

STAFF REPORT

Date: September 14, 2016

To: Mayor and City Council

Thru: Andrew Clinger, City Manager

Subject: J.8. Staff Report (For Possible Action): Presentation, discussion and potential direction to staff regarding approval of an Exclusive Negotiating Agreement between the City of Reno, Reno Puck Club, and the Reno-Sparks Convention and Visitors Authority.

From: Bill Dunne, Revitalization Manager

Summary: Attached for City Council review and approval is an Exclusive Negotiating Agreement (ENA) between the City of Reno (City), the Reno-Sparks Convention and Visitors Authority (RSCVA) and the Reno Puck Club LLC (Company) to establish a 45-day period during which the Company shall have the exclusive right to negotiate with the City and the RSCVA the terms of a definitive agreement for the financing of certain improvements to support a minor league professional ECHL hockey team at the Reno Events Center (REC) located at 400 N. Center Street, and for the management and operation of said facility. Staff recommends that City Council approve the ENA.

Previous Council Action: None.

Discussion: The Company is looking to bring a minor league professional hockey team to Reno, which would play in the ECHL and have an affiliation with an existing NHL team or possibly the planned Las Vegas NHL team. In addition, the Company wishes to assume operation of the REC and undertake approximately \$5,700,000 in renovations and upgrades to the REC to meet the standards required by the ECHL. Further, the Company intends to actively market the REC to attract additional events, increasing its financial viability, while also attracting more business to downtown Reno.

The Company met with the RSCVA board on August 25, 2016, which approved moving forward with discussions to transfer operation and management of the REC to the Company and to provide funding in an amount to be negotiated, but similar to the RSCVA's current operating costs. The provision of funding to the Company by the RSCVA would continue through the end of the existing agreement between the City and RSCVA, which expires at the end of 2021.

The Company met with the Capital Projects Surcharge Advisory Subcommittee of the Reno City Council, which approved development and presentation to Council of an ENA between the City, the RSCVA and the Company. Negotiations would address construction and financing of improvements to the REC and the operation and management of the REC.

Financial Implications: None at this time.

Legal Implications: The ENA was reviewed for legal sufficiency.

Recommendation: Staff recommends that the City Council approve the Exclusive Negotiating Agreement.

Proposed Motion: I move to approve staff recommendation.

Attachments:

- ENA Exhibit A - 2016_0121 REC Hockey Assessment (PDF)
- ENA Exhibit B - 28-Ice Rink Facility at the Reno Events Center (PDF)
- Reno Hockey Brochure-Presentation (PDF)
- ENA Negotiating Agreement (PDF)