

REAL ESTATE COMMITTEE MEETING

October 19, 1998

Page 2

for this rundown parcel quitclaimed to the City in exchange for cleaning of it. The appraisal value shortly after taking position this year was between \$7,000 and \$10,000. The parcel does not have water or sewer services and the estimated cost for extending water service would exceed \$10,000. There is no real monetary value to the property other than repayment of expenses already incurred. Councilman Adamsen and Mr. Roark discussed agreements signed by the church to purchase the other two parcels on this block they do not already own. This will also preempt any other activity of a commercial nature which would negatively impact the price.

Councilman Adamsen stated that a clear record had been created to justify not having the property publicly bid.

There was no further discussion.

**Councilman Adamsen recommended that Item 2 be forwarded to the Full Council with a "Do Pass" recommendation.**

(3:06)  
1-29

3. DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE STAFF TO ENTER INTO NEGOTIATION FOR AN UNSOLICITED SALES PROPOSAL FROM THE WALTERS GROUP TO PURCHASE APPROXIMATELY ONE HUNDRED AND SIXTY (160) ACRES OF LAND LOCATED AT 5995 EAST VEGAS VALLEY

Councilman Adamsen asked the purpose for not having a public bid or auction, especially given the amount of land involved. David Roark, Real Estate & Asset Management, responded that the justification was that this would be a sole source. The individual making the request to purchase has a 50 year lease for the property. The land would have no value and, pursuant to a clause within the lease, the land could not be sold without agreement of the lessee during the term of that long-term lease. Councilman Adamsen noted that the City receives revenue from the lease and will own the asset at the end of the lease. Mr. Roark explained that those issues would have to be considered prior to determining whether or not the sale would be in the best interest of the City. He would recommend that if the negotiations go forward, the value of the golf course in 50 years would be considered along with the present value of the lease agreement and the appraisal of the land. The appraiser would be selected based upon mutual agreement of the proposed purchaser and the City. Although the City could obtain an independent appraiser or the City's in-house appraiser.

There was no further discussion.

**Councilman Adamsen recommended that Items 3 be forwarded to the Full Council with a "Do Pass" recommendation.**

(3:09)  
1-128

4. DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE STAFF TO ENTER INTO NEGOTIATION FOR A LEASE AGREEMENT WITH CONTINENTAL CURRENCY SERVICES OF NEVADA, INC. FOR 1,280 SQUARE FEET OF RETAIL SPACE IN THE CITY OWNED PORTION OF NUCLEUS PLAZA, LOCATED AT 1052 WEST OWENS AVENUE