependable source of revenue that the cigarette tax would be.

Senator Sheerin said, if there was a general obligation bond behind it, it would be legally possible to do so, The risk, admittedly, is higher.

Mr. Lien said it was legally possible and a higher interest rate would probably be the result.

Senator Dodge asked Mr. Wald if conventions are guaranteed a room rate.

Mr. Wald said some room rates are being guaranteed for conventions in the 1980's based on experience factors of increases which have occurred over the years.

Senator Dodge stated no other state has the ability within hotels to consider the integrated revenues which result from gaming. He asked Mr. Wald if that gives the hotel an advantage whereby that room tax may be absorbed.

Mr. Wald said he didn't believe it would. The gaming won't pick it up.

Senator Dodge said he looked at a financial statement from the Hilton Hotel Corporation. He noted that the two Hiltons in Las Vegas accounted for 38 per cent of the net in the whole chain. He asked Mr. Wald if he was saying that the Hiltons in Las Vegas didn't have a natural advantage over all the other Hiltons in the world.

Mr. Wald said they must have. He said the future must also be considered. Atlantic City is entering gaming. Florida is making overtures to legalize gaming. Florida has only a four

per cent room tax. The hotels have to remain in a competitive position.

Senator Glaser stated that since 1966, according to the brochure, the convention center has been built and there has been a number of additions. The initial cost was \$20 million. He asked how much of this has been paid off and how much room tax is needed to meet the remaining obligation.

Mr. Ashworth said this was inquired into. The Downtown Progress Association met with the Convention Authority. A big addition has just been completed onto the present complex. Consequently, with the anticipated revenue from the six per cent room tax, their debt service combined with the facility and promotional expenses, there was no money to fund the sports complex.

Senator Sheerin asked how long that situation would exist.

Mr. Ashworth indicated 8-10 years.

Mr. John Alderford, representing Summa Corporation and the Nevada Resort Association, endorsed Mr. Wald's comments. Summa cannot support an increase in the room tax to fund the sports complex.

Senator Glaser asked if hotels add on other features when selling room packages.

Mr. Alderford said other features are added. People want to know what they are getting for their money.

Senator Glaser asked if the room tax was quoted.

Mr. Alderford said it is not quoted. For the first-time visitor, it has no effect. But it may have an adverse effect on repeat business.

Mr. Frank Johnson, Vice President of the Hilton Hotels Corporation, stated Hilton supports the downtown facility by financing as outlined in AB 363. It could not support financing through an increase in the room tax.

Senator Dodge asked Mr. Johnson if he was correct about the 38 per cent figure.

Mr. Johnson said he was. The reason for that figure is the convention business.

Senator Dodge stated it would indicate that the Las Vegas hotels have a natural advantage.

Mr. Johnson said, but when a convention is sold, it is sold on the bottom line of the cost of the convention.

Mr. Bernie Segelin, of MGM Grande Hotel, endorsed the comments of the previous speakers. He said the county and city can expect an increase in revenue over the next few years because of the growth in the number of hotel rooms. He said his organization has made commitments for future conventions using a six per cent tax.

Senator Sheerin stated commitments could still be met, but the hotel absorbs the cost.

Mr. Segelin said that is a realistic possibility, but he did not feel the intent of this bill was to impose on the hotels the absorption of the increased tax.

Senator Glaser asked what was MGM's occupancy rate.

Mr. Segelin said the last quarter was 95 per cent.

Senator Dodge asked Mr. Segelin if he felt the strip hotels will benefit from this downtown installations.

Mr. Segelin said it was difficult to say. Anything that improves Las Vegas is going to help the strip hotels.

Senator Glaser stated that historically the room tax has been used to build the convention and recreational facilities. And historically the cigarette tax has gone to the cities. This bill will deviate from that.

Mr. Segelin said if these are going to be general obligation bonds and if there is going to be an anticipated growth in revenue from the existing taxes simply by virtue of the increase in the number of rooms and gradual increase in room rates, the county and city receiving the benefit from this tax is going to have an increased revenue base. Isn't that going to provide the support needed to back these bonds?

Senator Hilbrecht asked why the Fair and Recreation Authority has not obligated funds for expansion in other areas, such as the sports complex, rather than just on Desert Inn Road in Paradise. A substantial part of the gaming and other revenues are derived from the area in which this project is addressed.

Mr. Segelin said that was the point he was raising. Since MGM opened in 1973, virtually all of the major strip hotels have put on substantial additions, resulting in increased tax revenue, and have raised their rates, which also increases the tax revenue. Also, additional hotels and motels are on the drawing boards. These, too, will provide additional revenue. Consequently, he feels this additional tax is premature.

Mr. Bob Broadbent, from the Convention Authority, stated the revenue from the convention authority next year is in excess of \$10 million. The bulk of that money comes from room tax. Bond redemption is approximately \$1.5 million per year. Costs for operation and maintenance is approximately \$2 million. \$1.5 million is returned to local government for recreational purposes. An excess of \$3.2 million is spent for advertising and promotion. That is a necessity for bringing in business. It has been budgeted so there will be a \$.5 million surplus at the end of the year. A lot of money is being spent. ± \$2 million addition is being built out of existing capital. Revenue is projected to increase about 10-12 per cent, which is approximately \$1-1.5 million. The authority will have to fund an expansion to the stadium, where it will have to add more seats, especially if the University joins the WAC. That is a commitment. If the convention authority were to back off of promotion and advertising, it would have the ability to fund a debt costing \$1 million per year and could successfully sell the bonds.

Senator Sheerin stated that \$1 million has nothing to do with what income could be generated by the sports complex.

Mr. Broadbent said this facility would have to generate money in the initial years for recovery of capital costs, but also there will be some O and M costs for the first five years. It's not projected to break even for a number of years.

Senator Dodge asked if the Convention Authority was asked to consider the complex in its planning and priorities.

Mr. Broadbent said it had been considered but the money has never been available. The first priority was to the existing convention center. It has been expanded just about to its limit.

Senator Lamb asked how many additional rooms have been built in Las Vegas since 1974.

Mr. Broadbent said 10,000 rooms.

Senator Lamb asked what was the convention authority's income in 1974.

Mr. Broadbent said approximately \$6 million.

Senator Lamb stated even though there has been additional income, the convention authority has found need for it.

Mr. Broadbent said inflation eats up about eight per cent of the fixed costs. If there is an additional \$1.2 million revenue next year, approximately half of it will be eaten up in fixed cost increases.

Senator Dodge asked if an increase in the number of rooms is considered in the budget.

Mr. Broadbent stated the convention authority always budgeted for an 8-10 per cent increase every year. It has always gone over that. It's carried over as an operating surplus and spent for other purposes.

Senator Bryan asked what was the room tax in 1959, the year it was initiated.

Mr. Broadbent said there's a six per cent room tax now. Only five per cent of it goes to the Convention Center. The hotels pay five per cent and the motels pay four per cent. The difference between that and the six per cent goes to the county and city general fund. It has always been five per cent for hotels and four per cent for motels.

Senator Glaser stated he felt if the Convention Authority Board of Directors sat down with this project in mind, it could be built out of the present revenues.

Mr. Broadbent said he personally would like to see this sports facility built. The board took the position that it would support a sports facility if there was additional revenue to support it. It may be possible to do what Mr. Glaser says, but that is the official position of the board.

Mr. Sam Boyd, principal owner of the California-Nevada Hotel and the Eldorado Hotel, said this new facility would help competition with two nations which have legalized gaming and 11 states which have bills pending to legalize gaming.

Senator Bryan asked if the downtown businesses could get support when it went before the Convention Authority. He said he felt they were entitled to it.

Mr. Boyd said it was felt it would have to be built so far down the line that it would be useless.

Mr. Ashworth said an investigation was made. Working with the auditor, they could find only \$400,000-\$500,000. At that time there were some bonds retiring in 6-7 years. For the first time today, Mr. Ashworth heard Mr. Broadbent say those bonds were re-financed and they now have a maturity of 16-17 years.

Mr. Glaser asked what was the nature of the new addition at the Convention Center.

Mr. Scott said the new addition primarily was put on to accommodate the Home Builders convention. Otherwise there wouldn't have been enough space for the convention. Now the Convention Authority will have the Home Builders Association convention for four years.

Mr. Chick Hechet, Vice Chairman of the Downtown Association, stated this complex is a must for the downtown area.

Mr. David Hood, of the 4 Queens Hotel, stated the facility is extremely important to the downtown area.

Senator Hilbrecht asked Mr. Hood if he knew Hyatt's position with respect to the room tax.

Mr. Hood said he was certain they would oppose it. They support the cigarette tax.

Mr. J. K. Houssels, Jr., Vice president of the Union Plaza Hotel and the Showboat Hotels, stated there is no such things as a nice tax. Since the state's economy is founded on tourism, the question should be what will discourage or encourage the tourist flow. The room tax will affect tourism; the cigarette tax will not.

Mr. Frank Scott, President of the Resort Hotel Association, stated the Convention Authority will generate enough money to fund this project over the next years. Approximately 2,000 rooms are being built now. They will generate approximately \$1.2 million in revenue. With the increase in room rates and the increased revenue from new rooms, if this bill could be amended to give the convention authority the right to issue general obligation bonds with a back up of perhaps 1-5 cents on cigarettes depending on the needs to service this debt, this project could be built.

Senator Sheerin asked if 1-3 cents would be acceptable.

Mr. Scott said he suggested 1-5 cents because whatever the Convention Authority might need to service that debt, they could use it. But the primary payment would come from the Convention Authority revenue. If the revenues were sufficient to handle that debt, there would be no need for the cigarette tax.

Senator Bryan asked Mr. Scott if he was satisfied that the committee would have to give the Convention Authority the authority to do so, or would it have to be mandated.

Mr. Scott said he felt it ought to be mandated.

Senator Hilbrecht said he shared Mr. Scott's view. He didn't understand why the Convention Authority couldn't maintain this facility.

Senator Bryan asked Mr. Lien to comment on Mr. Scott's suggestion.

Mr. Lien said there is a fall back with a general obligation bond. That's the advalorem, which is part of a pledge against a general obligation. What is being suggested is that it would go from existing room tax to cigarette tax revenue and would by pass advalorem entirely. Mr. Broadbent says if \$1 million can be pulled out of the Convention Authority, it is probable \$1.3 million can be received from it. Serious consideration ought to be given to advalorem, if it is needed, as a back up tax. It's a question of what hurts the most. The advalorem will have less impact on the local governments than the cigarette tax will have. A 1-2 cent increase in cigarette tax won't be as painful as the five cent tax. Looking at the advalorem base will also tend to cause the convention authority to look much more closely at its available revenues because of its broad impact across the county.

Senator Hilbrecht stated if the advalorem base was used, the Convention Authority might want to avoid it because of the overlapping membership of the governing bodies and of the control of the Convention Authority.

Senator Lamb suggested placing a curtailment on the Convention Authority's spending so that the money will go to the downtown project.

Mr. Scott said he would hesitate to put a bridle on that board. If this committee was to mandate the Convention Authority to build this project, there should still be a back up tax.

Senator Hilbrecht stated the reason it has been suggested not to rely on the cigarette tax is there is a strong hunch that the Convention Authority might be able to find the money if it was confronted with the possibility of having to invade the tax base of the entities which make up the authority. The committee would attempt, by legislation, to cure what has been an inequity in the distribution of these revenues.

Mr. Joe Midmore, of the Tobacco Tax Council, stated the downtown merchants deserve this building. The Convention Authority must rearrange its priorities. He disagreed that a back up tax would not be used.

AB 292 Provides tax exemption for certain property used to conserve or produce energy.

Assemblyman Robert Robinson, primary sponsor of the bill, stated this is a tax incentive bill for non-depleteable sources of energy. It goes beyond AB 277 because it addresses the production of energy. The only thing Assemblyman Robinson has heard of in Nevada which would benefit from this is a pilot plant on one of the large dairy farms, which plans to initiate conversion to methane.

Senator Sheerin asked if the fiscal impact is talking about a loss of present revenues or a loss of future revenues.

Assemblyman Robinson said it is not a loss now. But by enticing some people in to do this, nothing would be lost because they wouldn't have come here in the first place without it.

AB 622 Reduces property tax exemptions for partly disabled veterans.

Mr. Ray Crosby, Legislative Chairman of the Disabled American Veterans, read from a prepared statement. The statement is attached. Mr. Crosby stated this bill will involve approximately 2,893 disabled veterans in Nevada. The fiscal impact would be \$280,000 per year.

A list of names of the people who appeared in support of the bill is attached.

Mr. Lien explained the fiscal note previously prepared by the Department of Taxation has been refined to 3,029 people who would be eligible. Out of the 320 veterans who are 100 per cent disabled, only approximately 20 or 66.5 per cent are eligible for property tax exemption. There is approximately a 50 per cent potential eligibility under this bill. The figure may be high.

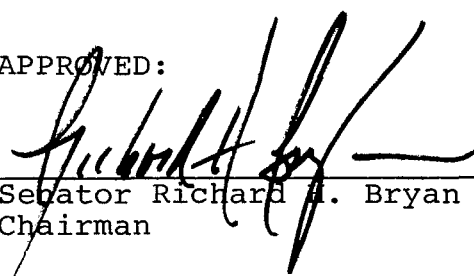
Mr. Gary Milliken, from the Clark County Assessor's Office, stated the bill was written because there appears to be some inequity when only 20 veterans in the state are eligible for the program as it currently is written. The Assessor's Office looked at the program to see how to get more veterans involved.

Senator Dodge moved to approved the minutes through April 7, 1977. Senator Glaser seconded the motion and it passed unanimously.

Respectfully submitted,

Colleen Crum
Colleen Crum

APPROVED:


Senator Richard A. Bryan
Chairman

GUEST REGISTER

TAXATION
SENATE COMMERCE & LABOR
COMMITTEE

DATE: 4/26/77

THOSE WISHING TO TESTIFY SHOULD IDENTIFY THEMSELVES BEFORE GIVING TESTIMONY.....

NAME (Please Print)	DO YOU WISH TO TESTIFY	BILL NO.	REPRESENTING	PHONE
Sam Boyd	yes	363	Caly & New Hotels Las Vegas	
Ray G. Crosby	yes	#622	Disabled American Veterans	673-4624
JAMES MCDANIEL	YES	363	DOWNTOWN PROGRESS ASSOC.	732-0143
Samuel Cohen	Yes	363	Downtown Progress	
Frank Scott	Yes	363	✓	386-2100
DAVID HOGG	YES	363	Four Queens Hotel	385-4011
J.K. Johnston	yes	622	DAV	
DANA GREENLEAF	YES	622	D. A. V.	825 6885
Gene Harris	No	622	D.A.V.	423-4627
John E. Dopham	yes	622	D.A.V. VFW	
Israel B. Garabedian	yes	622	D.A.V. VFW	972-0017
Michael Garabedian	yes	622	D.A.V. VFW	972-0017
Bobby Parrish	No	622	DAV	358-6704
Elmer Lawler	yes	622	D.A.V. - V.F.W.	359-4265
K.T. Messid	yes	622	DAV	423 5661
Mitche Messid	yes	622	DAV	423 5661
Orval Philippi	yes	622	DAV	7825338
Eva Philippi	no	622	DAV	782 5338
Midmore	yes	363	Tobacco Tax Council	747-4986

GUEST REGISTER

SENATE COMMERCE & LABOR
COMMITTEE

DATE: 4/26/77

THOSE WISHING TO TESTIFY SHOULD
IDENTIFY THEMSELVES BEFORE GIVING
TESTIMONY.....

NAME (Please Print)	DO YOU WISH TO TESTIFY	BILL NO.	REPRESENTING	PHONE
Dana Greenleaf				
Quane Hudson				
Billie Hudson				
Sue Johnston				
James K. Johnston				
Eileen E. Jackson				
Harley E. Jackson				
Juba J. Henleaf				
Marion M. Lakey				
Richard L. Lakey				
Jean Skidmore				
Russ Skidmore				
Michael Garabedian				
swel B. Garabedian				
Byron D. Strickland				
Elna Strickland				
Kenneth E. Messick				
Mitsue Messick				
William F. McElwain				
Rodgers				
Wilson Makala				603
Don King				
Walter Phillips				

D. A. Williams
 Williams
 Williams

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A RESOLUTION OF THE CITY OF LAS VEGAS,
NEVADA ENCOURAGING LEGISLATIVE SUPPORT
OF ASSEMBLY BILL 363

WHEREAS, the Nevada State Legislature is presently considering passage of Assembly Bill 363, which provides for imposition of county cigarette tax to finance certain recreational projects; and

WHEREAS, said Assembly Bill provides that the people of Clark County must vote favorably on said tax prior to its imposition; and

WHEREAS, the Senate Taxation Committee has requested an expression from the Las Vegas City Commission concerning said bill;

NOW, THEREFORE, BE IT RESOLVED:

1. The Las Vegas City Commission does hereby support Assembly Bill 363 and urges its passage by the Nevada State Legislature.

PASSED, APPROVED AND ADOPTED this 20th day of April, 1977.

William H. Briare
WILLIAM H. BRIARE, MAYOR

Paul Christensen
COMMISSIONER PAUL CHRISTENSEN

Myron Leavitt
COMMISSIONER MYRON LEAVITT

Ron Lurie
COMMISSIONER RON LURIE

Roy Woofter
COMMISSIONER ROY WOOFTER

ATTEST:

Edwina M. Cole
Edwina M. Cole, City Clerk

(SEAL)

BILL HAMMOND AT THE CONVENTION AUTHORITY
SUPPLIED THE FOLLOWING FIGURES:

FOR THE 5-YEAR PERIOD OF FISCAL YEARS 1972 THROUGH 1976:

RECREATION GRANT

THEY DISBURSED BACK TO:

CLARK COUNTY	569,160.00
LAS VEGAS	996,540.00
NO. LAS VEGAS	284,580.00
HENDERSON	189,720.00
BOULDER CITY	<u>102,000.00</u>
TOTAL	2,142,000.00

COLLECTION ALLOCATION

THEY DISBURSED BACK TO:

CLARK COUNTY	1,099,996.00
LAS VEGAS	1,356,173.00
NO. LAS VEGAS	387,641.00
HENDERSON	258,333.00
BOULDER CITY	<u>64,796.00</u>
TOTAL	3,166,939.00

276,580
 387,641

 664,221

2,172,000

 533,597.00

*This does not include - 1% Tax imposed by
 City & County*

APRIL, 1977

MR. CHAIRMAN & SENATORS:

IN ORDER FOR US TO ARRIVE IN FRONT OF YOUR COMMITTEE WITH AB 622 TODAY, WE HAVE FACED THE ASSEMBLY TAXATION COMMITTEE 3 TIMES AND THE WAYS AND MEANS COMMITTEE ONCE.

COUPLED WITH THE TRAUMA OF GETTING OUR BILL THROUGH THE ASSEMBLY WITH A VOTE OF 36 - 0 AND HAVING AB 622 AMENDED TO EXCLUDE THOSE 10% AND 20% DISABLED, AND SUFFERING THE ADDITIONAL FRUSTRATION OF GIVING UP AB 581-582, (EXEMPTIONS FOR ALL VETERANS) AND THE PROBABILITY OF AB 696 (A LICENSE PLATE BILL) AND AB 743 (A BILL FOR EDUCATION DEPENDENTS AND SURVIVORS WHICH WILL NEVER SEE THE LIGHT OF DAY. SUFFICE IT TO SAY WE ARE PERPLEXED, FRUSTRATED AND DISAPPOINTED.

HOWEVER, SINCE WE HAVE BEEN THIS SUCCESSFUL UP TO THIS POINT TO BE ABLE TO APPEAR BEFORE YOU TODAY, WE CONTINUE OUR HOPE YOU WILL CONSIDER AND PASS AB 622 TO THE SENATE FINANCE COMMITTEE - AND THAT THEY IN TURN WILL PASS IT ON TO THE SENATE FLOOR WITH A RECOMMENDATION - "DO PASS".

AB 622 - A BILL GRANTING PROPERTY EXEMPTIONS TO DISABLED AMERICAN VETERANS, BASED ON THEIR DEGREE OF DISABILITY, WAS AUTHORED AND IMPLEMENTED AND SUGGESTED BY JEAN DUTTON, CLARK COUNTY ASSESSOR. WE ARE DEEPLY IN MR. DUTTON'S DEBT, BECAUSE WE, WITH OUR CONTEMPLATION OF THE TYPE OF LEGISLATION WE NEED AND DESIRE, NEVER THOUGHT OF ANY BILL THAT COULD BE AS BENEFICIAL AND FAIRLY DISTRIBUTED TO ALL DISABLED AMERICAN VETERANS AS AB 622.

ONLY THE DISABLED AMERICAN VETERANS RECEIVING 30% OR MORE DISABILITY ARE ELIGIBLE FOR AB 622.

BASED ON THE VETERANS ADMINISTRATION CHECK PAYMENT LIST, AB 622 INVOLVES APPROXIMATELY 2,893 DISABLED AMERICAN VETERANS IN NEVADA. THE FISCAL IMPACT ACCORDING TO MR. JAMES LIEN IS \$21,000 TO THE STATE OF NEVADA AND APPROXIMATELY \$380,000 TO ALL COUNTIES.

NO COUNTY ASSESSOR IN THE STATE OF NEVADA HAS APPEARED AGAINST AB 622. BASED ON THIS FACT, OUR ONLY ASSUMPTION IS THAT THEY DO NOT OPPOSE OUR NEED AND DESIRE FOR PASSAGE.

THERE ARE APPROXIMATELY 95,000 VETERANS OF ALL WARS IN THE STATE OF NEVADA. ONLY 7,000 ARE DISABLED AMERICAN VETERANS. OF THIS 7,000, ONLY 2,893 ARE ELIGIBLE FOR AB 622.

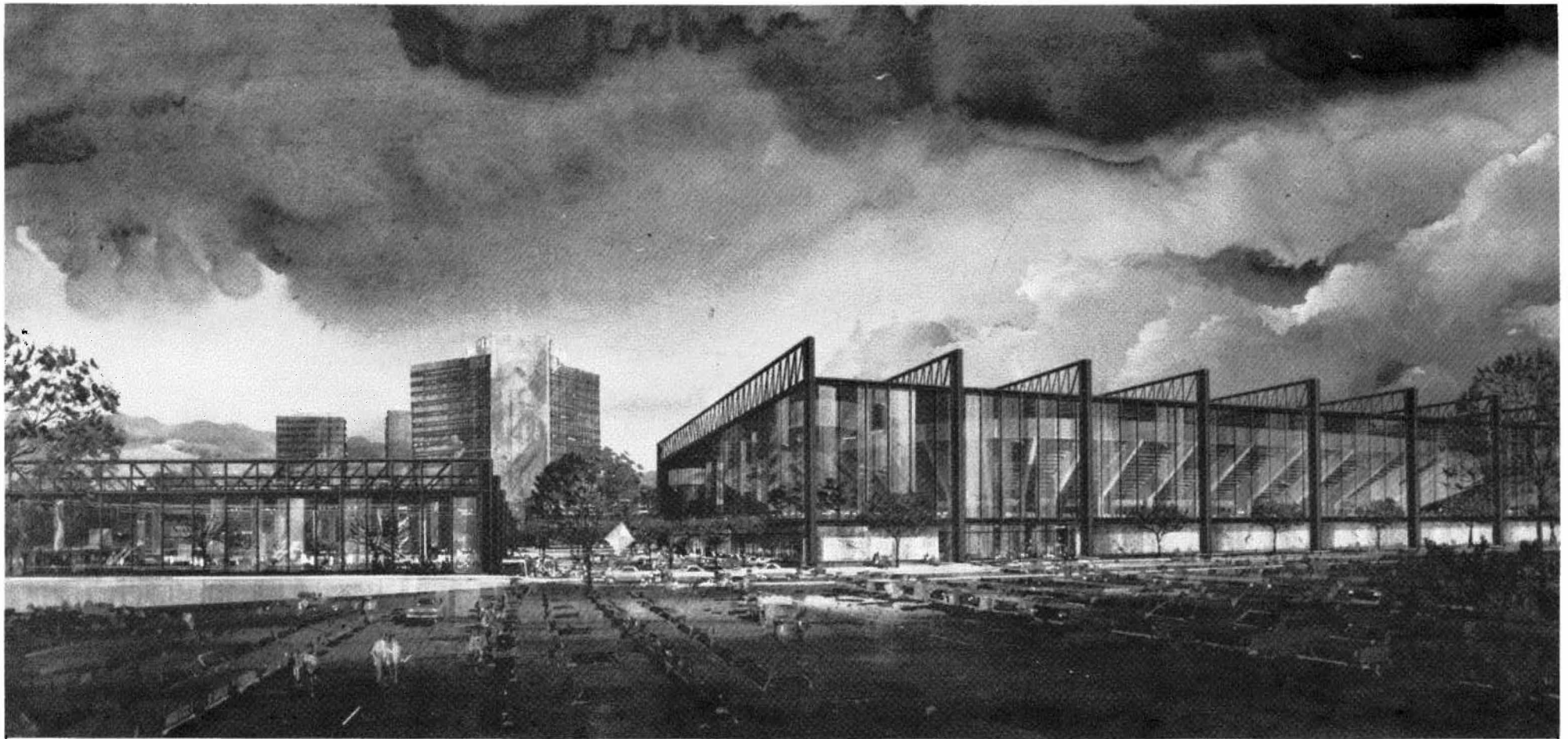
THERE ARE THOUSANDS OF EYES FOCUSED ON US TODAY. THE EYES OF ALL VETERANS AND THEIR FAMILIES IN OUR STATE ARE WAITING TO SEE IF WE WILL PREVAIL IN GAINING THE FIRST LEGISLATION PASSED IN THE STATE OF NEVADA FOR VETERANS SINCE 1949.

IN 1973, PROVISION WAS MADE BY THE LEGISLATURE TO PROVIDE A \$10,000 EX-EMPTION IN NRS. 360.091. WE THANK ALL WHO WERE RESPONSIBLE FOR PASSAGE, HOWEVER, IT HELPED AND AFFECTED ONLY 20 DISABLED AMERICAN VETERANS IN NEVADA.

WE PRAY THAT IN YOUR WISDOM AND COMPASION YOU WILL NOT ONLY GIVE AB 622 A "DO PASS" FROM YOUR COMMITTEE, BUT THAT YOU WILL HELP TO SEE AB 622 THROUGH THE COMPLETE SENATE PROCESS TO THE GOVERNOR BEFORE SINE DIE.
THANK YOU, SINCERELY.

RAY A. CROSBY
DISABLED AMERICAN VETERANS

607



PROFILE: Physical & Economic Characteristics
Of Proposed

Downtown Sports Arena/Mini-Convention Complex

PROFILE - PHYSICAL AND ECONOMIC CHARACTERISTICS
OF PROPOSED DOWNTOWN SPORTS ARENA/MINI-CONVENTION COMPLEX

Prepared by: Burrell Cohen, Development Consultant
James McDaniel, Architect

COMMUNITY NEED FOR NEW DOWNTOWN
MULTI-PURPOSE SPORTS ARENA AND MINI-CONVENTION FACILITY

Las Vegas and Clark County continue to grow at an astonishing rate. This growth is reflected in virtually every barometer traditionally used to measure the growth of a community. In the case of the greater Las Vegas area, such growth is further demonstrated by statistical documentation of the growth that has occurred in the tourist and entertainment business during the past decades.

By 1985 it is anticipated that the greater Las Vegas area will be the home of approximately 500,000 people. These residents will require new and expanded public facilities and conveniences if they are to be provided with those ingredients required for enjoyable urban living.

The Las Vegas Convention Center was constructed for purposes of enabling the community to successfully compete for national and international convention business. The success of this facility is demonstrated by the continually increasing number of conventions and conventioners that come to Las Vegas annually for such purposes. Because Las Vegas does not have a multi-purpose sports arena and related accommodations for civic and certain community activities, the Convention Center has been used for these purposes. Such uses have become increasingly more difficult to accommodate and have further complicated the Convention Authority's ability to maintain maximum flexibility in the use of its

facilities as a basis for its marketing efforts to attract new and larger conventions to the Las Vegas area.

Downtown Las Vegas remains the geographic center of this growing community. Downtown hotels continue to expand with the addition of rooms and improved facilities for visitors. As existing hotels enlarge and new hotels are constructed within the downtown area, it will become increasingly important that these hotels have an opportunity to attract small conventions and meetings. To do this effectively the availability of a mini-convention center within close proximity to these hotels is necessary to enable them to actively pursue these conventions, many of which cannot be accommodated at the Convention Center. The following information supports the need for such additional facilities to serve tourists, but more importantly, to serve those who live in the Las Vegas Valley.

CLARK COUNTY STATISTICS

1.) Population:

1970	305,000
1975	339,500
1980	435,000
1985	520,000
1990	600,000
1995	680,000
2000	750,000

2.) Visitor Volume:

1970	6,787,650
1975	9,151,427
1980	12,362,645
1985	16,701,933
1990	22,564,311
1995	25,564,311
2000	30,564,311

3.) Hotel/Motel Room Inventory:

1970	25,430
1975	35,190
1980	42,425
1985	50,150
1990	57,875
1995	65,600
2000	73,325

4.) Room Tax Revenue:

1970	\$ 3,751,265
1975	\$ 7,616,661
1980	\$15,187,072
1985	\$19,052,467
1990	\$22,917,862
1995	\$26,783,257
2000	\$30,648,652

5.) Visitor Dollar Contribution:

1970	\$ 1,182,543,972
1975	\$ 2,182,565,255
1980	\$ 4,039,059,602
1985	\$ 5,895,553,947
1990	\$ 7,752,048,292
1995	\$ 9,608,542,637
2000	\$11,465,036,982

6.) Gaming Revenue:

1970	\$ 369,286,977
1975	\$ 770,336,695
1980	\$ 1,617,970,252
1985	\$2,019,019,972
1990	\$2,420,069,692
1995	\$2,821,119,412
2000	\$3,222,169,132

7.) McCarran Statistics - Total Enplaned/Deplaned Passengers

1970	4,086,973
1975	6,500,806
1980	8,653,851
1985	11,691,353
1990	15,795,017
1995	17,895,017
2000	21,395,016

8.) Construction Permits - Value:

1970	\$184,470,901
1975	\$230,521,329
1980	\$288,151,000
1985	\$360,189,000
1990	\$450,236,000
1995	\$562,795,000
2000	\$703,494,000

9.) Total Employment:

1970	122,400
1975	145,400
1980	186,180
1985	222,560
1990	256,800
1995	291,040
2000	321,000

10.) Sales-Use Tax Transactions:

1970	\$ 879,633,189
1975	\$ 1,741,802,201
1980	\$ 3,483,604,000
1985	\$ 6,967,208,000
1990	\$13,934,416,000
1995	\$27,868,832,000
2000	\$55,737,664,000

11.) School Enrollment:

1970	73,140
1975	80,938
1980	89,598
1985	99,185
1990	109,798
1995	121,546
2000	134,551

12.) Total Housing Units - All Types:

1970	90,573
1975	131,445
1980	152,098
1985	181,818
1990	209,790
1995	237,762
2000	262,238

13.) Population Age:

LAS VEGAS (CLARK COUNTY)

POPULATION AGE GROUP COMPARISON 1960 - 1970

AGE GROUP	<u>1960</u>		<u>1970</u>		PERCENT INCREASE
	TOTAL NO.	% OF TOTAL POPULATION	TOTAL NO.	% OF TOTAL POPULATION	
Under 5	15,776	12.4	26,017	9.5	64.9
5 - 14	24,163	19.0	57,964	21.2	139.9
15 - 24	16,892	13.3	44,189	16.2	161.7
25 - 34	19,249	15.1	42,758	15.7	122.1
35 - 44	20,134	15.9	35,924	13.1	78.5
45 - 54	15,711	12.4	31,384	11.5	99.8
55 - 64	9,394	7.4	21,053	7.7	124.2
65 & over	5,697	4.5	13,990	5.1	145.5

CONVENTIONS

CONVENTION INDUSTRY: LAS VEGAS

Cities throughout the nation are discovering what Las Vegas has known from the beginning--Conventions are big business. They represent millions of dollars of potential income, and because of long range bookings, they are an effective monitor of the city's economy and a base for future growth.

Close to 13 million convention delegates attended the 35,000 or more conventions held each year in the United States, according to the American Hotel and Motel Association. Totally, the delegates spend more than \$2.2 billion annually in the convention cities. This is an industry of rapid expansion, and it has assumed an increasingly competitive place in the tourism/convention market place. Conventions are not only growing in size, but the number held each year is steadily increasing.

Every large city in the country offers convention facilities and almost every resort town has added these facilities to their accommodations. More important, those cities regarded as leading convention sites are expanding their facilities at an alarming rate. Two factors determine an association executive's choice of site: the attractions in the city, and the convention facilities offered. Las Vegas definitely has the attractions,

and is continuing to improve its convention facilities and room accommodations.

No one in the Las Vegas/Clark County area will deny that tourism is the number one industry. And no one can deny that conventions deliver thousands of people into Las Vegas each year -- 349,787 delegates during 1975 for example. It is a matter of record that since 1959, when the Las Vegas Convention and Visitors Authority first opened its convention facilities with the World Congress of Flight, convention sales have played a vital and integral part in the city's growth and in its expanding economy.

Convention delegates spend approximately \$60.00 a day exclusive of gambling. Multiply that figure by the thousands of conventioners who visit the city each year, and the impact of the convention industry on Las Vegas' and Clark County's growth, both locally and as a prime destination throughout the world, is obvious. In 1975, 393 conventions were held in Las Vegas, representing a contribution of \$91,982,560.00 to the community's economy.

As in any resort town, Las Vegas has its peak seasons and its off seasons. The influx of convention delegates into town during a "slow period" is one means of effectively maintaining the economy. Certain large conventions are capable of completely filling the town, and could

mean the difference between a 98% occupancy figure and a 60% occupancy figure.

As a convention destination, Las Vegas has experienced a steady growth pattern since the 1950's. An analysis of this industry is contained in the following chart:

LAS VEGAS CONVENTION INDUSTRY

TOTAL CONVENTIONS HELD

YEAR	NUMBER OF CONVENTIONS	ATTENDANCE	REVENUE
1959	111	59,296	\$ 6,330,120.00
1960	113	58,936	6,566,360.00
1961	143	55,678	6,392,490.00
1962	137	133,394	23,324,952.00
1963	132	69,197	10,802,600.00
1964	181	95,160	16,986,250.00
1965	212	156,819	30,061,425.00
1966	235	153,749	29,556,250.00
1967	251	155,240	30,329,300.00
1968	266	206,709	43,107,950.00

LAS VEGAS CONVENTION INDUSTRY (Continued)

TOTAL CONVENTIONS HELD

YEAR	NUMBER OF CONVENTIONS	ATTENDANCE	REVENUE
1969	278	218,918	\$41,376,750.00
1970	296	269,129	63,598,020.00
1971	320	312,347	76,221,840.00
1972	385	290,794	71,574,900.00
1973	305	357,248	90,129,844.00
1974	339	311,908	79,388,220.00
1975	393	349,787	91,982,560.00
1976*	330	362,067	94,629,480.00

* 1976 includes projections for November and December.

During this time frame, Las Vegas has hosted 4,427 conventions. These have been attended by 3,616,376 convention delegates who have generated \$812,359,311.00 throughout the economy of Las Vegas, exclusive of gaming.

The future of Las Vegas as a convention destination parallels the continuing growth of the convention industry of the United States. Because of the complexities of modern living, meetings to discuss mutual problems and attendance at these meetings is paramount to

enabling groups, businesses and organizations to more effectively compete in today's society. At the present time, Las Vegas offers over 36,000 hotel/motel rooms and by 1985 this figure will be close to 55,000 rooms. Attracting more conventions will enable the economy of the city to prosper. Adequate convention facilities will meet the demands of these groups and organizations.

A projection of future convention activity for Las Vegas is contained in the following chart:

YEAR	PROJECTED NUMBER OF CONVENTIONS	PROJECTED ATTENDANCE	PROJECTED REVENUE
1980	452	409,251	\$114,058,374.00
1985	520	478,824	141,432,384.00
1990	598	560,224	175,376,156.00
1995	688	655,462	217,466,433.00
2000	791	766,891	269,658,377.00

These statistics indicate that Las Vegas will continue as an integral part of the convention industry in the United States.

LAS VEGAS CONVENTION CENTER

A convention center is a great asset to any community, and the value of the LVCVA to the Las Vegas community is enormous. Not only is it a place for civic events--Hellodoro, the Shrine Circus, the Jaycees State Fair, basketball games and even Presidential addresses--it is also a major contributor to an expanding economy. Through the solicitation and booking of major conventions into Las Vegas, the LVCVA insures a constant flow of tourist and convention delegate dollars into the community.

To most Nevadans, the Las Vegas Convention and Visitors Authority and the Las Vegas Convention Center are synonymous. The convention center is situated on 50 acres of land which was originally donated by the family of Joe W. Brown. What was once a race-track is now one of the largest, and most effectively structured and equipped convention centers in the entire United States.

The Las Vegas Convention Center offers association executives some 700,000 square feet of exhibit space and some 43 meeting rooms under one roof. Its 22,000 square foot rotunda seats 7,500 people, and parking space for 4,800 cars is available.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Another facility not generally recognized by the public is the Las Vegas Stadium, which is funded and operated by the LVCVA. Used mainly for community sporting events, the stadium seats 15,000 persons, and is the site of local high school and UNLV football games.

The Las Vegas Convention and Visitors Authority has been regarded by the county's hotel/motel industry as the focal point for tourism and convention sales since its establishment in 1959, when the LVCVA officially opened its convention facilities with the World Congress of Flight. In its eighteen year existence, it has assisted in successfully establishing Las Vegas as a leading travel destination city, as the "convention capital of the world," and it has played a vital role in the promotion of Clark County as a major resort area. Its functions are multi-faceted, its funding unlike most tourism promotion bureaus in the nation.

Although a governmental entity, the Las Vegas Convention and Visitors Authority is neither state, county nor city controlled, but rather functions as a separate entity under the direction of its Board of Directors, comprised of ten men who represent Clark County, the City of Las Vegas, North Las Vegas and the dual area of Henderson and Boulder City. It is under the directional guidance of these men, and through their experience in the community, that

all promotional and marketing programs are implemented.

Most Nevadans are greatly interested to learn of the LVCVA's unique funding. It is, in fact, a free public service to the taxpayers of Clark County. Since its establishment, the LVCVA and its physical facilities, i.e., the Las Vegas Convention Center and the Las Vegas Stadium, have operated almost exclusively on revenues generated by a 6% room tax collected both in city and county. From these funds, the LVCVA receives 5% of all hotel room taxes and 4% of all motel taxes.

For example, in 1975, room tax revenues collected in the Las Vegas/Clark County area totaled \$7,616,661.00:

CLARK COUNTY	\$6,426,789.00
LAS VEGAS	\$1,149,606.00
BOULDER CITY, HENDERSON AND NORTH LAS VEGAS	\$ 40,266.00

The fact that the Las Vegas Convention and Visitors Authority depends on revenues which it, in part, helps to create is a definite insight into its successful operation.

The LVCVA also produces income generated through convention sales and stadium usage. These revenues recoup approximately one-third of its costs of operation.

Since 1966, the facilities at the Convention Center have been expanded to meet the growing demands and needs of the convention industry. A summary of this development follows:

<u>AREA</u>	<u>YEAR</u>	<u>COST</u>	<u>SQUARE FOOTAGE</u>
South Hall	1967	\$1,866,625.24	56,000 sq. ft.
East Hall	1972	\$6,653,964.64	105,340 sq. ft.
Meeting Room Annex	1975	\$2,700,000.00	70,000 sq. ft.
East Hall Expansion	1977	\$8,300,000.00	201,800 sq. ft.

UTILIZATION OF FACILITY

The Convention Center facility was utilized for various activities 357 out of the 365 days of calendar year 1975. A breakdown of this utilization is contained in the following chart:

CONVENTION CENTER ACTIVITY - 1975

CONVENTION CENTER UTILIZATION

Month	Conventions	Total Days	Events	Total Days	Meetings	Total Days
JANUARY	3	21	7	24	35	43
FEBRUARY	4	29	11	22	23	25
MARCH	2	17	6	14	24	27
APRIL	3	26	12	16	21	23
MAY	2	12	13	24	23	28
JUNE	5	14	7	19	32	59
JULY	1	11	5	15	32	47
AUGUST	3	25	6	37	27	35
SEPTEMBER	2	17	5	10	36	55
OCTOBER	6	42	1	1	17	25
NOVEMBER	2	9	13	29	37	67
DECEMBER	2	10	10	11	35	54

TOTAL 35 233 96 222 342 488

1. Total activity in building 473 bookings.
2. Total days building utilized 943 days.

Based upon a calendar year, the facilities at the Convention Center were utilized 357 out of the 365 days.

SOURCES: Las Vegas Convention/Visitors Authority — Facilities Department
 Las Vegas Convention/Visitors Authority — Marketing Department

In addition to conventions and local meeting usage, the Las Vegas Convention Center also is the site for a variety of civic and entertainment events. A list of some of these activities for 1975-76 are listed below:

I. SPORTING EVENTS

- A. University of Nevada Las Vegas Basketball Games:
Approximately 25 men and women games per year - 50 over
the two year span
- B. Desert Inn Archery Tournament
- C. Karate Exhibition - Tai Liu Shinate - 2 Events
- D. Wrestling - Las Vegas Athletic Club - 8 Events
- E. Zone and State Basketball Tournament - Clark County
School District
- F. Harlem Globetrotters - 3 Events
- G. Pizza Hut Basketball Classic
- H. Wrestling Championship - Las Vegas Y.M.C.A.
- I. Bicycle Race - Las Vegas Wheelman - 2 Events
- J. Marshall Arts Demonstration - Cliff Quon
- K. A.A.U. Boxing - Golden Gloves
- L. Professional Karate Tournament - Karate Studio
- M. Professional Fights
- N. Closed-Circuit Telecasts - Professional Fights
- O. Karate Tournament - 4 Seasons National - 2 Events

II. GRADUATIONS

- A. U.N.L.V.
- B. Clark County Community College
- C. Clark County High School Graduations

III. EVENTS

- A. Flea Markets
 - 1. Al Lansman - 7 Events
 - 2. World Wide - 5 Events
 - 3. European - 9 Events
 - 4. Sekulich Antique Show - 5 Events
 - 5. S & J Limited - 1 Event
- B. Boat & Travel Show - Ed Greenband - 2 Events

IV. ROCK CONCERTS

- A. Crystal Leif - 7 Events
- B. Goldust - 2 Events
- C. Rawhide - 2 Events

V. MAJOR ACTIVITIES

- A. Elks Hellsdorado and Rodeo
- B. Shrine Circus
- C. Las Vegas Jaycee Fair

VI. SCHOOL ACTIVITIES

- A. Gorman - Bingo - 2 Events
- B. High School Proms
- C. Talent Show - Clark County School District - Black Extravaganza
- D. Dance Show - Las Vegas Rythmettes
- E. Sun Youth Forum
- F. Beauty Pageant - Clark County School District
- G. Fine Arts Day - Clark County School District

VII. CHARITIES

- A. Square Dance Exhibition - Nevada Heart Association
- B. Muscular Dystrophy - Telethon
- C. March of Dimes - Walk-A-Thon
- D. March of Dimes - Appreciation Dinner
- E. Multiple Sclerosis - Read-A-Thon

VIII. CHURCH/SCHOOL ACTIVITIES

- A. Lutheran Council of Southern Nevada - Folk Musical
- B. Latter Day Saints - Operation Pow Wow
- C. Easter Sunrise Services - Clark County Ministerial Association
- D. Pioneer Day Celebration - Latter Day Saints

VIII. CHURCH/SCHOOL ACTIVITIES (Continued)

- E. Mass - Holy Family
- F. Morman Choir - Bicentennial Committee
- G. Banquet - True Love Baptist Church
- H. St. Francis De Sales Church - Bicentennial Celebration
- I. Bingo Party - St. Joseph's School
- J. L.D.S. Services - Bicentennial Committee
- K. Bingo Party - Hadassah

IX. OTHER EVENTS

- A. Las Vegas Chamber of Commerce - Nellis Gala
- B. Southern Nevada Bottle Show - 2 Events
- C. Southern Nevada Ranchers - Chinchilla Show - 2 Events
- D. Clark County Assessor's Office - Auction
- E. Flower Show - City of Las Vegas Park Department - 4 Events
- F. Dance - Nevada Association of Latin Americans
- G. Graduation - Las Vegas Metropolitan Police Department
- H. Variety Show - Las Vegas Korean Association
- I. Hi-Fi Stereo Show - Expression Studios
- J. Miss Black Teenage Pageant - Dance
- K. Variety Show - Filipino Community
- L. Boy Scouts of America - Banquet
- M. Dog Show - Silver State Kennel Club - 3 Events

IX. OTHER EVENTS (Continued)

- N. Bicentennial Celebration - Southern Nevada Bicentennial
Committee
- O. Frontier Girl Scouts - Awareness Day - 2 Events
- P. Art Fair - KLUC
- Q. Show - Nevada State Ceramic Association
- R. Cat Show - Ra Mau Valley Cat Club - 2 Events
- S. Organ Concert - Garehime Music Company
- T. Southern Nevada Doll Club - Show
- U. Dance - Oasis Demolay
- V. Ski Show and Swap Meet - Ski Productions
- W. Las Vegas Doll Club - Show
- X. Nevada Collection & Hobby Show - 2 Events
- Y. Tests - Clark County Personnel - 2 Events
- Z. Election School - Clark County Election Department

X. ADDITIONAL EVENTS

- A. International Scale Model - Show
- B. Auction - Las Vegas Metropolitan Police Department - 2 Events
- C. Art Show - Herbie Productions
- D. Opera - Clark County Community College
- E. Youth Exchange - Southern Nevada Bicentennial
- F. Mexican Folklore - Southern Nevada Bicentennial

X. ADDITIONAL EVENTS (Continued)

- G. Frontier Girl Scouts - Graduation - Bicentennial Fair
- H. Scholarship Pageant - Miss Clark County Pageant
- I. Fun Fair - Boy Scouts of America
- J. Bicentennial Holiday Special - Las Vegas Youth Council
- K. Christmas Concert - Rancho High School
- L. Talent Show - Bold Explosion
- M. Dinner/Dance - Grambling Alumni
- N. U.S. Marine Band - Salvation Army
- O. Dance - Latins of Las Vegas
- P. New Years Eve Dance - Enriquez Melendez
- Q. Children's Christmas Posada - Nevada Association of Latin Americans
- R. Cat Show - Las Vegas Cat Club
- S. Indian Benefit - Operation Pow Wow
- T. Benefit Performance - Young Audiences

HOTEL/MOTEL ROOM ANALYSIS

HOTEL/MOTEL ROOMS

Las Vegas currently has an inventory of 36,245 hotel/motel rooms. To maintain high levels of occupancy, solicitation of all types of conventions is necessary.

The breakdown of rooms follows:

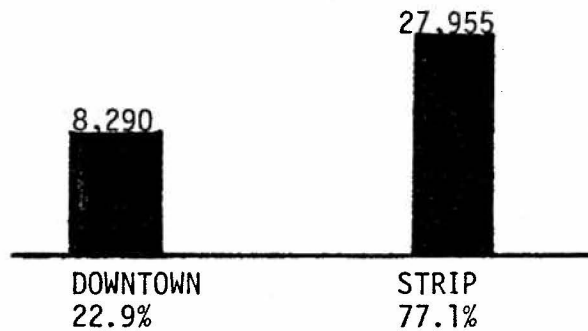
	<u>TOTAL ROOMS</u>	<u>TOTAL PROPERTIES</u>	<u>ROOMS UNDER CONSTRUCTION</u>
HOTELS	21,901	37	2,597
MOTELS	<u>14,344</u>	<u>243</u>	<u>384</u>
TOTAL	36,245	280	2,981

A room inventory projection for Las Vegas is contained in the following table:

<u>YEAR</u>	<u>TOTAL HOTEL/MOTEL ROOM INVENTORY</u>
1980	42,425
1985	50,150
1990	57,875
1995	65,600
2000	73,325

DOWNTOWN PROPERTIES

At the present time, Downtown Las Vegas has an inventory of 8,290 hotel/motel rooms with 1,125 presently under construction. A graphical presentation of this is contained below:



Downtown Las Vegas contains 22.9% of the total rooms in Clark County. A projection for the total number of rooms in the Downtown area follows:

<u>YEAR</u>	<u>TOTAL HOTEL/MOTEL ROOM INVENTORY: DOWNTOWN</u>
1980	10,059
1985	11,828
1990	13,597
1995	15,366
2000	17,135

CONVENTION
ANALYSIS

During the last two years, Las Vegas hosted 671 conventions that had attendance of less than 3,000 delegates. These conventions represent 372,472 people with potential revenue of \$89,393,280.00. A convention facility with 50,000 to 100,000 square feet of exhibit space with meeting rooms could potentially accommodate these types and sizes of conventions. A monthly breakdown of these particular conventions for 1975 and 1976 are presented below:

1975:

MONTH	NUMBER OF CONVENTIONS	TOTAL ATTENDANCE
JANUARY	32	23,798
FEBRUARY	24	16,420
MARCH	44	22,771
APRIL	42	17,635
MAY	34	8,599
JUNE	32	12,945
JULY	8	5,195
AUGUST	24	15,260
SEPTEMBER	26	20,390
OCTOBER	44	21,238
NOVEMBER	36	26,238
DECEMBER	20	12,631
TOTAL	366	203,120

1976:

MONTH	NUMBER OF CONVENTIONS	TOTAL ATTENDANCE
JANUARY	33	21,146
FEBRUARY	26	11,271
MARCH	16	11,909
APRIL	44	17,384
MAY	26	10,803
JUNE	19	8,638
JULY	14	12,647
AUGUST	17	14,894
SEPTEMBER	26	11,050
OCTOBER	38	24,160
NOVEMBER	30	18,125
DECEMBER	16	7,325
TOTAL	305	169,352

DOWNTOWN SPORTS ARENA

ASSUMPTIONS AS BASIS FOR DESIGN AND ECONOMIC PROJECTIONS

- 1) Complex designed for maximum use by community at large
- 2) Multi-purpose arena including basketball, ice hockey, concerts, rodeos
- 3) Opening of arena 1980
- 4) A minimum of 16,000 fixed seats
- 5) 75,600 sq. ft. of exhibit/convention/meeting rooms area including 1,500 multi-purpose seat auditorium
- 6) 30 acres of land area
- 7) Enclosed air conditioned pedestrian skyway from Main Street directly into complex (800 ft. by 30 ft. wide)
- 8) 2,000 on-site parking spaces
- 9) 44 VIP boxes for lease on annual basis
- 10) 6 indoor tennis courts and 5 handball courts to be located in convention area
- 11) Arena Club
- 12) Approximately 200 events per year
- 13) Use of arena for public ice skating and youth hockey when available
- 14) Free rental of complex for variety of community events which could total as many as 50 or more per year
- 15) Minor league hockey franchise
- 16) World team tennis franchise or professional volleyball franchise
- 17) UNLV men's basketball including expanded five day holiday tournament until such time as on-campus pavilion is constructed

- 18) UNLV women's basketball tournament until such time as on-campus pavilion is constructed
- 19) UNLV intercollegiate wrestling tournament until such time as on-campus pavilion is constructed
- 20) Average attendance per UNLV men's basketball game 12,000
- 21) Average attendance per minor league hockey game 4,000
- 22) Telescreen "indoor"/message center "outdoor" for promotion, photo replay and commercial advertising
- 23) Youth fun center of approximately 4,000 sq. ft.
- 24) Ticket (user) surcharge 25¢ per ticket per event
- 25) 2.8 persons per event per car average varying with certain events
- 26) \$1.30 per capita concession expenditure per event varying with certain events
- 27) 75 rentals of convention area for exhibits and mini-conventions per year at \$1,200.00 per rental average
- 28) 100 meeting room or auditorium rentals @ \$500.00 average
- 29) Complex to be operated by Convention Authority with separate staffing and administration
- 30) To achieve maximum utilization of the proposed facility will require the highest level of professional promotion and managerial competence. Without imaginative and knowledgeable promotion of the facility, it will be impossible to achieve the projected level of revenue.

SITE - LOCATION AND DEVELOPMENT

The site for the proposed complex is located on approximately 30 acres of land owned by Upland Industries (Union Pacific Railroad) behind the Union Plaza Hotel on a direct line between Fremont and Ogden Streets. The site is presently undeveloped and is part of 300 acres of land owned by the railroad previously designated for industrial development. In recent years Upland Industries has recognized the inherent value of this large undeveloped area and has decided to develop it commercially as an integral part of the future growth of downtown Las Vegas. The construction of the sports arena/mini-convention center should provide impetus for the future commercial development of this area.

At the present time the site is very inaccessible. It is proposed as an integral part of this project that Ogden Street be extended beneath the main line trackage of the Union Pacific into the site as the principal means of vehicular ingress and egress to and from the downtown area. Ogden would be constructed with an 80 ft. wide cartway and extend all the way to West Charleston, thus becoming the principal artery for access to the project. It is further contemplated that a complete interchange to and from I-15 and West Charleston Blvd. would be completed and in so doing provide this site with excellent vehicular access from the North and South.

A key proposal in the planning and design of this project is the construction of a fully enclosed and air conditioned pedestrian skywalk

which would provide downtown Las Vegas with a pedestrian link over the railroad tracks into the sports arena/mini-convention facilities. This pedestrian connection would be approximately 800 ft. in length from its touchdown on the west side of Main Street into the proposed complex and would be approximately 30 ft. in width. This facility would enable persons attending arena events to park in convenient downtown parking facilities and walk comfortably and conveniently to the complex.

On-site parking for approximately 2,000 cars is proposed. Parking spaces and aisles would be of ample width to provide easy maneuverability, well lighted and the entire parking area landscaped. Utilization of available downtown parking spaces should provide the facilities with the parking required to meet the requirements of most activities. A special roadway is proposed for the use of public transportation and taxi cabs encircling the perimeter of the complex so that senior citizens using public transportation can be conveniently discharged at any one of the four arena entrances and exits.

DESCRIPTION OF PROPOSED FACILITIES

Multi-Purpose Sports Arena

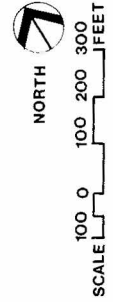
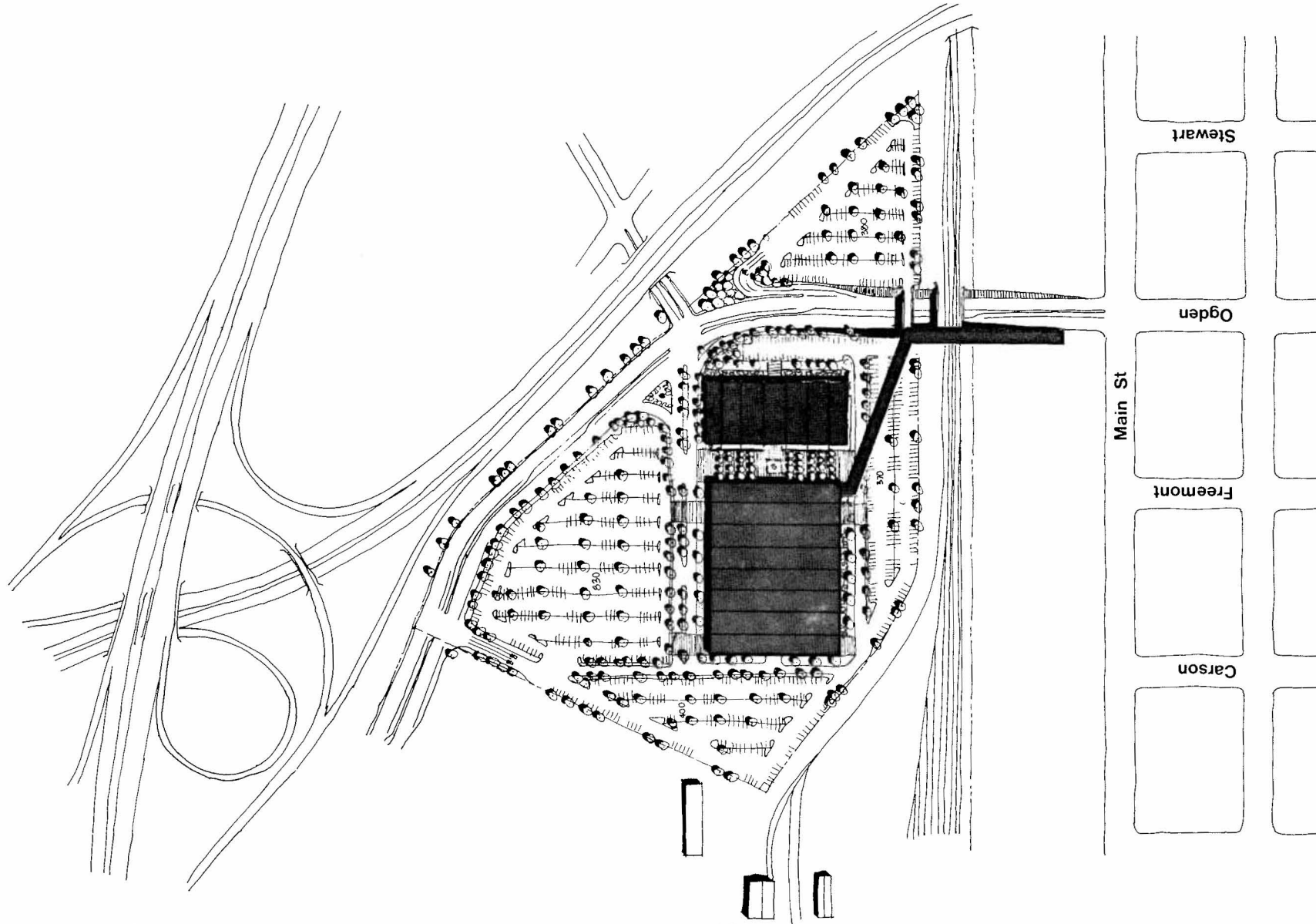
It is proposed that a 17,676 permanent seat multi-purpose sports arena be designed and constructed to provide indoor facilities for a multiplicity of events for family entertainment and sports activities. The facility would be available for basketball, ice hockey, ice shows, concerts, religious and political meetings, indoor tennis, indoor soccer, rodeos, gymnastics, horse shows, boxing, wrestling, indoor track and field and any other events suitable for an indoor facility of this type. The arena would be designed to provide the spectator with the most modern conveniences and spectator comforts. Seats would be fully upholstered theater type. Wide aisles would provide easy access to lavatory facilities and concession stands located strategically around the arena and in close proximity to seating areas. The distance from the farthest seat to the ice hockey rink would be approximately 128 ft., which would make this arena among the best for the viewing of such events as any in the country. For the more affluent, the arena would offer approximately 44 private boxes that would be leased on an annual basis to corporations or individuals who wish to pay for the privacy and comfort of such seating accommodations. A contemporary scoreboard and telescreen system will provide spectators with continuous information

1 LOCATION & SITE

Sports & Convention Complex · Downtown Las Vegas · Nevada

Architect : James McDaniel
Development Consultant : Burrell Cohen

609



Land : 30 Acres
Parking : 1950 Cars
10 Buses
40 Taxis

about the event in progress, coming attractions and related information. An Arena Club is proposed which will permit persons attending events to have dinner before an event or to have a drink or snack after the event is over.

Pedestrian circulation will be provided by four gently contoured ramps supplemented by escalators and elevators. The proposed facility would have four entrances and exits placed on the axis of the building, north, south, east and west. The architectural design featuring glass walls will make it among the most attractive facilities of its kind anywhere.

Mini-Convention Center

The mini-convention center would be located adjacent to the arena and interconnected to it by an underground pedestrian walkway. This facility will provide 43,200 sq. ft. of unobstructed convention and meeting space capable of accommodating conventions and exhibits for 3,000 persons or less. The design of this facility is one that emphasizes flexibility as a basis for maximum utilization. When not being used for conventions, meetings or exhibits, it would be converted into six indoor tennis courts available for public tennis at a modest fee. In addition, this level would contain a most important facility; a 1,500 seat multi-purpose auditorium which could be used by community organizations for meetings, theatrical productions and would be made available for certain corporation meetings in connection with conventions and exhibits. This

facility would be of particular importance in enabling the Convention Authority to attract more auto displays and related conventions to the Las Vegas area than they are presently able to attract in the absence of such an auditorium. This auditorium could very well satisfy the community's need for a facility for theatrical productions and related cultural activities as it would be designed to include a stage and related features. The mini-convention building would also contain five handball courts available for public rental and a youth amusement arcade. In essence, this facility would be available to serve the recreational, cultural and entertainment needs of the community when it is not being used for conventions or meetings. Both the arena and the mini-convention facility have been designed so that they could be used as one facility for unusually large meetings or conventions should the necessity to do so ever arise.

SEATING CAPACITIES

Basketball	17,900
Ice Hockey	17,056
Concerts	18,380
Boxing	18,864

PROPOSED DOWNTOWN SPORTS/MINI-CONVENTION CENTER COMPLEX

PRELIMINARY AREA BREAKDOWN SUMMARY

ARENA

UPPER LEVEL 119,369 sq. ft.

Concourse 97,769 sq. ft.
 Arena Club 21,600

LOWER LEVEL 116,766

Convention Overflow	29,456
Ticket Sales	1,800
Concession Storage	1,725
TV Interview	1,200
Laundry	450
Hockey Locker Room	1,800
Hockey Locker Room	1,800
Hockey Training	1,200
Hockey Storage	1,200
Arena Storage	8,720
Basketball Locker Room	1,800
Hockey Coaches	640
Officials	320
Security	640
Maintenance Men Lockers	960
Basketball Coaches	640
Vendors (Women)	896
Vendors (Men)	960
Concession Stand Operators (Women)	736
Concession Stand Operators (Men)	640
Entertainers	960
Ushers (Women)	640
Ushers (Men)	1,056
Ticket Takers (Women)	896
Ticket Takers (Men)	960
Circulation, Toilets & Unassigned	51,617
Basketball Training	1,200
Basketball Locker	1,800

B

CONVENTION CENTER FACILITY

UPPER LEVEL		75,600 sq.ft.
Convention Space	43,200 sq.ft.	
Theater	32,400	
LOWER LEVEL		58,500
Theater	24,750	
Arena Management Offices	3,000	
Concession Sales Offices	2,500	
Visiting Show Office	1,500	
Core, Circulation & Unassigned Space	10,375	
Tunnel (includes handball seating)	10,375	
Handball Courts	6,000	

B

PROPOSED DOWNTOWN SPORTS ARENA/MINI-CONVENTION CENTER COMPLEX
PRELIMINARY ESTIMATE OF CONSTRUCTION COSTS AND ACQUISITION

1) Land (30 acres @ \$1.50 per sq. ft.)	\$ 1,960,200
2) Arena Facility	14,985,000
3) Convention Center Facility	4,981,527
4) Site Improvements	448,245
5) Elevated Walkway	<u>720,000</u>
	\$23,094,972
Contingency and Escalation	<u>1,200,000</u>
	<u>\$24,294,972*</u>

*Cost does not include:

- (a) Scoreboard System
- (b) Architect and Miscellaneous Fees

PROJECTED USES
OPERATING REVENUE AND EXPENSES

The following projections are made for 1982 when the sports arena and mini-convention facilities have been in use for approximately two years. By that time the population of the greater Las Vegas area should approximate 500,000 persons increasing the probability that additional community activities can be supported by these half million residents and a sound economy.

The key to the economic success of this proposed complex is very much dependent upon the skills used to promote and manage the facilities. These projections assume that the facilities will be operated by the Convention and Visitors Authority with a separate staff of experienced and knowledgeable persons capable of developing the revenue sources identified in this report. It is very realistic to suggest that this proposed complex could generate more revenue than is required to cover its operating costs. By so doing, less burden is placed on other sources of revenue as a basis for amortizing the costs of the facilities.

Arena rental income is normally obtained by taking a percentage of the gross ticket sales. In certain instances arrangements can be made for a single event rental that is based upon a fixed fee. For purposes of this study, a 10% rental charge against gross revenue derived from ticket sales has been used to develop revenue projections.

In addition to the percentage rental, all event costs such as ushers, ticket sellers, janitorial services, engineers and related expenses are charged to the user so that the percentage rental is, in fact, a net figure.

Stadiums and arenas throughout the country normally employ the services of a national concessionaire for purposes of operating and maintaining concession facilities. The concessionaire is responsible for furnishing and equipping the concession stands and in turn pays to the operating entity anywhere from 30% to 40% of the gross revenue from the sale of concession items to the operating entity as rent. For purposes of this report, 35% has been used and is a reasonably accurate projection of what can be expected from a concessionaire.

While the Las Vegas Convention Center does not charge a parking fee, it is one of the few, if not only, facility of its kind where arena patrons are not charged to park their vehicles on the arena site. Parking fees around the country average \$1.50 per car, but for purposes of this report and recognizing the fact that such a parking fee in Las Vegas will be a new experience, it is proposed that the charge per vehicle be kept to \$1.00.

In recent years it has become fashionable and profitable in both stadiums and arenas, particularly in cities with a large number of corporations, to provide private boxes on an annual rental.

These private boxes can be found in such places as the Houston Astro-Dome, the Forum in Los Angeles, the new Cleveland Arena, Three Rivers Stadium in Pittsburgh, Veteran's Stadium in Philadelphia, the new Super-Dome in New Orleans and many other facilities built in recent years throughout the country. While the number of such boxes and the annual rental varies from city to city, in virtually every facility having such boxes, they have been rented rather easily to corporations who use them for client entertainment and employee relations.

Another prime source of arena revenue could be obtained from advertising rights on the scoreboard in the arena and on an outside announcement board. In both cases, finding sponsors in Las Vegas should be relatively easy and profitable. Stadiums and arenas throughout the United States derive significant amounts of revenue from scoreboard advertising and event announcement board advertising on the outside of the arena. In the latter case, the Anaheim Arena, Atlanta Stadium and Veteran's Stadium in Philadelphia have all derived a significant amount of revenue from exterior event displays as they are located so as to benefit from significant vehicular traffic exposure.

SUMMARY OF EVENTS

<u>Event</u>	<u>Days or Perfs.</u>
UNLV Men's Basketball	21
UNLV Women's Basketball	3
Hockey	41
Concerts or Musicals	16
Professional Basketball	2
Professional Major League Hockey	2
Boxing	12
Ice Revue	7
Indoor Soccer	5
Collegiate Track and Field	4
Intercollegiate Gymnastics	2
Intercollegiate Wrestling	3
Professional Tennis and/or Volleyball	22
Professional Wrestling	12
Circus	7
Rodeo	6
Close Circuit Television of Major Sports Attractions	3
Others including Religious Meetings, High School Basketball Tournaments, LaCrosse	<u>24</u>
TOTAL	<u>192</u>

PROJECTION OF POSSIBLE ARENA EVENTS - 1982

<u>Month</u>	<u>Days or Perfs.</u>	<u>Event</u>	<u>Rent Income</u>	<u>Conc. Income</u>	<u>Pkg. Income</u>
January	5	UNLV BB	\$25,000	\$15,000	\$12,500
	6	Hockey	12,000	8,400	7,800
	1	Wrestling	2,000	1,750	1,600
	1	Boxing	2,000	1,750	1,600
	7 Perfs.	Ice Revue	20,000	14,700	14,000
	1	Horse Show	4,000	2,800	2,000
	1	Indoor Soccer	2,500	2,600	2,000
	22		\$67,500	\$47,000	\$41,500
February	5	UNLV BB	\$25,000	\$15,000	\$12,500
	8	Hockey	16,000	11,200	10,400
	2	Meetings	2,000	2,800	800
	1	Wrestling	2,000	1,750	
	2	H.S. Tournament	4,000	3,500	3,200
	1	Boxing	2,000	1,750	1,600
	1	CC TV	5,000	2,000	2,500
	3	UNLV Women's BB Tourn.	7,500	7,800	2,500
	3	Indoor Soccer Tourn.	10,000	3,200	5,000
26		\$73,500	\$49,000	\$38,500	
March	4	UNLV BB	\$20,000	\$12,000	\$10,000
	7	Hockey	14,000	9,800	9,100
	2	College Wrestling Tourn.	8,000	6,000	5,000
	1	Dog Show	1,000	1,400	400
	2	Musicals	10,000	5,600	5,000
	4	College Track Meets	8,000	5,600	3,600
	1	Professional Volleyball Exh.	2,000	1,750	1,600
	1	Boxing	2,000	1,750	1,600
	22		\$65,000	\$43,900	\$36,300

PROJECTION OF POSSIBLE ARENA EVENTS - 1982 (Cont'd)

<u>Month</u>	<u>Days or Perfs.</u>	<u>Event</u>	<u>Rent Income</u>	<u>Conc. Income</u>	<u>Pkg. Income</u>
April	2	Hockey	\$ 4,000	\$ 2,800	\$ 2,600
	4	Meetings	4 000	5,600	1,600
	2	Musicals	10,000	5,600	5,000
	1	College Wrestling	2,500	1,750	1,700
	1	Wrestling	2,000	1,750	1,600
	1	Boxing	2,000	1,750	1,600
	4	Tennis	8,000	6,400	6,400
	2	Intercollegiate Gymnastics Exhibition	10,000	10,400	5,200
	<u>1</u>	Pizza Hut Classic	<u>7,000</u>	<u>5,000</u>	<u>3,000</u>
18		\$49,500	\$41,050	\$28,700	
May	7 Perfs.	Circus	\$20,000	\$14,700	\$14,000
	4	Tennis	8,000	6,400	6,400
	2	Musicals	10,000	5,600	5,000
	1	Wrestling	2,000	1,750	1,600
	1	Boxing	2,000	1,750	1,600
	<u>1</u>	CC TV	<u>5,000</u>	<u>2,000</u>	<u>2,500</u>
	16		\$47,000	\$32,200	\$31,100
June	4	Tennis	\$ 8,000	\$ 6,400	\$ 6,400
	2	Musicals	10,000	5,600	5,000
	1	Wrestling	2,000	1,750	1,600
	<u>1</u>	Boxing	<u>2,000</u>	<u>1,750</u>	<u>1,600</u>
	8		\$22,000	\$15,500	\$14,600
July	1	Musical	\$ 5,000	\$ 2,300	\$ 3,200
	4	Tennis	8,000	6,400	6,400
	1	Boxing	2,000	1,750	1,600
	1	Wrestling	2,000	1,750	1,600
	<u>1</u>	LaCrosse Exhibition	<u>2,500</u>	<u>1,750</u>	<u>1,600</u>
	8		\$19,500	\$13,950	\$14,400

PROJECTION OF POSSIBLE ARENA EVENTS - 1982 (Cont'd)

<u>Month</u>	<u>Days or Perfs.</u>	<u>Event</u>	<u>Rent Income</u>	<u>Conc. Income</u>	<u>Pkg. Income</u>
August	4	Tennis	\$ 8,000	\$ 6,400	\$ 6,400
	1	Boxing	2,000	1,750	1,600
	1	Wrestling	2,000	1,750	1,600
	1	Musical	5,000	2,800	2,500
	1	Religious	1,000		1,600
	<u>1</u>	Pro-Basketball Exhibition	<u>4,000</u>	<u>4,200</u>	<u>2,500</u>
	9		\$22,000	\$16,900	\$16,200
September	2	Tennis	\$ 4,000	\$ 3,200	\$ 3,200
	1	Wrestling	2,000	1,750	1,600
	1	Boxing	2,000	1,750	1,600
	2	Meetings	2,000	2,800	800
	6	Rodeo	18,000	12,000	12,000
	1	Pro-Basketball Exhibition	4,000	4,200	2,500
	<u>1</u>	Pro-Hockey Exhibition	<u>4,000</u>	<u>4,200</u>	<u>2,500</u>
14		\$36,000	\$29,900	\$24,200	
October	5	Hockey	\$10,000	\$ 7,000	\$ 6,500
	1	Wrestling	2,000	1,750	1,600
	2	Meetings	2,000	2,800	800
	1	CC TV	4,000	2,000	2,500
	2	Musicals	10,000	5,600	5,000
	1	Pro-Hockey Exhibition	4,000	4,200	2,500
	<u>1</u>	Boxing	<u>2,000</u>	<u>1,750</u>	<u>1,600</u>
13		\$34,000	\$25,100	\$20,500	
November	6	Hockey	\$12,000	\$ 8,400	\$ 5,000
	2	Ice Revues	5,000	3,500	2,400
	1	Wrestling	2,000	1,750	1,600
	1	Boxing	2,000	1,750	1,600
	2	Meetings	2,000	2,800	800
	1	Exh. LaCrosse	2,000	1,750	1,600
	<u>2</u>	Musicals	<u>8,000</u>	<u>5,600</u>	<u>5,000</u>
15		\$33,000	\$25,550	\$18,000	

PROJECTION OF POSSIBLE ARENA EVENTS - 1982 (Cont'd)

<u>Month</u>	<u>Days or Perfs.</u>	<u>Event</u>	<u>Rent Income</u>	<u>Conc. Income</u>	<u>Pkg. Income</u>
December	8	Hockey	\$16,000	\$11,200	\$10,400
	1	Indoor Soccer Exhibition	3,500	3,300	2,300
	1	Boxing	2,000	1,750	1,600
	1	Wrestling	2,000	1,750	1,600
	2	UNLV BB	10,000	6,000	5,000
	5	UNLV BB Tournament	30,000	22,000	10,000
	2	Musicals	10,000	5,600	5,000
	<u>1</u>	Xmas Spectacle	<u>2,000</u>	<u>2,800</u>	<u>2,500</u>
	21		\$75,500	\$54,400	\$38,400
<u>Summary and Totals - 1 Year</u>					
January	22		\$67,500	\$47,000	\$41,500
February	26		73,500	49,000	38,500
March	22		65,000	43,900	36,300
April	18		49,500	41,050	28,700
May	16		47,000	32,200	31,100
June	8		22,000	15,500	14,600
July	8		19,500	13,950	14,400
August	9		22,000	16,900	16,200
September	14		36,000	29,900	24,200
October	13		34,000	25,100	20,500
November	15		33,000	25,550	18,000
December	<u>21</u>		<u>75,500</u>	<u>54,400</u>	<u>38,400</u>
	192		\$544,500	\$394,450	\$322,400

DOWNTOWN SPORTS ARENA
SUMMARY OF OPERATING REVENUE

Non-Event Related Revenue

1) All day parking (400 spaces x 300 days x \$1.00)	\$120,000
2) Public ice skating, handball and tennis including admission, concession and miscellaneous	130,000
3) Message board sponsorship/Telescreen advertising	100,000
4) Fun center	50,000
5) Non-VIP box Arena Club membership fees (300 at \$200.00)	<u>60,000</u>
TOTAL	<u>\$460,000</u>

DOWNTOWN SPORTS ARENA/MINI-CONVENTION COMPLEX

FINANCIAL SUMMARY

I. REVENUE

(A) Convention/Meetings/Exhibits

(a) Convention/exhibits rental fees (75 conventions at \$1,200.00 x 2)	\$180,000
(b) Convention/meetings/exhibits concession revenue	160,000
(c) Convention meetings/auditorium rental/ miscellaneous revenue	<u>75,000</u>

Sub-Total \$ 415,000

(B) Arena Events

(a) Event rental	\$544,500
(b) Event concession fees	394,450
(c) Event parking (Approximately 1,650 cars per event)	322,400
(d) VIP box rental (44 x \$2,500.00)	110,000
(e) Arena Club memberships (300 at \$200.00)	60,000
(f) Ticket surcharge (1,100,000 paid attendance at 25¢)	<u>275,000</u>

Sub-Total \$1,706,350

(C) Non-Events

(a) Tennis, racquetball, ice skating fees	\$100,000
(b) Telescreen/Message board advertising	100,000
(c) Concession fees	32,000
(d) Fun center (50% to arena)	50,000
(e) All day parking (400 spaces x 300 days x \$1.00)	<u>120,000</u>

Sub-Total

\$ 402,000

Operating Revenue Grand Total

\$2,523,350

II. OPERATING EXPENSES

(A) Administrative Personnel

(a) Managing Director	\$ 40,000
(b) Director of Marketing and Event Coordination	25,000
(c) Assistant Event Coordinator	18,000
(d) Controller	20,000
(e) Public Information Officer	18,000
(f) Bookkeeper	12,000
(g) Secretary (4)	35,000
(h) Receptionist	<u>6,000</u>

Sub-Total

\$ 174,000

(B) Administrative Costs

(a) Arena promotion	\$ 50,000
(b) Non-Reimbursable Event Costs	60,000
(c) Office expenses	36,000
(d) Utilities	220,000
(e) Travel	12,000
(f) Box office costs (net to arena)	14,000
(g) Audit	12,000
(h) Payroll fringe benefits	50,000
(i) Legal	12,000
(j) Other Miscellaneous	<u>25,000</u>

Sub-Total

\$ 491,000

(C) Maintenance Personnel/Expenses

(a) Superintendent - Event Supervisor/Maintenance	\$ 20,000
(b) 4 Engineers @ \$12,000	48,000
(c) 3 Electricians @ \$15,000	45,000
(d) Telescreen/Message Board Operator	18,000
(e) 2 Utility Force Foremen @ \$10,000	20,000
(f) 4 Watchmen @ \$8,000	32,000
(g) 1 Cleaning Foreman @ \$10,000	10,000
(h) 4 Janitors @ \$8,000	32,000
(i) Maintenance costs ground/building maintenance	50,000

(j) Maintenance contracts	55,000	
(k) Insurance	60,000	
(l) Other miscellaneous	<u>25,000</u>	
Sub-Total		\$ <u>415,000</u>
Total Projected Annual Operating and Maintenance Costs		<u>\$1,080,000</u>
Surplus		<u>\$1,443,350</u>

COMMUNITY BENEFITS

The construction of this proposed complex will have enormous community benefits. Among them are:

1) Provide the community with outstanding facilities for the viewing of sports events, family entertainment, recreation and cultural activities.

2) Provide outstanding facilities for the use of community organizations in a convenient location without imposing such activities upon the convention center.

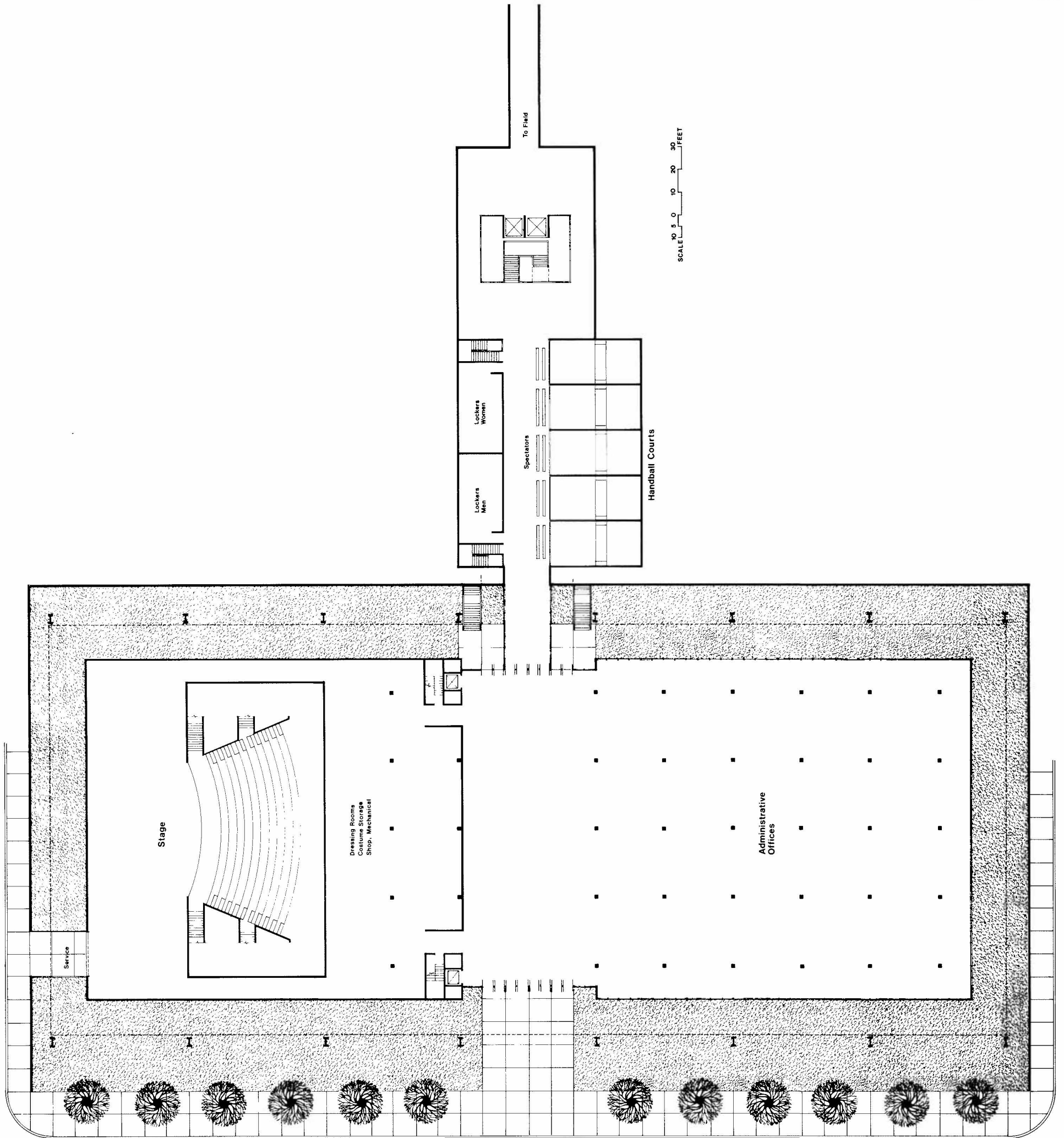
3) Create the opportunity for the stimulation of additional growth in the downtown area by demonstrating the potential utilization of the Union Pacific real estate. Such growth over a period of years could generate millions of dollars of additional real estate taxes, gaming and room tax revenue. (Example - each new hotel rooms generate approximately \$600.00 in room tax revenue per year.) The construction and operation of the sports arena/mini-convention center and the future development of the remaining Union Pacific acreage could create thousands of new employment opportunities in the Las Vegas community as well.

4) Construction of the sports arena/mini-convention center would provide temporary employment for several hundred skilled and unskilled workers and would generate the expenditure of \$20 Million to \$25 Million in capital funds that would be redistributed to the community through the construction payroll and the purchase of goods and materials necessary for construction of the proposed complex.

2 LOWER LEVEL

Architect : James McDaniel
Development Consultant : Burrell Cohen

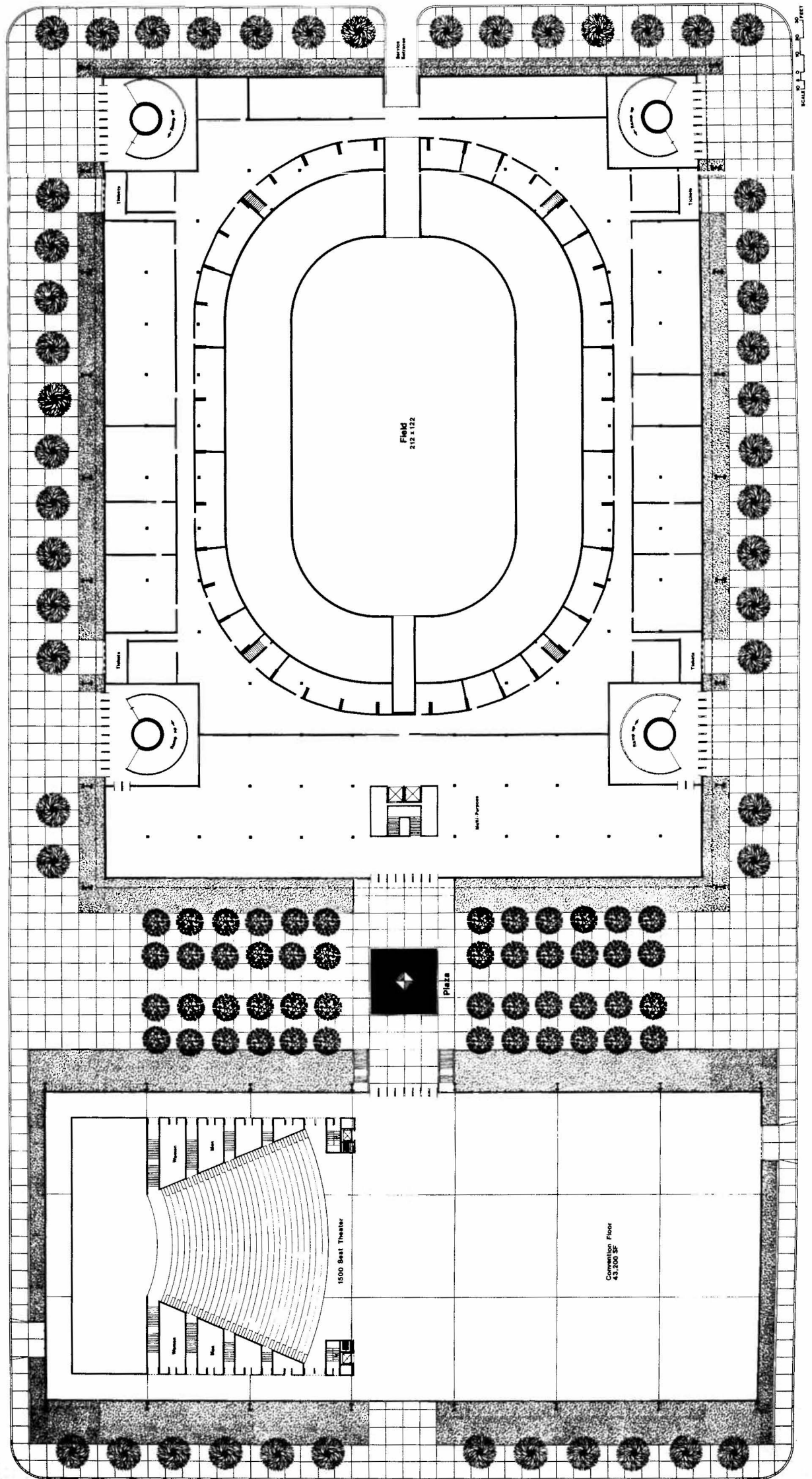
Sports & Convention Complex - Downtown Las Vegas - Nevada



3 PLAZA LEVEL

Sports & Convention Complex • Downtown Las Vegas • Nevada

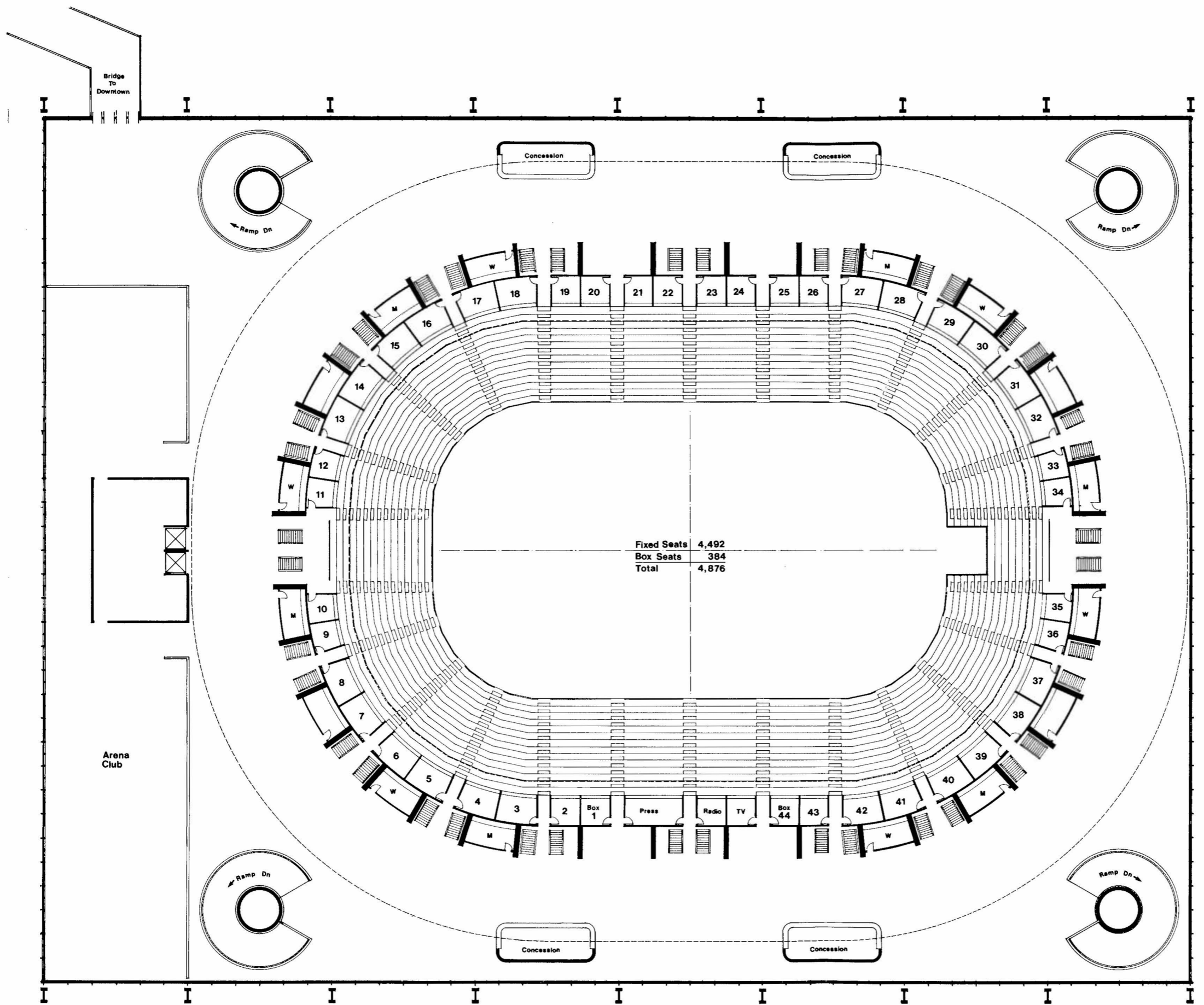
Architect : James McDaniel
Development Consultant : Burrell Cohen



4 CONOURSE LEVEL

Sports & Convention Complex • Downtown Las Vegas • Nevada

Architect : James McDaniel
 Development Consultant : Burrell Cohen



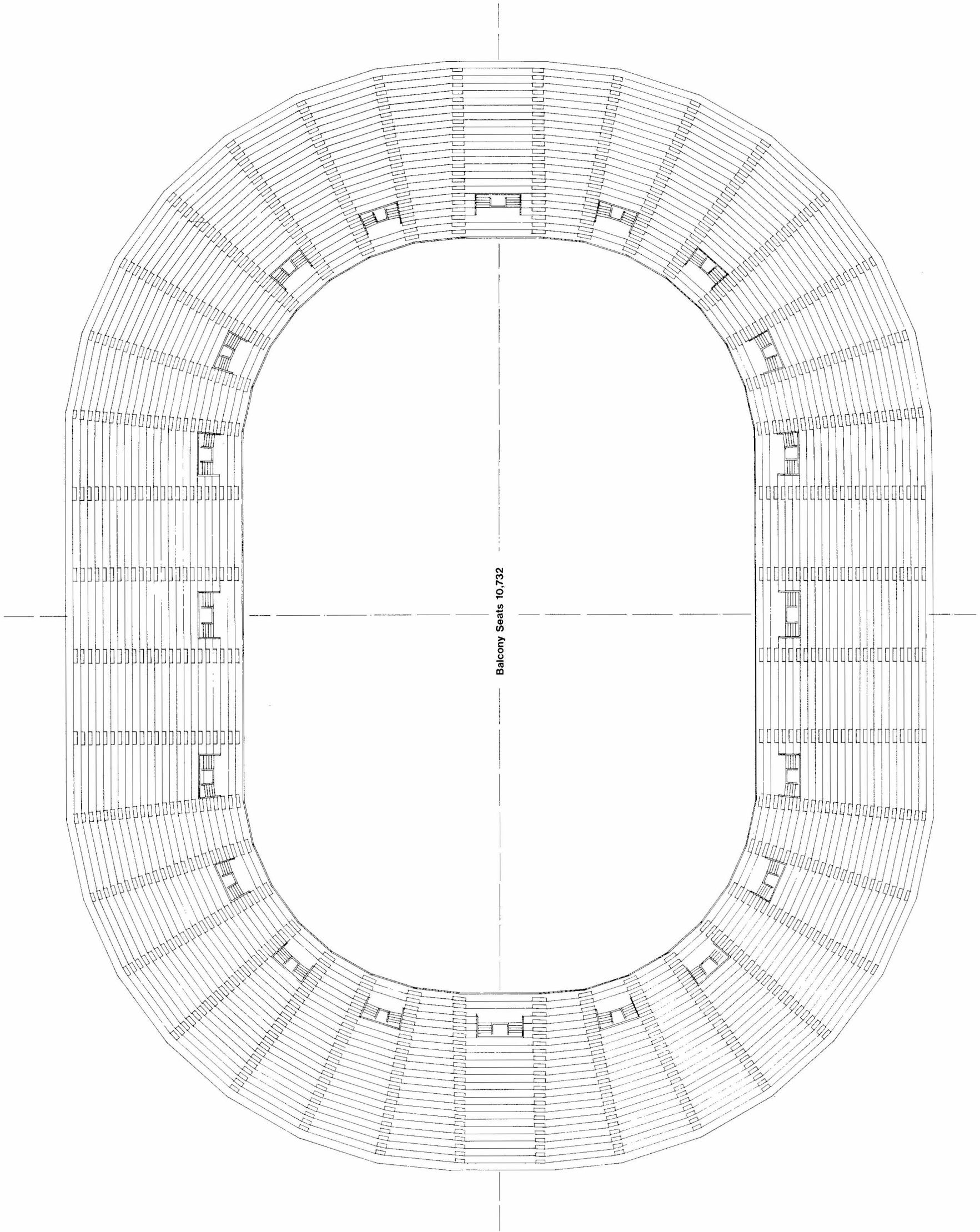
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5 BALCONY LEVEL

Sports & Convention Complex • Downtown Las Vegas • Nevada

Architect : James McDaniel
Development Consultant : Burrell Cohen

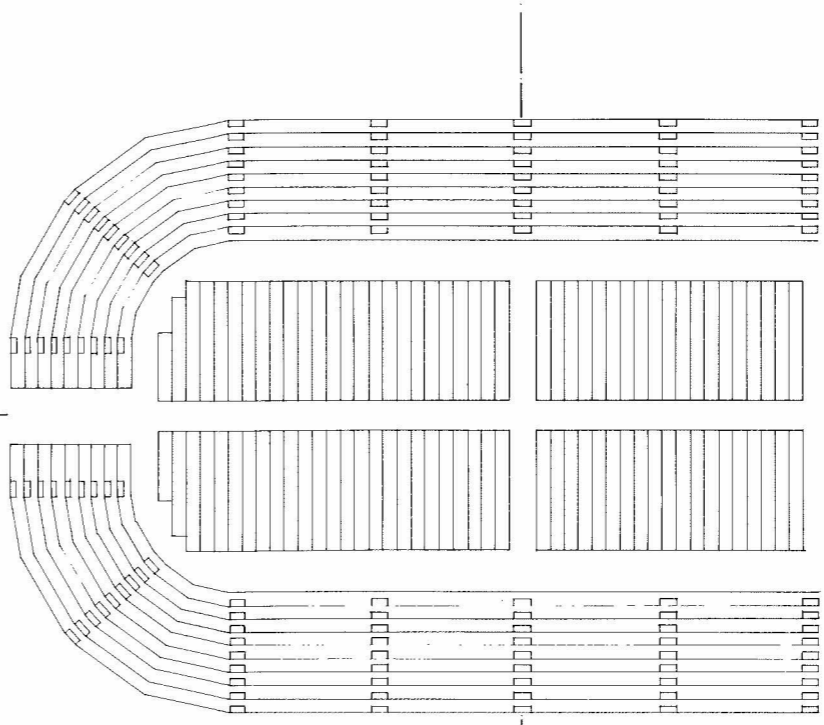
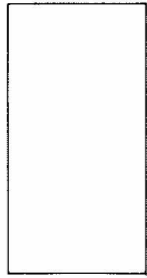
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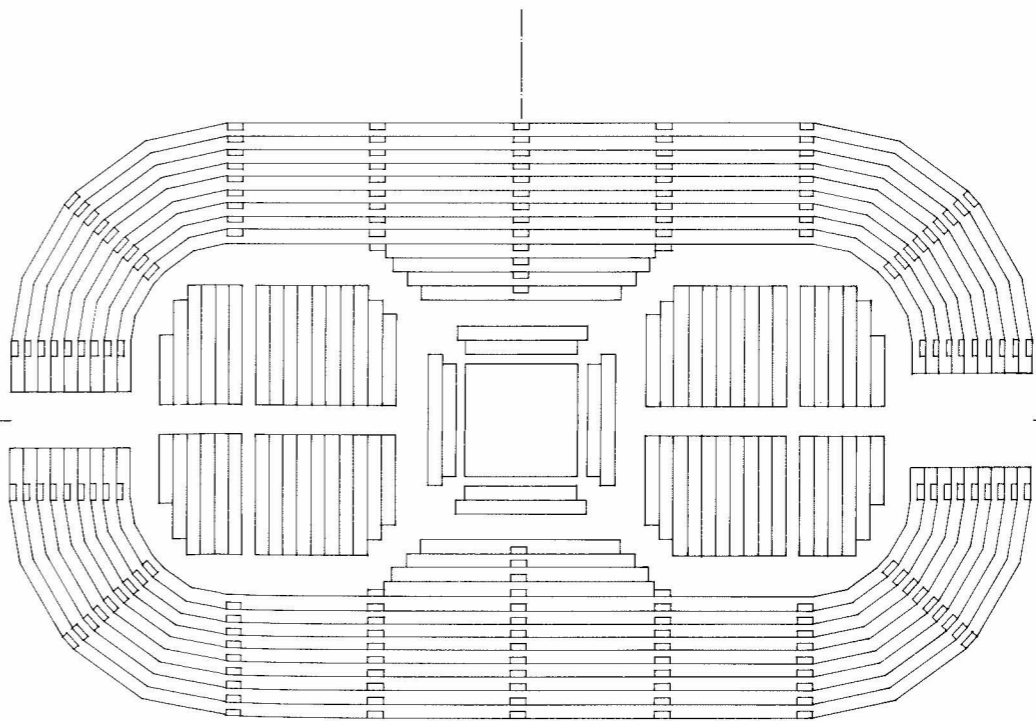
6 FIELD PLANS

Sports & Convention Complex - Downtown Las Vegas - Nevada

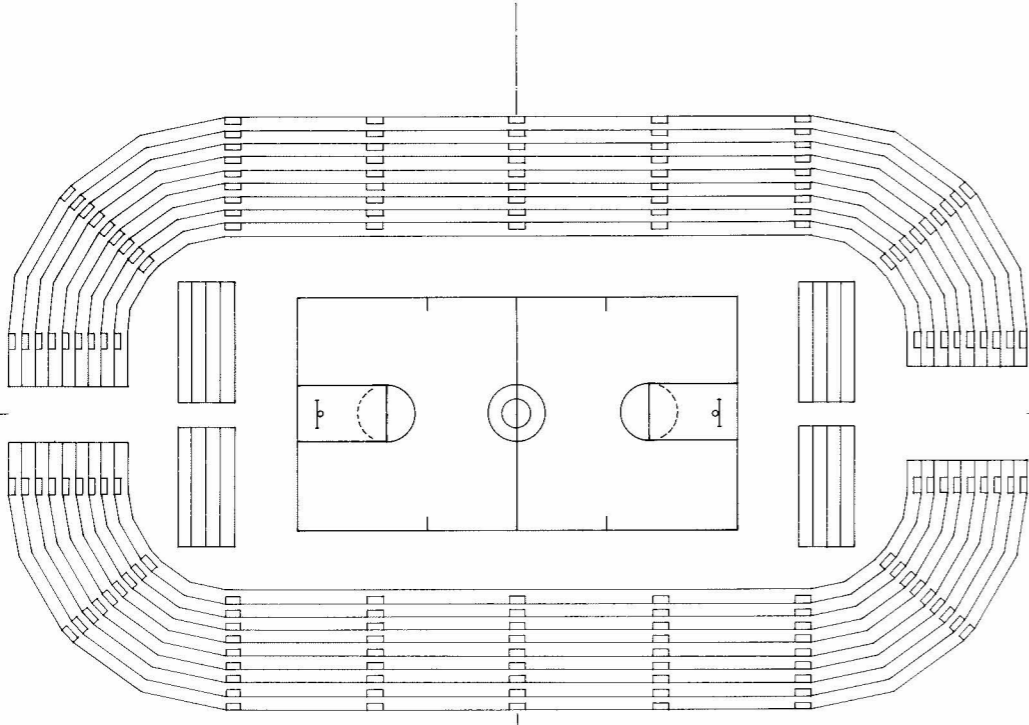
Architect : James McDaniel
Development Consultant : Burrell Cohen



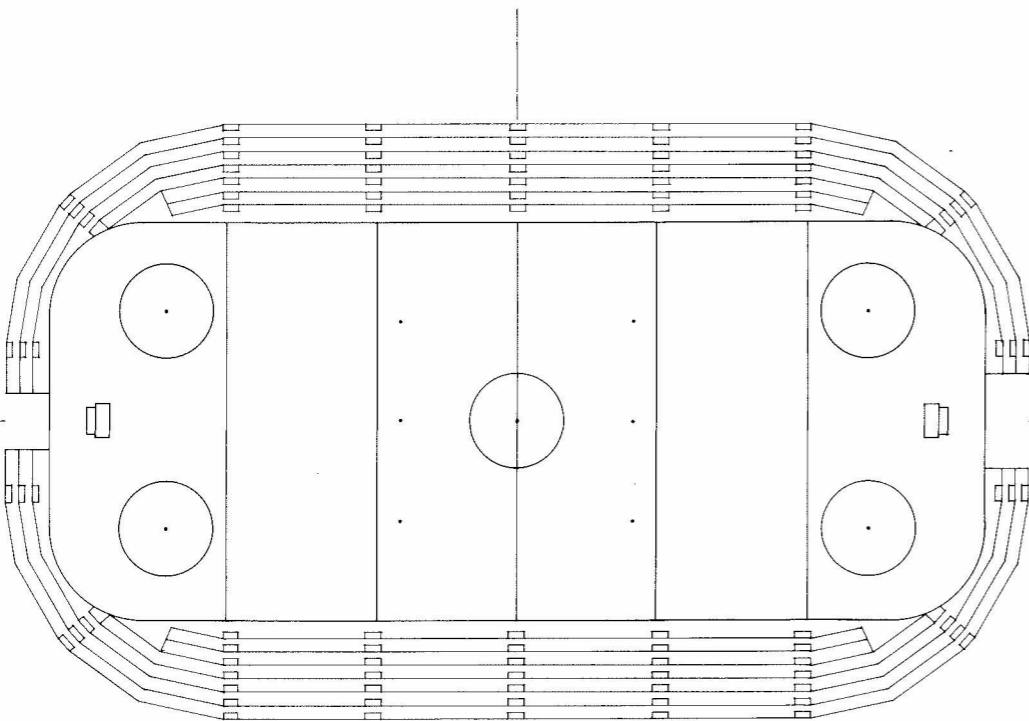
CONCERT
CAPACITY 18,380 SEATS



BOXING
CAPACITY 18,864 SEATS



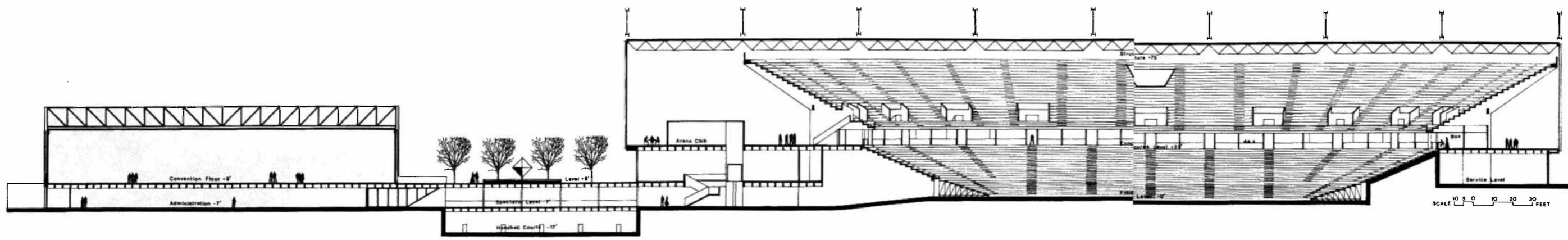
BASKETBALL
CAPACITY 17,900 SEATS



ICE HOCKEY
CAPACITY 17,056 SEATS

SCALE 10 5 0 10 20 30 FEET

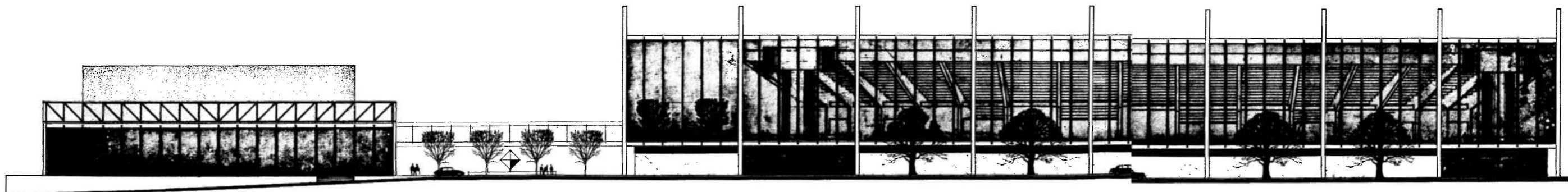
7 ELEVATION & SECTION
 Sports & Convention Complex • Downtown Las Vegas • Nevada
 Architect: James McDaniel
 Development Consultant: Burrell Cohen



Convention Center

Plaza

Sports Arena



West Facade