

**Resolution No. 4
Sparks Tourism Facility and
Revitalization Steering Committee**

RESOLUTION NO. 4

Sparks Tourism Facility and Revitalization Steering Committee

CONSIDERATION OF AND POSSIBLE ADOPTION OF RESOLUTION NO. 4 ADVISING THE CITY COUNCIL OF THE CITY OF SPARKS CONCERNING CERTAIN PROJECTS AND CAPITAL IMPROVEMENTS (PROPOSED NUGGET EVENTS CENTER) AND THE EXPENDITURE OF TRANSIENT LODGING TAX PROCEEDS (AN AMOUNT NOT-TO-EXCEED \$1,280,000); CONCERNING ACTION TAKING THEREON BY THE COMMITTEE; AND APPROVING CERTAIN DETAILS IN CONNECTION THEREWITH. (FOR POSSIBLE ACTION)

WHEREAS, the Sparks Tourism Facility and Revitalization Committee (the "Committee") is a political subdivision of the State of Nevada created pursuant to Chapter 432, Statutes of Nevada, as amended by AB 205 of the 2003 Legislative Session of the State of Nevada (the "Project Act"); and

WHEREAS, a tax at the rate of 2.5 percent of the gross receipts from the rental of transient lodging has been imposed in the City of Sparks (the "City"), pursuant to Section 6.6 of the Project Act (the "Lodging Tax"); and

WHEREAS, pursuant to Section 6.9 of the Project Act, the Committee initially developed a master plan to guide expenditures of the Lodging Tax in 2004 and amended it in 2008 and again in 2016 (the "2016 Master Plan"), that identifies:

- (1) proposed projects or capital improvements that the Committee determines to be advisable to promote tourism in Washoe County; and
- (2) the method or methods pursuant to which the proposed projects and capital improvements so identified will be financed; and

WHEREAS, the 2016 Master Plan identifies incentives for private Victorian Square entertainment venues and facilities that increase the regional appeal of such facilities as appropriate for the use of Lodging Tax proceeds provided the incentive is intended to fill an anticipated financial "gap" and leverages private investment; and

WHEREAS, Marnell Gaming owns real property located at 1040 Victorian Avenue in Sparks, Nevada and is demolishing the existing vacant structure (the former Bourbon Square Casino) with the intent of replacing it with the proposed Nugget Events Center (the "Project"). The Project will consist of an outdoor amphitheater to host concerts and other events with a capacity of approximately 8,500 seats; and

WHEREAS, providing Lodging Tax proceeds for the Project will provide an incentive for Marnell Gaming to undertake construction of the Project and leverages private investment in an entertainment venue with regional appeal; and

WHEREAS, pursuant to Section 6.7.2 of the Project Act, the City Council of the City, before expending any proceeds of the Lodging Tax, must obtain the advice and recommendations of the Committee concerning such expenditure of the Lodging Tax; and

WHEREAS, the staff of the City have submitted a staff report (the "Staff Report") requesting (1) that the Committee provide advice and recommendations that the proposed project and capital improvements are intended to attract and expand tourism if they are used for retail, entertainment, recreational, scientific, cultural, historic or artistic purposes, (2) that the Committee provide advice and recommendations to the City Council of the City concerning the proposed expenditure of the proceeds of the Lodging Tax as described in the 2016 Master Plan and the Staff Report for (i) proposed projects and capital improvements that may be paid for with Lodging Tax proceeds, and (ii) the method or methods pursuant to which the eligible projects and capital improvements will be financed; and

WHEREAS, pursuant to Section 6.9 of the Project Act, projects and capital improvements must be approved by a two-thirds vote of the members of the Committee and must be located in that portion of the Sparks Town Center Project identified as Victorian Square or any other portion of the Sparks Town Center Project if the proposed project or capital improvement provides a direct benefit to a project or capital improvement located within Victorian Square, as determined by the Committee.

WHEREAS, prior to Marnell Gaming undertaking the construction of the event center, the granting of a Conditional Use Permit is required. Marnell Gaming has applied for the Permit and the application will be heard by the Planning Commission on January 3, 2019.

NOW, THEREFORE, BE IT RESOLVED BY THE SPARKS TOURISM FACILITY AND REVITALIZATION STEERING COMMITTEE, NEVADA:

Section 1. This resolution shall be known as the "2018 Victorian Square Project Approval Resolution" (the "Resolution").

Section 2. The Committee hereby adopts the advice and recommendations contained in the Staff Report attached hereto.

Section 3. The Committee hereby determines that all projects and capital improvements identified in the 2016 Master Plan, subject to any stipulations contained therein, and City permitting requirements are advisable to promote tourism in Washoe County.

Section 4. The Committee hereby advises and recommends to the City Council that if the project obtains the necessary Conditional Use Permit that Council expend up to \$1,280,000 of Lodging Tax proceeds beginning in City fiscal year 2019 to incentivize construction of the Project (Nugget Events Center), as generally provided for in the 2016 Master Plan.

Section 5. The Committee, and the officers thereof, are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

Section 6. All bylaws, orders, resolutions or parts thereof in conflict with this Resolution are hereby repealed. This repealer shall not be construed to revive any bylaw, order, resolution or part thereof heretofore repealed.

Section 7. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity of unenforceability of the section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 8. This Resolution shall become effective and be in force immediately upon its adoption.

ADOPTED AND APPROVED BY A VOTE OF AT LEAST TWO-THIRDS OF THE SPARKS TOURISM FACILITY AND REVITALIZATION STEERING COMMITTEE THIS 12TH DAY OF DECEMBER, 2018.


Chairperson

Attest:


Janet Stout, Secretary

STATE OF NEVADA)
)
COUNTY OF WASHOE) ss.
)
SPARKS TOURISM FACILITY)
AND REVITALIZATION)
STEERING COMMITTEE))

I am the Secretary of the Sparks Tourism Facility and Revitalization Steering Committee (the "Committee"), and do hereby certify:

1. The foregoing pages are a full and correct copy of a resolution designated as the "2016 Victorian Square Project Approval Resolution" (the "Resolution").
2. At the December 12, 2018 meeting of the Committee, the Resolution was passed and adopted. The members of the Committee voted on the passage of the Resolution and were present at such meeting as follows:

AYES: LAWSON, BYBEE, AND CUNNINGHAM
NAYS: N/A
ABSENT: N/A
ABSTAIN: STERBENS

3. All members of the Committee were given due and proper notice of such meeting.

4. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of meeting containing the time, place, location and an excerpt from the agenda for the meeting relating to the Resolution, as posted at least 3 working days in advance of the meeting on the Committee's website, if any, at the Committee's office and at:

- (i) Sparks City Hall
431 Prater Way
Sparks, Nevada
- (ii) Sparks Legislative Building
745 4th Street
Sparks, Nevada
- (iii) Sparks Recreation Center
98 Richards Way
Sparks, Nevada
- (iv) Alf Sorensen Community Center
1400 Baring Boulevard
Sparks, Nevada
- (v) Sparks Fire Department
1605 Victorian
Sparks, Nevada

5. Prior to 9:00 a.m. at least 3 working days before such meeting, such notice was mailed to each person, if any, who has requested notice of meetings of the Committee in compliance with NRS 241.020(3) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of December, 2018.



Janet Stout
Secretary
Sparks Tourism Facility and Revitalization
Steering Committee



Sparks Tourism Facility and Revitalization Steering Committee
Agenda Item 8.3

Meeting Date: December 12, 2018

Subject

Consideration of and possible adoption of Resolution No. 4 Advising the City Council of the City of Sparks Concerning Certain Projects and Capital Improvements (proposed Nugget Events Center) and the Expenditure of Transient Lodging Tax Proceeds (an amount not-to-exceed \$1,280,000); Concerning Action Taking Thereon by the Committee; and Approving Certain Details in Connection Therewith.

Resolution No. 4 advises and recommends to the City Council that it expend up to \$1,280,000 of Lodging Tax proceeds beginning in City Fiscal Year 2019 to incentivize construction of the Nugget Events Center, as generally provided for in the (2016) Victorian Square Master Plan.

Petitioner

Marnell Gaming

Presenter

Armando Ornelas, Assistant Community Services Director, City of Sparks

Recommendation

City staff recommends that the Committee adopt Resolution No. 4.

Agenda Item Brief

This agenda item asks the Committee to review and adopt Resolution No. 4, also referred to as the 2018 Victorian Square Project Approval Resolution. By adopting Resolution No. 4, the Committee would advise and recommend to the City Council that, if Marnell Gaming has obtained all necessary permits, Council expend up to \$1,280,000 of Lodging Tax proceeds, beginning in City fiscal year 2019, to incentivize construction of the Nugget Events Center on a site located at 1040 Victorian Avenue in Sparks, Nevada.

Marnell Gaming has requested Lodging Tax proceeds to fill an anticipated financial gap in the cost of demolishing the existing vacant structure (the former Bourbon Square Casino) located at 1040 Victorian Avenue in Sparks, Nevada and replacing it with the proposed Nugget Events Center (the "Project"). The Project will consist of an outdoor amphitheater to host concerts and other events with a capacity of approximately 8,500 seats. The estimated total cost, exclusive of the cost of acquiring the property, is \$6,400,000. Per the proposed terms agreed to between Marnell Gaming and City staff for the provision of financial assistance for this project, Marnell would invest at least \$5,120,000 while the City would contribute \$1,280,000 from lodging taxes. The proposed terms obligate Marnell Gaming to complete construction of and hold a live performance or special event in the Project prior to September 15, 2019.

The Sparks Tourism Facility and Revitalization Steering Committee's Victorian Square Master Plan, last revised in 2016, identifies incentives for Victorian Square entertainment venues and facilities that increase the regional appeal of such facilities as appropriate for the use of Lodging Tax proceeds, provided the incentive is intended to fill an anticipated financial "gap" and leverages private investment.

Background

In 2003, the Nevada Legislature enacted, and the Governor signed into law, Assembly Bill 205. This legislation, subsequently codified in Chapter 432, Statutes of Nevada, Sec. 6.6 to 6.9, imposed an additional tax at the rate of two and half percent (2.5%) on the gross receipts from the rental of transient lodging in the City of Sparks ("Lodging Tax"). The Lodging Tax is paid to the Reno-Sparks Convention and Visitors Authority which distributes the proceeds to the City Council of Sparks. The City Council may expend these proceeds after obtaining the "advice and recommendations" of the Sparks Tourism Facility and Revitalization Steering Committee ("Committee"), which is created per Sec. 6.8 of Chapter 432.

The Committee is required, per Sec. 6.9 of Chapter 342, to develop a master plan that identifies:

- Proposed projects or capital improvements that the Committee has determined would be advisable to promote tourism in Washoe County.
- Method(s) pursuant to which the proposed projects and capital improvements identified in the plan will be financed.

The Committee first adopted a Master Plan in 2004, amended it in 2008 and amended it again in 2016 (refer to attached Victorian Square Master Plan). The 2016 update specifically identifies incentives for private Victorian Square entertainment venues and facilities that increase the regional appeal of such facilities as appropriate for the use of Lodging Tax proceeds provided the incentive is intended to fill an anticipated financial "gap" and leverages private investment on, at minimum, a one-to-one (1:1) basis. However, no specific private retail or entertainment projects were identified for funding in the 2016 Master Plan. The Master Plan specifies, therefore, that any proposed expenditures of Lodging Tax proceeds to incentivize private retail or entertainment capital projects need a Committee recommendation, in the form of a resolution, to the Sparks City Council.

Analysis

This agenda item asks the Committee to review and adopt Resolution No. 4. By doing so, the Committee would advise and recommend to the City Council that if Marnell Gaming obtains the necessary permits for the project, Council expend up to \$1,280,000 of Lodging Tax

proceeds to incentivize construction of an outdoor concert amphitheater, referred to the Nugget Events Center (the "Project"), at 1040 Victorian Avenue (refer to Vicinity Map – Nugget Events Center). Marnell Gaming, which owns the Sparks Nugget, is demolishing the existing vacant structure (the former Bourbon Square Casino) located at 1040 Victorian Avenue (refer to Vicinity Map, attached) and intends to replace it with an outdoor amphitheater with a capacity of approximately 8,500 seats to host concerts and other special events. Marnell Gaming has applied for a Conditional Use Permit for the proposed event center. After a public hearing on December 6, 2018, the Sparks Planning Commission voted to continue the item until the January 3, 2019, meeting.

Marnell Gaming has requested Lodging Tax proceeds to fill an anticipated financial gap in the cost of preparing the site for the Project, including utilities, and installing a stage, sound system, lighting, seating, and other furnishings and equipment. The Project has an estimated total cost, exclusive of costs for acquisition of the property, of \$6,400,000. Marnell Gaming estimates their total costs, including for acquisition of the property, will total approximately \$11,000,000. Marnell Gaming's request to the City for financial assistance, in the amount of \$1,280,000, is dated November 5, 2018, and is attached. This amount equals 20 percent of the estimated cost for construction of the Project, which satisfies the requirement that the Lodging Tax leverage private investment on, at minimum, a one-to-one (1:1) basis. The request also includes a project budget and a site plan. A Marnell Gaming representative will provide additional information about the Project during the Committee's December 12th meeting.

The proposed terms for the provision of financial assistance to this project are provided for the Committee's review as an attachment to this staff report. They include the following:

- Construction of the Project must be completed and a live performance or special event held in the Project prior to September 15, 2019.
- Marnell Gaming will expend at least \$6,400,000 and invest at least \$5,120,000 (secured from internal and/or third-party sources) in the Project, exclusive of the cost of acquiring the property for the Project.
- The City will pay \$1,280,000 to Marnell Gaming from Lodging Tax proceeds as follows: i) \$853,760 upon the opening of the Project to the general public for a live performance or other special event; and, ii) provided the Project continues to be used for concerts and other special events open to the public, \$142,080 per year for three years.
- Marnell must provide the City reasonable documentation of its expenditures, in the amount of least \$6,400,000, for Project costs other than property acquisition.
- The City agrees to consider specific requests from Marnell for cosmetic improvements to the public areas adjacent to the Project. The City reserves full discretion, once the

nature and cost of the upgrades are identified, regarding whether to make such improvements and the timing of said improvements.

In the view of City staff, the requested financial assistance amount of \$1,280,000 will provide Marnell Gaming a financial incentive to construct the proposed Nugget Events Center. The addition of a venue for popular musical acts would advance Sparks's goal of creating a highly energized, mixed-use district to draw local residents and visitors. The proposed events center will also bolster other special events currently held in downtown Sparks, such as the Rib Cook-off, that need additional space to continue thriving at Victorian Square.

As indicated in the cash flow model attached to this staff report, the City can provide Marnell Gaming the \$1,280,000 for the Project. While this is a hypothetical cash flow analysis, it reflects the current Victorian Square Master Plan, including previously approved as well as anticipated expenditures of Lodging Tax proceeds for the Victorian Square Infrastructure Improvement, Public Art projects and renovation of the downtown movie theater by Syufy Enterprises and Galaxy Theatres. It also demonstrates that there is sufficient funding, based on projected revenues and expenditures, for the Committee and City Council to fund other projects over the period through fiscal year 2023.

If the Committee adopts Resolution No. 4, City staff will forward it to the City Council. In addition, City staff will proceed to prepare a full Financial Assistance Agreement with Marnell Gaming for the Nugget Events Center for consideration and possible approval by the City Council.

Construction of the Project requires a Conditional Use Permit (CUP) for a Major Recreational Facility (an outdoor concert amphitheater). CUPs are reviewed and either approved or denied by the Sparks Planning Commission, whose decision may be appealed to the Sparks City Council. Marnell Gaming has submitted an application for a CUP for the Project. The application was reviewed and a public hearing on the request was conducted by the Planning Commission on December 6, 2018 but the Planning Commission continued its consideration of the request to its meeting scheduled for January 3, 2019. Approval of Resolution No. 4 does not constitute an endorsement by the Committee of Marnell Gaming's pending application for a Conditional Use Permit for the Project.

Alternatives

The Committee's alternatives to approving Resolution No. 4 as presented include a) approving it with changes; b) providing direction to City staff for revision and consideration by the Committee at a future meeting; and, c) denying the request.

Proposed Motion

I move to approve Resolution No. 4 Advising the City Council of the City of Sparks Concerning Certain Projects and Capital Improvements (proposed Nugget Events Center) and the Expenditure of Transient Lodging Tax Proceeds (an amount not-to-exceed \$1,280,000); Concerning Action Taking Thereon by the Committee; and Approving Certain Details in Connection Therewith.

Respectfully submitted,

Armando Ornelas

Armando Ornelas
Assistant Community Services Director, City of Sparks

Attachments:

- Resolution No. 4, Sparks Tourism Facility and Revitalization Steering Committee
- Victorian Square Master Plan (Revised 2016)
- Vicinity Map – Nugget Events Center
- Nugget Events Center request for funding dated November 5, 2018
- Proposed Terms, Financial Assistance Agreement, Victorian Square Cinema Facility Renovations
- Hypothetical Cash Flow Analysis with Inclusion of Requested Funding for Nugget Events Center

**Victorian Square Master Plan
(Revised 2016)**

Victorian Square Master Plan
Sparks Tourism Facility and Revitalization Steering Committee

Background of and Purpose of Master Plan

In 2003, the Nevada Legislature enacted, and the Governor signed into law, Assembly Bill 205. This legislation, subsequently codified in Chapter 432, Statutes of Nevada, Sec. 6.6 to 6.9, imposed an additional tax at the rate of two and half percent (2.5%) on the gross receipts from the rental of transient lodging in the City of Sparks ("Lodging Tax"). The Lodging Tax is paid to the Reno-Sparks Convention and Visitors Authority which distributes the proceeds to the City Council of the City of Sparks. The City Council may expend these proceeds after obtaining the "advice and recommendations" of the Sparks Tourism Facility and Revitalization Steering Committee ("Committee"), which is created per Sec. 6.8 of Chapter 432.

The proceeds of the Lodging Tax "must be used to develop, acquire, establish, improve and construct projects and capital improvements that are intended to attract and expand tourism and are, at the time the proceeds from the tax are to be expended, located in or to be located in:

- (1) That portion of the Sparks Town Center Project which is identified as Victorian Square; or
- (2) Any other portion of the Sparks Town Center Project, if the project or capital improvement provides a direct benefit to a project or capital improvement located within Victorian Square, as determined by the City Council of the City of Sparks after obtaining the advice and recommendations of the Committee." (Sec. 6.7.1.(a))

As defined in Sec. 6.7.3, "a project or capital improvement shall be deemed to attract and expand tourism if it is used for retail, entertainment, recreational, scientific, cultural, historic or artistic purposes, as determined by the City Council of the City of Sparks after obtaining the advice and recommendations of the Committee."

The Committee is required, per Sec. 6.9 of Chapter 342, to develop a master plan that identifies:

- Proposed projects or capital improvements that the Committee has determined would be advisable to promote tourism in Washoe County.
- Method(s) pursuant to which the proposed projects and capital improvements identified in the plan will be financed.

The purpose of the Master Plan is to guide the Committee in providing advice and recommendations to the Sparks City Council regarding expenditure of the proceeds from the Lodging Tax. The Committee first adopted a Master Plan in 2004 and amended it in 2008. *This Master Plan replaces the 2008 Master Plan in its entirety.*

Proposed Projects / Capital Improvements

Sec. 6.7 of Chapter 342 defines the uses for which Lodging Tax proceeds may be used. This part of the Master Plan identifies the proposed projects or capital improvements in the Victorian Square area of the Sparks Town Center Redevelopment Area that the Committee has determined would be advisable to promote tourism in Washoe County. All are permitted by Sec. 6.7. Additionally, the Committee will formally advise and provide its recommendations regarding the expenditure of Lodging Tax proceeds for specific projects in the form of resolutions it will adopt, by a two thirds majority vote, and forward to the Sparks City Council.

The proposed projects and capital improvements are as follows.

1. *Victorian Square Infrastructure Improvement Project.* This project involves capital improvements for rehabilitation of the streetscape along: (a) Victorian Avenue between 15th Street and Pyramid Way; (b) Avenue of the Oaks between 11th and 14th Streets; (c) the areas adjacent to the north-south street couplet between Victorian Avenue and Avenue of the Oaks; (d) 13th Street between Avenue of the Oaks and Victorian Plaza Circle; and, (e) the section of Victorian Square Plaza directly in front of the movie theater. The area for this project is defined in Exhibit 1 to this Master Plan.

These public areas serve as a venue for numerous special events including Hot August Nights and the Best in the West Nugget Rib Cook-Off. The majority of the existing streetscape improvements were constructed or installed in the mid-1980's and have not been significantly addressed other than in the Plaza and train exhibit areas. These facilities are exhibiting substantial degradation and are increasingly hazardous for pedestrians and event patrons. In addition, the area's aesthetic appeal as a special events venue is decreasing.

In order for this area to continue serving as a safe and attractive special events venue, investment to repair and rehabilitate the streetscape is required. The project will not involve wholesale replacement of but rather, on as needed basis, repairs, replacements or enhancements of: lighting, concrete surfaces, pavers, curbs, kiosks, street furniture such as benches, planters, bollards, fencing, trees and water urns.

The Victorian Square Infrastructure Improvement Project will be undertaken in sections, as identified in Exhibit 1. Section 1, proposed for City of Sparks fiscal year 2017, is along Victorian Avenue between 10th Street and Pyramid Way. Subsequent

sections will be undertaken over a period of approximately 3-6 years, as funding is recommended by the Committee and approved by the City Council. The order in which Sections 2-7 are undertaken will be determined on a year-to-year basis as these improvements need to be coordinated with, and be sensitive to the timing of, development and improvements on the adjacent private property. It is anticipated that multiple sections will be constructed in some years.

The cost of Section 1 is estimated at approximately \$400,000 with the total cost (in 2016 dollars) of the seven sections estimated at approximately \$2.0-2.1 million.

2. *Public Art.* This proposed expenditure is to acquire (through purchase, lease or on loan) or to retain artworks to be placed on or presently located on public property within Victorian Square, defined as the area between 15th Street on the west, Pyramid Way on the east, Interstate 80 on the south and Victorian Plaza Circle/D Street on the north. The intent is to acquire and install, over a period of years, a collection of artworks that increases awareness and the appeal of Victorian Square for both visitors and local residents while contributing to the revitalization of Victorian Square. The proposed expenditures include installation costs associated with each piece.

The selection of artworks will be based on the recommendations of the City's Arts and Culture Advisory Committee or other advisory body to the Sparks City Council.

Initial funding, in City fiscal year 2017, for the Public Art program is \$150,000. Beginning in fiscal year 2018, the Committee will consider resolutions recommending annual appropriations for acquisition of additional artworks in an amount equal to at least four percent (4%) of the previous fiscal year's lodging tax proceeds. In addition, an annual amount of \$2,500 - \$5,000 will be considered for continued maintenance of the artworks inventory. This amount may start lower and grow based on inventory.

3. *Victorian Square Plaza Enhancements.* The Victorian Square Development Plan (i.e., the redevelopment plan for the Victorian Square area most recently amended in 2015) includes potential enhancements to Victorian Square Plaza, the City owned park-like property bordered on the east and west by the north-south street couplet connecting Victorian Avenue and Avenue of the Oaks, on the north by the front of the movie theater, and on the south by Victorian Avenue. The Plaza includes an interactive fountain in front of the movie theater. Like the public areas of Victorian Square, the Plaza is intensively used as a special events venue.

The Victorian Square Plaza Enhancements, which the City has schematic design plans for, are intended to increase programming options for Victorian Square and, in particular, to provide a facility that would allow more events programming outside

the summer months. The project would add new amenities and provide the ability to host concerts and other performing arts events. The proposed improvements include the addition of a tensile fabric cover to provide shade and protection from rain and snow over approximately half of the Plaza between Avenue of the Oaks and Victorian Avenue, the addition of audio speaker and light towers along the borders the plaza, a mobile performing stage and a seasonal ice skating rink measuring approximately 120 by 55 feet.

The estimated cost of these Plaza enhancements is approximately \$2.5 million. Due to the magnitude of this amount, as well as uncertainty about the timing of development on the vacant parcels east and west of the Plaza, no decision has been made as to whether, and if so when, to construct this capital project. Any future expenditures of Lodging Tax proceeds for the Victorian Square Plaza Enhancements need a Committee recommendation, in the form of a resolution, to the Sparks City Council.

4. *Investment or Incentives for Private Victorian Square Retail and Entertainment Facilities.* The goal of the Redevelopment Agency's Victorian Square Development Plan is to create a highly energized, mixed-use district with a unique ambiance to draw local residents and visitors. Victorian Square has the highway proximity and sufficient "brand recognition" to support mixed-use development. With over 300 residential units currently under construction, and with a proposal for almost 200 more units pending, the biggest challenge for the Victorian Square project area now is the need for complementary activity-generating uses, including additional retail and other commercial uses, that will draw visitors to Victorian Square even when special events are not occurring.

As in the previous (2008) version, this Master Plan identifies incentives for privately owned capital projects with new retail uses (defined to include dining and entertainment) as appropriate for the use of Lodging Tax proceeds. Incentives for substantial upgrades to existing privately owned entertainment venues and facilities that increase the regional appeal of such facilities would also be eligible. Lodging Tax proceeds may also be used for off-site public infrastructure to serve private capital improvements in retail facilities, if the infrastructure is to attract private investment. Any Lodging Tax investment or incentive for a privately owned facility is intended to fill an anticipated financial "gap" and must leverage private investment on, at minimum, a one-to-one (1:1) basis.

No specific private retail or entertainment projects are identified for funding at this time. Any future expenditures of Lodging Tax proceeds to incentivize private retail or entertainment capital projects need a Committee recommendation, in the form of a resolution, to the Sparks City Council.

Financing

The City of Sparks will expend room tax proceeds in Victorian Square in accordance with the provisions of Sec. 6.7 of Chapter 342 of the Statutes of Nevada. While Section 6.7 permits the City Council to pledge Lodging Tax proceeds for the payment of general and special debt obligations, at this time the City of Sparks anticipates paying for projects on a cash, "pay as you go" basis. Should the City of Sparks determine it wishes to utilize a credit facility to finance one or more eligible projects, it will seek a Committee recommendation and resolution prior to doing so.

Amendment of the Plan

This Master Plan was approved by the Committee and may be amended by a two-thirds vote of the members of the Committee.

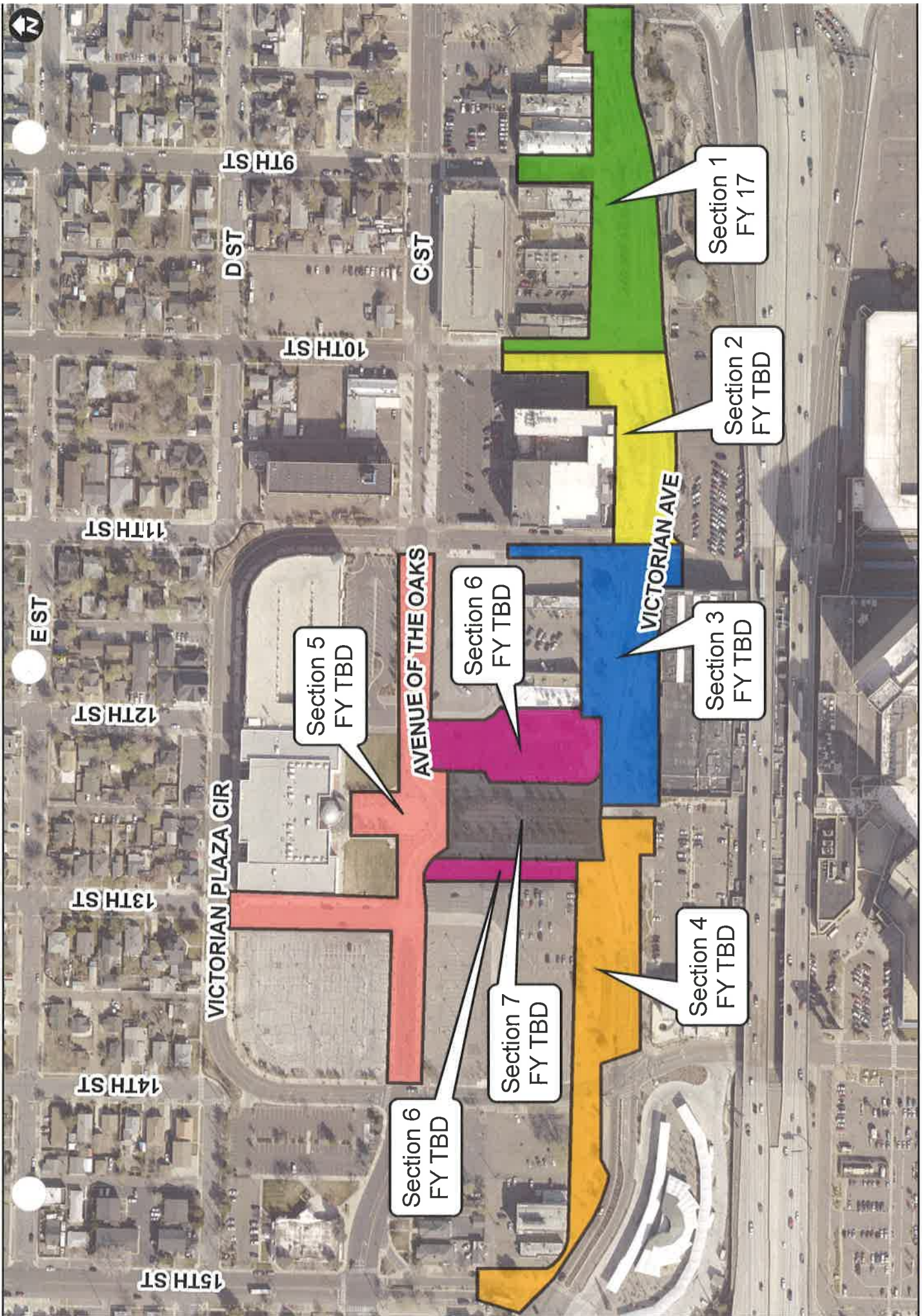
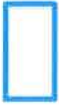


Exhibit 1. Proposed Sections for Victorian Square Infrastructure Improvement Project Map

Vicinity Map – Nugget Events Center



Legend



Project Site



PCN18-0057

Vicinity Map - Nugget Events Center



NORTH

**Nugget Events Center Request for Funding
dated November 5, 2018**

Nugget

CASINO RESORT

November 5, 2018

Mr. Stephen Driscoll
Office of the City Manager
City of Sparks
1675 E Prater Way
Sparks, NV 89431

Mr. Armando Ornelas, Jr.
Office of Community Development
City of Sparks
1675 E Prater Way
Sparks, NV 89431

Mr. Driscoll and Mr. Ornelas:

Thank you for your time during our meeting on October 25th. We appreciated the opportunity to bring yourselves and members of City Council up to speed on our current capital investment plans, plus plans to bring a first-class outdoor amphitheater to the City of Sparks.

To recap the Capital investment plans at the Nugget in 2019:

Complete Remodel of the Casino Tower: The property will invest \$8.55M to completely remodel all 585 rooms in the old East Tower and rebrand as the Casino Tower. The design will feature several elements of the newly remodeled Resort Tower (formerly the West Tower) while adding a spark of color and excitement traditionally seen in typical casino rooms. In addition, the suites on the 29th floor will be completely remodeled to be competitive with any suite product in Northern Nevada.

Anthony's Chophouse: The property will redevelop the basement area just East of the main lobby and introduce a classic gourmet steak house with a modern flare. The room will offer a 12-person bar, 140 seats and three private dining rooms with state of the art audio visual capabilities.

Two New Themed Penthouse Suites: The property will start construction on two existing individually themed three bay suites to introduce two new spectacular themed penthouse suites. Both rooms will feature individual designs specific to the region and represent a capital investment of \$.9M

New Casino Player Tracking System: The property has contracted with Bally Gaming Systems to install a new player tracking system in the first quarter of 2019.

Marnell Gaming completed several Capital Projects in 2017 and 2018: Completely new Resort/West Tower guest rooms and corridors, new fitness center, new convention center, new casino, 300 new gaming devices, new Game On sports bar and restaurant, new hotel lobby, new guest pool, new Chalet Terrace and several back of house enhancements. The projects already completed are proof of our commitment to make the Nugget the premier resort property in Northern Nevada while contributing to the economic growth and well-being of the City of Sparks.

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Marnell Gaming's completion of the 2019 capital projects represents more than \$75M invested in the Nugget Casino Resort and City of Sparks. Marnell Gaming believes building a state of the art 8,500 seat outdoor amphitheater will be the next step to truly make the Nugget and the City of Sparks the destination for tens of thousands of leisure travelers annually.

Marnell Gaming brings unique expertise and experience designing, building and operating outdoor amphitheaters. In March of 2013 the company opened the Laughlin Event Center a 10,000 seat multi-purpose outdoor amphitheater. The venue has hosted countless entertainment concerts including top names like Toby Keith, Kid Rock, Rod Stewart, Keith Urban, Steve Miller Band and Carrie Underwood, plus Championship Bull Riding (CBR), Professional Bull Riding (PBR) and the Laughlin Comedy Festival. The venue has generated tens of millions of dollars in economic impact and helped revive the town of Laughlin. All financial indicators have surged since the introduction of the Laughlin Event Center.

Nugget Events Center:

Marnell Gaming has begun preparing the former Bourbon Square property for a possible 8,500 seat outdoor amphitheater in the heart of the Downtown district of Sparks. The company believes the proximity to the new urban lifestyle district and Nugget Casino Resort is an ideal location for a potential amphitheater. The completion of the Nugget Amphitheater will cement Downtown Sparks as a must visit destination in Northern Nevada.

Event Center Budget:

Acquisition of Bourbon Square Property:

Purchase of property	\$4.5M
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Design and Build of Permanent Amphitheater:

Off Site Preparations	\$.4M
New Permanent Stage	\$.7M
On Site enhancement work	\$2.7M
Stadium Seating and VIP Suites	<u>\$2.6M</u>
Sub-total	\$6.4M

The finished product would include nearly \$.4M in off-site improvements to the City of Sparks Downtown district to match existing improvements in the Victorian Square Master Plan. Marnell Gaming feels this project meets all requirements to request funding from the City of Sparks through the Victorian Square Master Plan. Marnell Gaming requests \$1.28M in financial support, which represents 20% of the total construction budget. This amount falls within historical precedents the City of Sparks has provided through the Victorian Square Master plan.

Enclosed for your review are the project off-site budget with stage, on site budget, seating and suite cost schedule and venue layout.

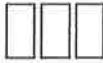
Off Site Budget with Stage
On Site Budget
Seating and Suites Cost Schedule
Venue Layout

We are hopeful the City of Sparks sees the opportunity for the entire Downtown district this new venue will provide as well as the economic benefits for other businesses in the area, the City and the Nugget Casino Resort. We look forward to a favorable response to our request.

Sincerely,



Anthony A. Marnell III
Chairman and CEO



MARNELL
DESIGN • BUILD
MANAGEMENT

Bourbon Square Event Center - Offsite
Sparks, Nevada

Date: November 1, 2018

Description		Labor Total	Material Total	Subcontractor Total	Total
Bourbon Square Event Center - Offsite					
Division 01	GENERAL REQUIREMENTS	27,776	7,954	6,564	42,294
Division 02	EXISTING CONDITIONS	-	-	64,480	64,480
Division 03	CONCRETE	-	-	-	-
Division 04	MASONRY	-	-	-	-
Division 05	METALS	-	-	-	-
Division 06	WOOD & PLASTICS	-	-	-	-
Division 07	THERMAL & MOISTURE PROTECTION	-	-	-	-
Division 08	DOORS & WINDOWS	-	-	-	-
Division 09	FINISHES	-	-	-	-
Division 10	SPECIALTIES	-	-	-	-
Division 11	EQUIPMENT	-	-	-	-
Division 12	FURNISHINGS, FIXTURES, & EQUIPMENT	-	-	-	-
Division 13	SPECIAL CONSTRUCTION	-	-	-	-
Division 14	CONVEYING SYSTEMS	-	-	-	-
Division 21	FIRE SUPPRESSION	-	-	-	-
Division 22	PLUMBING	-	-	-	-
Division 23	HVAC	-	-	-	-
Division 26	ELECTRICAL	-	-	41,500	41,500
Division 27	COMMUNICATIONS	-	-	-	-
Division 28	ELECTRONIC SAFETY and SECURITY	-	-	-	-
Division 31	EARTHWORK	-	-	-	-
Division 32	EXTERIOR IMPROVEMENTS	-	-	178,582	178,582
Division 33	UTILITIES	-	-	15,250	15,250
Subtotal -		27,776	7,954	306,389	342,116
	Permits / Planscheck Fees				5,000
	Testing & Inspection Services				2,000
	Utility Connection Fees / Utility Usage				-
	SUBTOTAL				349,116
	Construction Estimate Contingency	5%			17,456
	SUBTOTAL				366,572
	Liability Insurance	1.50%			5,499
	Performance & Payment Bond / Subguard Program	0.00%			-
	Owner's Insurance Including Builder's Risk and Loss of Use	0.00%			-
	SUBTOTAL				372,071
	CONTRACTORS FEE (Overhead & Profit)	5.00%			18,604
TOTAL - PROJECT COST (CONSTRUCTION & FF&E)					390,674
	Design Fee				25,000
TOTAL - PROJECT					415,674
Alternate Add:					
	Permanent Stage Canopy & Platform				750,000

Clarifications:

1) All Work Inside of the Perimeter Fence is Not Included.



Bourbon Square Event Center - Offsite
Sparks, Nevada

Date: November 1, 2018

Description	Subcontractor or Supplier	Quantity	Unit	Labor		Material		Subcontractor		Total
				Unit Cost	Amount	Unit Cost	Amount	Unit Cost	Amount	
Bourbon Square Event Center - Offsite										
Division 01 - GENERAL REQUIREMENTS:										
General Conditions (See T&P Estimate)	Marnell Estimate	1	ls	27,778	27,778	7,954	7,954	8,563.91	8,564	42,294
Division 1 Direct - Subtotal					27,778		7,954		8,564	42,294
DIRECT LABOR BURDEN @ 25%					included above		included above			-
MATERIAL SALES TAX @ 8.1%										-
Division 1 Burden - Subtotal										-
Division 1 - Total					27,778		7,954		8,564	42,294
Division 02 - EXISTING CONDITIONS:										
02 41 10 Selective Structure Demolition	Marnell Estimate	3,358	sf		-		-	10.00	23,680	23,690
Cutout Existing of site planters	QDC	1	ls		-		-	10,800.00	10,800	10,800
Excavate, Expose, Backfill for Capping of Gas Line	Marnell Estimate	1	sf		-		-	15,000.00	15,000	15,000
Misc. Site Concrete Curb & Hardscape Demo for Driveways	Marnell Estimate	1	sf		-		-	15,000.00	15,000	15,000
Fill (7) 12,000 gallon diesel with slurry	Marnell Estimate	1	sf		-		-	15,000.00	15,000	15,000
Division 2 Direct - Subtotal									64,480	64,480
DIRECT LABOR BURDEN @ 30%										-
MATERIAL SALES TAX @ 8.1%										-
Division 2 Burden - Subtotal										-
Division 2 - Total									64,480	64,480
Division 03 - CONCRETE										
Division 3 - Total										-
Division 04 - MASONRY										
Division 4 - Total										-
Division 07 - THERMAL & MOISTURE PROTECTION										
Division 7 - Total										-
Division 13 - SPECIAL CONSTRUCTION										
Division 13 - Total										-
Division 14 - CONVEYING SYSTEMS										
Division 14 - Total										-
Division 21 - FIRE SUPPRESSION										
Division 21 - Total										-
Division 22 - PLUMBING										
Division 22 - Total										-
Division 23 - HVAC										
Division 23 - Total										-
Division 26 - ELECTRICAL:										
26 00 00 Basic Electrical Requirements					-		-		-	-
Allowance to Install Guy Wire Across the Street	Marnell Estimate	1	sf		-		-	7,500.00	7,500	7,500
Allowance to Re-Locate Existing Street Light	Marnell Estimate	1	sf		-		-	10,000.00	10,000	10,000
Street Light Poles w/ Base	Marnell Estimate	2	ea		-		-	12,000.00	24,000	24,000
Division 26 Direct - Subtotal									41,500	41,500
DIRECT LABOR BURDEN @ 30%										-
MATERIAL SALES TAX @ 8.1%										-
Division 26 Burden - Subtotal										-
Division 26 - Total									41,500	41,500
Division 31 - EARTHWORK:										
31 10 00 Grading					-		-		-	-
Division 31 Direct - Subtotal										-
DIRECT LABOR BURDEN @ 30%										-
MATERIAL SALES TAX @ 8.1%										-
Division 31 Burden - Subtotal										-
Division 31 - Total										-
Division 32 - EXTERIOR IMPROVEMENTS:										
Site Concrete					-		-		-	-
In fill pavers / colored concrete into cutout if site planters	Marnell Estimate	2,368	sf		-		-	14.00	33,152	33,152
Curb Driveway	Marnell Estimate	1,050	sf		-		-	20.00	36,800	36,800
Patch walks for installation of light poles	Marnell Estimate	3	ea		-		-	500.00	1,500	1,500
Underdrain sidewalks	Marnell Estimate	4	ea		-		-	2,500.00	10,000	10,000
02 84 00 Landscape & Irrigation	Marnell Estimate	12,440	sf		-		-	6.00	74,640	74,640
Landscape & Irrigation	Marnell Estimate	30	ea		-		-	700.00	21,000	21,000
Trees					-		-			-
Division 32 Direct - Subtotal									178,892	178,892
DIRECT LABOR BURDEN @ 30%										-
MATERIAL SALES TAX @ 8.1%										-
Division 32 Burden - Subtotal										-
Division 32 - Total									178,892	178,892
Division 33 - UTILITIES:										
33 10 00 Utilities					-		-		-	-
Replace Existing OCDA in Vault	F&D Input	1	ea		-		-	15,250.00	15,250	15,250
Division 33 Direct - Subtotal									15,250	15,250
DIRECT LABOR BURDEN @ 30%										-
MATERIAL SALES TAX @ 8.1%										-
Division 33 Burden - Subtotal										-
Division 33 - Total									15,250	15,250
Subtotal					27,778		7,954		306,386	342,116
Permits / Plans check Fees										6,000
Testing & Inspection Services										2,000
UTILITY Connection Fees / Utility Usage										0
SUBTOTAL										349,116
Construction Estimate Contingency	5.00%									17,456
SUBTOTAL										366,572
Liability Insurance	1.50%									5,499
Performance & Payment Bond / Subguard Program										0
Owner's Insurance including Builder's Risk and Loss of Use										0
SUBTOTAL										372,070
CONTRACTORS FEE (Overhead & Profit)	5.00%									18,604
TOTAL - PROJECT COST (CONSTRUCTION & FF&E)										390,674



MARNELL
DESIGN • BUILD
MANAGEMENT

Bourbon Square Event Center - Onsite
Sparks, Nevada

Date: November 1, 2018

Description		Labor Total	Material Total	Subcontractor Total	Total
Bourbon Square Event Center - Onsite					
Division 01	GENERAL REQUIREMENTS	51,583	14,772	22,190	88,546
Division 02	EXISTING CONDITIONS	-	-	816,166	816,166
Division 03	CONCRETE	-	-	102,152	102,152
Division 04	MASONRY	-	-	-	-
Division 05	METALS	-	-	-	-
Division 06	WOOD & PLASTICS	-	-	-	-
Division 07	THERMAL & MOISTURE PROTECTION	-	-	10,000	10,000
Division 08	DOORS & WINDOWS	-	-	-	-
Division 09	FINISHES	-	-	-	-
Division 10	SPECIALTIES	-	-	-	-
Division 11	EQUIPMENT	-	-	-	-
Division 12	FURNISHINGS, FIXTURES, & EQUIPMENT	-	-	-	-
Division 13	SPECIAL CONSTRUCTION	-	-	-	-
Division 14	CONVEYING SYSTEMS	-	-	-	-
Division 21	FIRE SUPPRESSION	-	-	-	-
Division 22	PLUMBING	-	-	-	-
Division 23	HVAC	-	-	-	-
Division 26	ELECTRICAL	-	-	573,500	573,500
Division 27	COMMUNICATIONS	-	-	-	-
Division 28	ELECTRONIC SAFETY and SECURITY	-	-	-	-
Division 31	EARTHWORK	-	-	141,278	141,278
Division 32	EXTERIOR IMPROVEMENTS	-	-	325,174	325,174
Division 33	UTILITIES	-	-	153,773	153,773
Subtotal -		51,583	14,772	2,144,223	2,210,578
Permits / Planscheck Fees					15,000
Testing & Inspection Services					8,000
Utility Connection Fees / Utility Usage					-
SUBTOTAL					2,233,578
Construction Estimate Contingency		5%			111,679
SUBTOTAL					2,345,257
Liability Insurance		1.50%			35,179
Performance & Payment Bond / Subguard Program		0.00%			-
Owner's Insurance Including Builder's Risk and Loss of Use		0.00%			-
SUBTOTAL					2,380,436
CONTRACTORS FEE (Overhead & Profit)		5.00%			119,022
TOTAL - PROJECT COST (CONSTRUCTION & FF&E)					2,499,458
Design Fee					175,000
TOTAL - PROJECT					2,674,458

Clarifications:

- 1) Restrooms including fire, sewer & electrical infrastructure for future restrooms are Not Included.
- 2) Estimate assumes using existing water connection onsite.
- 3) Permit Fees are Included. All other Impact Fees such as Regional Road Impact Fees, Street Cut/Right of Way Use Permits, Washoe County Health District Fees, Fire Department Investigation, Public Works Inspection Fees, and Outside Agency Review Fees are Not Included.
- 4) Bleachers, Stage, Vendor Booths, Admission and Green Room Structures are Not Included.
- 5) Signage is Not Included.
- 6) Area Site Drainage System is Not Included. Estimate assumes sheet flow site drainage.
- 7) Footings for 79 each Bleacher Footings are Included.
- 8) Installation of Stage Platform is Not Included.
- 9) Offsite Work (work on outside of the perimeter fence) is Not Included.

Bourbon Square Event Center - Onsite
Sparks, Nevada

Date: November 1, 2016

Description	Subcontractor or Supplier	Quantity	Unit	Labor		Material		Subcontractor		Total
				Unit Cost	Amount	Unit Cost	Amount	Unit Cost	Amount	
Bourbon Square Event Center - Onsite										
Division 01 - GENERAL REQUIREMENTS										
General Conditions (See T&P Estimate)	Marnell Estimate	1	hr	51,583	51,583	14,772	14,772	12,180.13	12,180	78,546
Final Cleaning	Marnell Estimate	1	hr	-	-	-	-	10,000.00	10,000	10,000
Division 1 Direct - Subtotal					51,583		14,772		22,180	88,546
DIRECT LABOR BURDEN @ 25%										
MATERIAL SALES TAX @ 8.1%										
Division 1 Burden - Subtotal										
Division 1 - Total					51,583		14,772		22,180	88,546
Division 02 - EXISTING CONDITIONS										
02 41 19 Selective Structure Demolition	QDC	111,372	sf	-	-	-	-	5.78	644,565	644,565
Building Demo	Marnell Estimate	57,591	sf	-	-	-	-	1.00	57,591	57,591
Demo Existing Asphalt	Marnell Estimate	1	allow	-	-	-	-	4,000.00	4,000	4,000
Cut & Cap Utilities Prior to Demo	Marnell Estimate	1	allow	-	-	-	-	10,000.00	10,000	10,000
FR 1 grass interceptor with slurry	Marnell Estimate	1	allow	-	-	-	-	100,000.00	100,000	100,000
Abatement	Marnell Estimate	1	allow	-	-	-	-	100,000.00	100,000	100,000
Division 2 Direct - Subtotal									815,156	815,156
DIRECT LABOR BURDEN @ 25%										
MATERIAL SALES TAX @ 8.1%										
Division 2 Burden - Subtotal										
Division 2 - Total									815,156	815,156
Division 03 - CONCRETE										
03 30 00 CIP Concrete	Marnell Estimate	79	sq	-	-	-	-	1,041.67	82,292	82,292
Foundation for Bleachers	Marnell Estimate	3,310	sf	-	-	-	-	6.00	19,860	19,860
Slab Under Stages	Marnell Estimate	1	allow	-	-	-	-	100,000.00	100,000	100,000
Division 3 Direct - Subtotal									202,152	202,152
DIRECT LABOR BURDEN @ 30%										
MATERIAL SALES TAX @ 8.1%										
Division 3 Burden - Subtotal										
Division 3 - Total									202,152	202,152
Division 04 - MASONRY										
Division 07 - THERMAL & MOISTURE PROTECTION										
07 00 00 Waterproofing	Marnell Estimate	1	hr	-	-	-	-	5,000.00	5,000	5,000
Waterproof Existing Underground Electrical Vault	Marnell Estimate	10	sq	-	-	-	-	500.00	5,000	5,000
Waterproof Company Switch for Projection from House Bldgs	Marnell Estimate	1	allow	-	-	-	-	10,000.00	10,000	10,000
Division 7 Direct - Subtotal									15,000	15,000
DIRECT LABOR BURDEN @ 30%										
MATERIAL SALES TAX @ 8.1%										
Division 7 Burden - Subtotal										
Division 7 - Total									15,000	15,000
Division 13 - SPECIAL CONSTRUCTION										
Division 14 - CONVEYING SYSTEMS										
Division 21 - FIRE SUPPRESSION										
Division 22 - PLUMBING										
Division 23 - HVAC										
Division 26 - ELECTRICAL										
26 00 00 Basic Electrical Requirements:	Seven Valley Input	1	hr	-	-	-	-	450,000.00	450,000	450,000
Re-use Existing Gens/Transformer:	Seven Valley Input	10	sq	-	-	-	-	-	-	Included
Company Switches	Seven Valley Input	10,530	sf	-	-	-	-	-	-	Included
Power Lines	Seven Valley Input	1,000	hr	-	-	-	-	-	-	Included
Excavation - Backfill & Compact	Seven Valley Input	1	allow	-	-	-	-	-	-	Included
Disconnect/Demo Existing Site Lighting	Seven Valley Input	1	allow	-	-	-	-	-	-	Included
Low Voltage	Seven Valley Input	3	sq	-	-	-	-	-	-	Included
Stadium Lighting Including Foundation	Seven Valley Input	1	allow	-	-	-	-	-	-	Included
Lighting Under the Bleachers	Seven Valley Input	1	allow	-	-	-	-	-	-	Included
Lighting for Bleacher Steps	Seven Valley Input	1	allow	-	-	-	-	-	-	Included
Temp Power Abolishment	Seven Valley Input	1	allow	-	-	-	-	-	-	Included
Removal of Existing Light Fixtures (will recycle Noggert bulb shop)	Seven Valley Input	1	allow	-	-	-	-	-	-	Included
Potential Added Cost to Low Voltage	Marnell Estimate	1	hr	-	-	-	-	10,000.00	10,000	10,000
Cutting of Existing Poles	Marnell Estimate	3	sq	-	-	-	-	500.00	1,500	1,500
Additional Light Poles	Marnell Estimate	4	sq	-	-	-	-	23,000.00	92,000	92,000
Lights at Portable Toilets	Marnell Estimate	4	sq	-	-	-	-	5,000.00	20,000	20,000
Division 26 Direct - Subtotal									673,500	673,500
DIRECT LABOR BURDEN @ 30%										
MATERIAL SALES TAX @ 8.1%										
Division 26 Burden - Subtotal										
Division 26 - Total									673,500	673,500
Division 31 - EARTHWORK										
31 10 00 Grading	Marnell Estimate	79	sq	-	-	-	-	111.11	8,778	8,778
Excavate & Backfill for Bleacher Foundations	West Coast Input	100,000	sf	-	-	-	-	1.25	125,000	125,000
Grading 7" Type III for Asphalt	Marnell Estimate	1	allow	-	-	-	-	141,378	141,378	141,378
Division 31 Direct - Subtotal									275,156	275,156
DIRECT LABOR BURDEN @ 30%										
MATERIAL SALES TAX @ 8.1%										
Division 31 Burden - Subtotal										
Division 31 - Total									275,156	275,156
Division 32 - EXTERIOR IMPROVEMENTS										
Asphalt	West Coast Input	100,000	sf	-	-	-	-	1.80	180,000	180,000
3" Type III AC	Marnell Estimate	20,938	sf	-	-	-	-	0.53	11,111	11,111
4" Type III AC Premium around Stages	Marnell Estimate	1	allow	-	-	-	-	99.50	77,410	77,410
Fencing	Tholl Fence Input	1,301	hr	-	-	-	-	8.00	10,408	10,408
Fence 8H	Marnell Estimate	145	hr	-	-	-	-	65.00	9,425	9,425
Bigger Posts per City Requirements	Tholl Fence Input	2	sq	-	-	-	-	-	-	Included Above
Screen Fence for Portable Toilets	Tholl Fence Input	3	sq	-	-	-	-	-	-	Included Above
Double Gates	Marnell Estimate	2	sq	-	-	-	-	4,000.00	8,000	8,000
Man Gates	Marnell Estimate	1	sq	-	-	-	-	8,000.00	8,000	8,000
Additional Double Gates	Marnell Estimate	1	sq	-	-	-	-	8,000.00	8,000	8,000
Additional Sliding Double Gates	Marnell Estimate	1	sq	-	-	-	-	8,000.00	8,000	8,000

Description	Subcontractor or Supplier	Quantity	Unit	Labor		Material		Subcontractor		Total
				Unit Cost	Amount	Unit Cost	Amount	Unit Cost	Amount	
Additional Man Gals	Marnell Estimate	6	ea					790.00	4,900	4,900
Panic Hardware	Marnell Estimate	8	ea					1,250.00	10,000	10,000
Mesh Behind Slage	Marnell Estimate	1,040	lf					15.00	15,600	15,600
Division 32 Direct - Subtotal									325,174	325,174
DIRECT LABOR BURDEN @ 30%										
MATERIAL SALES TAX @ 8.1%										
Division 32 Burden - Subtotal										
Division 32 - Total									325,174	325,174
Division 33 UTILITIES										
33 10 00 Utilities										
Wasteline Infrastructure 4" CS00 Water Pipe	F&D Input	1,280	lf					28.25	36,443	36,443
Replace Existing Meter	Marnell Estimate	1	ea					10,000.00	10,000	10,000
Hose Bibbs	Marnell Estimate	9	ea					250.00	2,250	2,250
Sprayer Back Flush Hose Bibbs	Marnell Estimate	9	ea					500.00	4,500	4,500
Fire Hydrant subub piping	Marnell Estimate	1	ea					7,000.00	7,000	7,000
8" Sewer Line	Marnell Estimate	748	lf					85.00	63,580	63,580
Sewer Manhole	Marnell Estimate	3	ea					10,000.00	30,000	30,000
Division 33 Direct - Subtotal									157,773	157,773
DIRECT LABOR BURDEN @ 30%										
MATERIAL SALES TAX @ 8.1%										
Division 33 Burden - Subtotal										
Division 33 - Total									157,773	157,773
Subtotal					51,583		14,772		2,144,223	2,210,578
Permits / Plans check Fees										
										16,000
Testing & Inspection Services										
										8,608
Utility Connection Fees / Utility Usage										
										0
SUBTOTAL										
										2,233,578
Construction Estimate Contingency										
										111,673
SUBTOTAL										
										2,345,257
Liability Insurance										
										35,179
Performance & Payment Bond / Subguard Program										
										0
Owner's Insurance Including Builder's Risk and Loss of Use										
										0
SUBTOTAL										
										2,350,436
CONTRACTORS FEE (Overhead & Profit)										
										118,622
TOTAL - PROJECT COST (CONSTRUCTION & FF&E)										
										2,499,458



Mark,

This is confirmation we have received your deposit and contract for the Nugget Reno amphitheater.

Our VIP suites contracts are moving forward for amphitheater at \$2,242,255.00 + tax. VIP suites at \$175,000.00 each, totaling \$2,592,255.00.

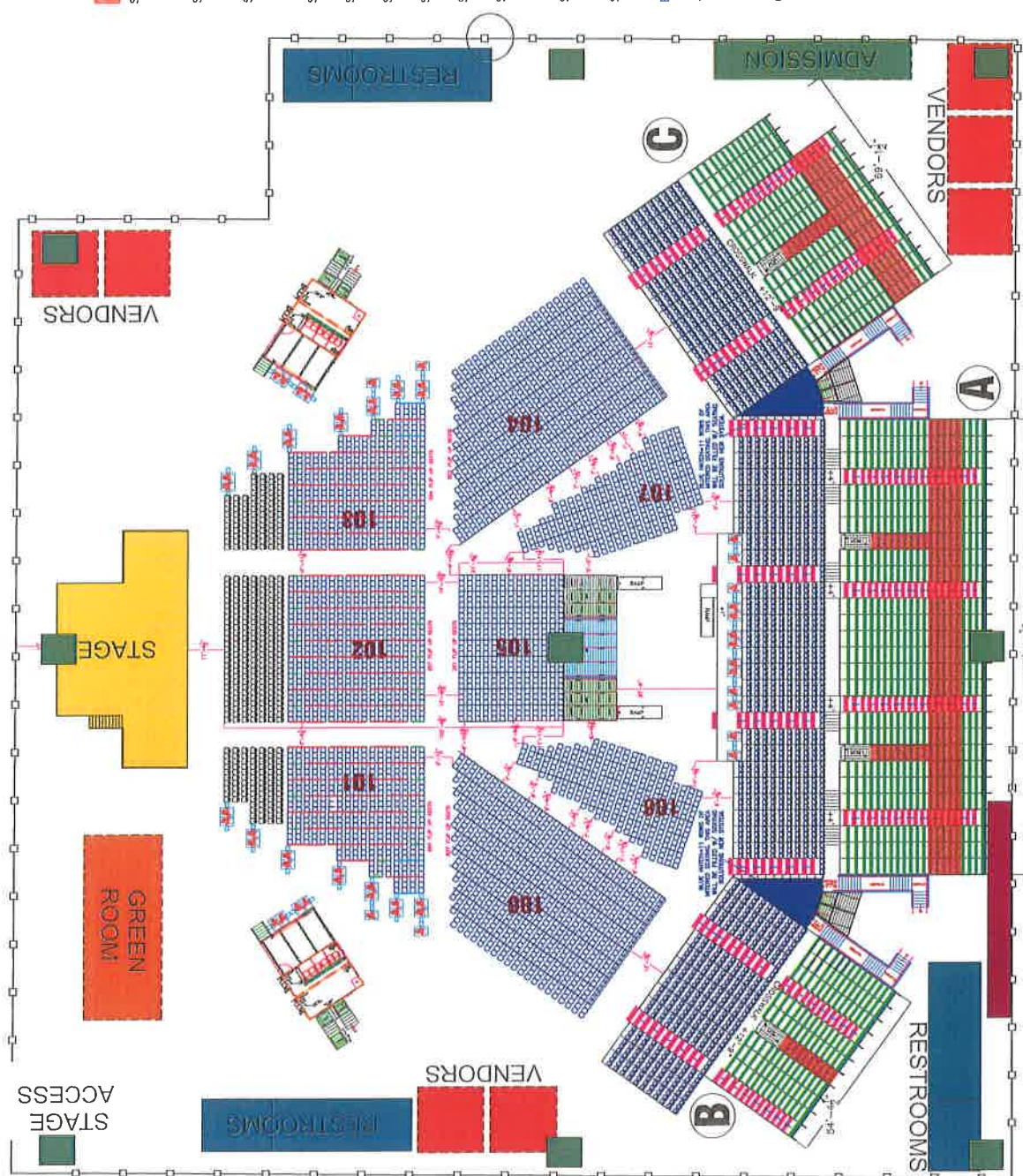
Less amount tax portion install and freight of \$520,000.00. Taxable sales amount to \$2,072,255.00.

We look forward to working with you.

Scott Suprina



BUS BUS BUS BUS BUS BUS BUS



- RED HATCH = UNDER STAND PATH OF TRAVEL
- SECTION 101 SEAT COUNTS:
 - = 372 ULTIMATE FLIP-UP FLOORTRACK
 - = 86 BRAVO FLOORTRACK
 - = 20 WHEELCHAIR W/ 20 COMP. SEATS
 - = 498 TOTAL SEATS
- SECTION 102 SEAT COUNTS:
 - = 489 ULTIMATE FLIP-UP FLOORTRACK
 - = 189 BRAVO FLOORTRACK
 - = 648 TOTAL SEATS
- SECTION 103 SEAT COUNTS:
 - = 372 ULTIMATE FLIP-UP FLOORTRACK
 - = 86 BRAVO FLOORTRACK
 - = 20 WHEELCHAIR W/ 20 COMP. SEATS
 - = 498 TOTAL SEATS
- SECTION 104 SEAT COUNTS:
 - = 692 ULTIMATE FLIP-UP FLOORTRACK
 - = 692 TOTAL SEATS
- SECTION 105 SEAT COUNTS:
 - = 381 ULTIMATE FLIP-UP FLOORTRACK
 - = 331 TOTAL SEATS
- SECTION 106 SEAT COUNTS:
 - = 692 ULTIMATE FLIP-UP FLOORTRACK
 - = 692 TOTAL SEATS
- SECTION 107 SEAT COUNTS:
 - = 274 ULTIMATE FLIP-UP FLOORTRACK
 - = 274 TOTAL SEATS
- SECTION 108 SEAT COUNTS:
 - = 274 ULTIMATE FLIP-UP FLOORTRACK
 - = 274 TOTAL SEATS
- STAND A SEAT COUNTS:
 - = 788 ULTIMATE FLIP-UP SEATS
 - = 1,668 ULTIMATE BENCH SEATS
 - = 13 WHEELCHAIRS & 13 COMPANION SEATS
 - = 2,462 TOTAL SEATS
- STAND B SEAT COUNTS:
 - = 402 ULTIMATE FLIP-UP SEATS
 - = 411 ULTIMATE BENCH SEATS
 - = 813 TOTAL SEATS
- STAND C SEAT COUNTS:
 - = 402 ULTIMATE FLIP-UP SEATS
 - = 761 ULTIMATE BENCH SEATS
 - = 1,163 TOTAL SEATS
- BLUE HATCHED MITER SEATING = APPROX. 50 SEATS PER MITER
- TOTAL SEAT COUNTS:
 - = 5,056 TOTAL ULTIMATE FLIP-UP SEATS
 - = 2,184 TOTAL ULTIMATE BENCH SEATS
 - = 361 TOTAL BRAVO SEATS
 - = 53 TOTAL WHEELCHAIR SEATS
 - = 53 TOTAL COMP. SEATS
 - OVERALL TOTAL SEAT COUNT = 8,465 SEATS

REVISION	DATE	BY



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PROJECT NO.	8-29-18
DATE	8-29-18
BY	DW
CHECKED	AS NOTED

DATE: _____
 SIGNATURE OF APPROVAL: _____
 TITLE: APPROVED FOR THE CLIENT

**Proposed Terms, Financial Assistance Agreement
Victorian Square Cinema Facility Renovations**

Proposed Terms – DRAFT 12/6/2018
Financial Assistance Agreement
Nugget Events Arena

1. The Parties: City of Sparks (“City”); Marnell Gaming (“Marnell”)
2. Project and improvements
 - A. Marnell Gaming will demolish the existing vacant structure (the former Bourbon Square Casino) located at 1040 Victorian Avenue in Sparks, Nevada and replace it with the proposed Nugget Events Center (the “Project”). The Project will consist of an outdoor amphitheater to host concerts and other events with a capacity of approximately 8,500 seats.
 - B. Concept plans for the Project have been provided to the City for review and approval by the Sparks Tourism Facility and Revitalization Steering Committee, the Sparks Planning Commission and the Sparks City Council.
3. Financial contributions
 - A. Marnell will invest at least \$5,120,000 (secured from internal and/or third-party sources), exclusive of the cost of acquiring the property for the Project, to prepare the site for the Project, including utilities, and to install the stage, sound system, lighting, seating, and other furnishings and equipment.
 - B. The City will provide \$1,280,000 to Marnell from lodging taxes (specifically those resulting from 2003 AB 205 for tourism enhancing capital projects in Victorian Square) as follows:
 - i. \$853,760 upon the opening of the Project to the general public for a live performance or special event (the “Initial Payment”).
 - ii. Provided the Project remains open to the public, \$142,080 per year for three years payable each year within 10 business days of the anniversary of the 2019 opening of the Project to the public (each an “Annual Payment”).
 - iii. The City may pursue all legal options to recapture funds paid to Marnell if the Project closes prior to the 3rd anniversary of its re-opening (other than temporary closures due to casualty, force majeure, or remodeling).
4. The City’s conditions precedent to making the Initial Payment to Marnell
 - A. Discretionary approvals to provide financial assistance to the Project are obtained from the Sparks Tourism Facility and Revitalization Steering Committee and the Sparks City Council.
 - B. Construction of the Project must be completed and a live performance or special event held in the Project prior to September 15, 2019.

- C. Marnell will provide the City reasonable documentation of its expenditures, in the amount of least \$6,400,000, for Project costs exclusive of the cost of acquiring the property for the Project.
- 5. Other City conditions
 - A. Marnell shall maintain commercial general liability insurance (to be further specified) covering the Project in the amount of at least \$2,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.
 - B. Each party to this Agreement shall indemnify, hold harmless and defend the other party from and against all liability to the extent caused by the negligent act, omission or willful misconduct of said party in the performance of its obligations under this Agreement.
- 6. City Improvements
 - A. Cosmetic improvements in the public areas adjacent to the Project. The City agrees to consider specific requests from Marnell for cosmetic improvements to the public areas adjacent to the Project. The City reserves full discretion, once the nature and cost of the upgrades are identified, regarding whether to make such improvements and the timing of said improvements.

Hypothetical Cash Flow Analysis with Inclusion of Requested Funding for Nugget Events Center

**Hypothetical Cash Flow Analysis with Inclusion of Requested Funding for Nugget Events Center
Victorian Square Transient Lodging Tax Fund
12-Dec-18**

Fund Balance	Expenditures		Projected Revenues*
6/30/2018 \$ 5,107,401	Fiscal Year 2019		
	Vict Sq Infrastructure (Streetscape) Revitalization Section 3	\$ 350,000	
	Vict Sq Public Art	\$ -	
	Vict Square cinema renovations	\$ 1,000,000	
	Nugget Events Center	\$ 853,760	
	Total FY 2019	\$ 2,203,760	\$ 1,150,000
6/30/2019 \$ 4,053,641	Fiscal Year 2020		
	Vict Sq Infrastructure (Streetscape) Revitalization Sections 2-5	\$ 1,350,000	
	Vict Sq Public Art	\$ 75,000	
	Vict Square cinema renovations	\$ 100,000	
	Nugget Events Center	\$ 142,080	
	Total FY 2020	\$ 1,667,080	\$ 1,175,000
6/30/2020 \$ 3,561,561	Fiscal Year 2021		
	Vict Sq Infrastructure (Streetscape) Revitalization Sections 6-7	\$ 450,000	
	Vict Sq Public Art	\$ 75,000	
	Vict Square cinema renovations	\$ 100,000	
	Nugget Events Center	\$ 142,080	
	<i>Other project(s)</i>	\$ 1,000,000	
	Total FY 2021	\$ 1,767,080	\$ 1,200,000
6/30/2021 \$ 2,994,481	Fiscal Year 2022		
	Vict Sq Public Art	\$ 75,000	
	Vict Square cinema renovations	\$ 100,000	
	Nugget Events Center	\$ 142,080	
	<i>Other project(s)</i>	\$ 1,100,000	
	Total FY 2022	\$ 1,417,080	\$ 1,225,000
6/30/2022 \$ 2,802,401	Fiscal Year 2023		
	Vict Sq Public Art	\$ 75,000	
	Vict Square cinema renovations	\$ 100,000	
	Nugget Events Center	\$ 142,080	
	<i>Other project(s)</i>	\$ 1,100,000	
	Total FY 2023	\$ 1,417,080	\$ 1,225,000
6/30/2023 \$ 2,610,321	Fiscal Year 2024		
	Vict Sq Public Art	\$ 75,000	
	Vict Square cinema renovations	\$ 100,000	
	<i>Other project(s)</i>	\$ 1,100,000	
	Total FY 2024	\$ 1,275,000	\$ 1,225,000
6/30/2024 \$ 2,560,321	* Projected Revenues per City of Sparks Financial Services Director		