

BOARD OF REGENTS  
BRIEFING PAPER

**1. AGENDA ITEM TITLE:** Stadium Update, UNLV

**MEETING DATE:** June 8-9, 2017

**2. BACKGROUND & POLICY CONTEXT OF ISSUE:**

Sam Boyd Stadium (hereinafter “SBS”) sits on land that was transferred from the United States Bureau of Land Management (“BLM”) on January 28, 1971 to Clark County, and then from Clark County to the NSHE Board of Regents on May 23, 1985. The Board of Regents owns, for the benefit of UNLV, just over sixty-nine (69) acres of land and existing improvements called SBS, with use agreements with Clark County for an additional 92 acres (south and east of SBS and used for parking). The property was provided in two separate parcels: the larger parcel (the deed to transfer 58.14 acres transferred from Clark County to the Board/UNLV was recorded on May 23, 1985) was transferred without any limitations that would restrict the use of the land; the second parcel (the deed to transfer 10.93 acres transferred from Clark County to the Board/UNLV was also recorded on May 23, 1985) was conveyed to NSHE/UNLV with recreation and public purpose limitations, but UNLV believes those restrictions have expired (UNLV is in the process of applying to BLM for written confirmation of its assumptions).

**Short-Term assumptions about SBS**

UNLV assumes that it will continue to operate SBS in the short-term up through the time a new stadium is open and operational. At this time, it appears this would be at least through the summer of 2020—depending on the exact opening date of the new stadium. UNLV does not know, at this time, if the Raiders would request to play any of their games (pre-season or regular season) at SBS. This is an option that UNLV plans to discuss with the Raiders at the appropriate time. If the Raiders were interested in limited uses of SBS, it would likely be under standard event use agreements currently used with other outside entities. If the Raiders had interest in investing in significant upgrades/improvements to SBS for more significant uses, UNLV would need to assess those and present them to the Board for approval.

**Long-Term assumptions about SBS**

Section 34.4 (d) of Senate Bill 1 of the 2016 special session of the Nevada Legislature (“SB 1”) notes that UNLV would be able to receive up to \$3,500,000 per year for up to ten (10) years to help cover the loss of net revenue to UNLV from the operation of SBS, but only if the operations of SBS ceased when the new stadium is open. UNLV has previously assumed that it was not financially feasible to continue to operate SBS after a new publicly supported stadium was operational.

UNLV expects to develop a long term plan for SBS over the course of the next year, and present it to the Board for review and action. There are a few options UNLV anticipates may be feasible to consider for the long term uses of the SBS land and facility (and depending on a final response from BLM). These include the following:

1. UNLV would plan to enter into discussions with the Raiders about any uses they might anticipate with SBS, which could include the use as a permanent practice facility. UNLV does not know to what extent the Raiders would have any interest in this option. UNLV would make the facility available at a market rate.
2. UNLV would plan to enter into discussions with Clark County about any interest they may have in the property, given that the county owns all the property surrounding SBS. UNLV does not know to what extent the county has any interest, and in fact discussions from a couple of years ago did not highlight any interest. UNLV would have to have a market rate return on the land (which could include exchanges of property).
3. UNLV would plan to consider sale options for development, if this proved feasible.
4. There may well be other alternatives that UNLV may identify in the near future.

Summarized below are the current estimates UNLV has made about the development of the new stadium in Las Vegas. These timelines are subject to change; however, this provides the Board with a context for what UNLV sees as an overall timeline.

#### **New Stadium Timeline**

- **October 17, 2016:** SB 1 effective date; Stadium Authority Board (SAB) has up to 18 months to fully approve NFL stadium project (through April 17, 2018).
- **January – Fall 2017:** SAB works to finalize lease with events management company, development agreement and other implementing agreements to allow the stadium construction to start.
- **May 1, 2017.** Stadium site purchased by Raiders. Start the process so that it can be approved and transferred to the SAB.
- **Spring/Summer 2017:** UNLV negotiates agreement on use of NFL stadium and presents proposed agreement to Board of Regents for approval (may require a “special meeting” in order to address SAB schedule). UNLV would need to specifically address major requirements in SB1, such as the following:
  - “Provide for the accommodation of a sufficient number of dates to host at the project the regular and postseason home games of the University football team, subject to ...” (various provisions)
  - “Establish a reasonable rent to be paid by the University for the use of the project for the regular and postseason home games of its football team, except that for each regular season home game of the football team, and not more than three other events selected by the University, the reasonable rent must not exceed the actual operational or pass-through costs, excluding any fixed costs, to host the game or event at the project;”
  - “The University must be given such access to the project and its facilities and amenities as is reasonably necessary to create an environment reasonably consistent with a home game for a college football team in Division I Football Bowl Subdivision, or its successor division, of the National Collegiate Athletics Association or its successor organization;”
- **Late 2017/Very early 2018.** Ground breaking for the new Stadium, if meet the opening schedule for the 2020 football season.
- **2017-2018.** Raiders have two more seasons on its lease in Oakland.
  - Work with Raiders if they wish to play any games (pre-season, etc.) at SBS. Approach this like existing events UNLV hosts at SBS (unless there is some longer term desire by the Raiders).
  - Work with the Raiders to see if they have any interest in SBS for use as a permanent practice facility, once they have relocated. Bring forward information to the Board of Regents.
- **2018+.** UNLV prepares long term plan for SBS use post new stadium and brings forward to the Board of Regents.
- **2016 – 2019:** UNLV computes net income from the operation of SBS in order to be able to submit request for up to \$3,500,000 per year in income from the “waterfall” of the stadium public revenue stream (combined with any increase in net income for UNLV from using the new Stadium for its football games). UNLV would have up to ten (10) years for this level of financial support, after which UNLV would assume the football program would have developed/expanded to cover this income.
- **2019 Season** for Raiders – they will need to determine where they play.
- **Late Summer 2020.** Opening of new Stadium (in order to meet 2020 season schedule)
- **2020 Football Season:** UNLV plays football games in new stadium.

### **3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

UNLV President Len Jessup presents for information only an update on short and long term goals related to Sam Boyd Stadium and the new Raiders' stadium.

**4. IMPETUS (WHY NOW?):**

The Board of Regents requested an updated on UNLV's plans as it pertains to both the Sam Boyd Stadium and the new Raiders' stadium.

**5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

- Providing the Board with a stadium update is both timely and appropriate given the recent developments in Las Vegas.

**6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

None known; this is an informational item only.

**7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:**

Do not provide an update.

**8. COMPLIANCE WITH BOARD POLICY:**

- Consistent With Current Board Policy: Title #\_\_\_\_\_ Chapter #\_\_\_\_\_ Section #\_\_\_\_\_
- Amends Current Board Policy: Title #\_\_\_\_\_ Chapter #\_\_\_\_\_ Section #\_\_\_\_\_
- Amends Current Procedures & Guidelines Manual: Chapter #\_\_\_\_\_ Section #\_\_\_\_\_
- Other:\_\_\_\_\_
- Fiscal Impact: Yes\_\_\_\_\_ No\_\_\_\_\_ Explain:\_\_\_\_\_