Commission for Cultural Centers and Historic Preservation
July 11, 2018 1:03 p.m.
Meeting Minutes

Teleconferenced:

Department of Conservation and Natural Resources
Bryan Building, 5th Floor, Ponderosa Conference Room
& Conference Calling

1. Call to order by Chairman Robert Ostrovsky, (the Chair) at 1:03 pm.

2. Roll Call:

Commissioners:

Robert Ostrovsky, Chairman (Board of Museums and History, Governor’s Appointee) Present
Robert Stoldal, Vice Chair (Board of Museums and History) Present Via Phone
Judy Michaels Simon (State Council on Library and Literacy) Absent - Excused
Patricia Olmstead (At-Large, Governor’s Appointee) Present Via Phone
Jane Tors (Nevada Humanities) Present Via Phone
Gail Rappa (Nevada Arts Council) Present Via Phone

Chair determined a quorum was present.

Staff Present:

Rebecca Palmer, Historic Preservation Office
Joshua Woodbury, Deputy, Attorney General’s Office
Robin Reed, Historic Preservation Office
Kristen Brown, Historic Preservation Office

Public:

Heidi Swank, Nevada Preservation Foundation, NV Assemblywoman District 16, in person
Melissa Clary, The Huntridge Foundation, via conference call
Jackie Maynard (spelling unknown), The Huntridge Foundation, via conference call

3. Public comment: The Chair asked for any public comment. There were no comments.

4. Discussion of the Commission for Cultural Centers and Historic Preservation’s Settlement with Eli Mizrachi, ECT Holding LLC, King George LLC and Does I-XX for alleged violations of restrictive covenants:

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The Chair asked Palmer for an update on the status of activities related to the settlement.

Palmer directed the Commission to the correspondence that was part of the supplementary materials for the meeting and proceeded to walk the Commission through the documents. Palmer stated that the most recent letter of June 20, 2018 addresses an email received from Eli Mizrachi concerning his plan to open the building and his request that SHPO tell him when to open the building. Palmer stated that, to date, she had not received anything as to when the building might be opened to the public. Palmer received an email from Mr. Mizrachi along with an attached document titled “Conditional Temporary Business License” made out to Big’s Furniture but at the address of the Huntridge 1208 East Charleston Blvd. Palmer then moved on to the April 18, 2018 letter reminding the property owner that there were covenants on the property and that any structural or visual changes to the property required permission from the SHPO. Palmer stated that this letter, along with the original covenants and a permission request form used for such situations, was sent after the SHPO received an anonymous report of work being conducted on the Huntridge. Palmer stated that the SHPO received no comment from the property owner. Palmer moved to the last letter in the supplementary materials, a letter from SHPO dated December 27, 2017 requesting an inspection for the first quarter of 2018 setting the date of February 9, 2018. Palmer stated that during that inspection, the property owner was not present, the building wasn’t opened, and no representative of the property owner was present. Palmer stated that she received a voicemail from the property owner last week, which she returned, but she was not able to speak with the property owner or determine what he wanted.

The Chair asked about the business license and that it appears to be very limited. The Chair questioned if that document, and its limited activities of administrative offices, would actually qualify as opening the building to the public. The Chair asked if the Commissioners had any questions of Palmer before he asked Woodbury to present.

Vice Chair Stoldal asked what “Temporary” means. Is it 60 or 90 days? Can Woodbury help to explain this definition? In addition, what does “Conditional” mean since the administrative offices doesn’t seem to be a license to open the building to the public.

Woodbury stated that temporary is 6 months. It was issued on June 5, 2018 and expires on December 5, 2018. The conditions on it read that it only authorizes office activity at the location. Woodbury doesn’t know how the City defines “office activity” but he would suggest that opening the building to the public wouldn’t fall under the office activity description. He also doesn’t know about the reissuance of these types of licenses, just what is on the face of the license itself.

Vice Chair Stoldal stated that he hadn’t seen this type of condition before either. It leaves a lot of questions unanswered.
The Chair asked if the Commissioners had any other questions for Palmer. The Chair asked Woodbury to lay out the various alternatives available to the Commission to enforce its Covenants at this point.

Vice Chair Stoldal asked about the Conditional license and that there were two other points on the back page. It says that this license is invalid if there is not an active State License or health permit. Vice Chair Stoldal asked if we knew if this location had either of these documents?

Palmer stated that she didn’t know. She only received the Conditional license attached to the email sent from the owner.

Woodbury stated that there were two avenues of enforcement. 1. According the covenants the Commission has the opportunity to file suit against the property owner for failure to adhere to the requirements of the covenants. There is already a judgment lien against the property of $389,925. The Commission could file a civil suit for breach of contract and seek recovery of the $389,925. 2. The Commission could seek injunctive relief from the Court to either requiring the property owner to take certain acts or preventing the property owner from taking certain acts. Injunctive relief could be something like requiring the property owner to ensure that the building is open for a certain number of days each year. If the property owner doesn’t demonstrate to the judge that he has taken the requested action, the judge can order monetary penalties for violating an injunctive order.

The Chair asked if all of those would be included in a single filing or in separate filings?

Woodbury stated that yes the two types of claims could be in a single complaint.

The Chair asked the other Commissioners for their thoughts about a legal action.

Vice Chair Stoldal stated two points to consider in a legal action. 1) The protection of the building and 2) The protection of the integrity of the Covenants and the investment of the state’s and the people’s money. The owner of the property agreed to live up to the requirements of the Covenants. For all of the historic buildings in Nevada with Covenants, the Covenants are important to uphold. Whatever legal action we take, these two elements must be considered. The building is important but so are the Covenants. The Commission has taken this gentleman to court once already and we agreed to resolve the matter. Vice Chair Stoldal stated that he couldn’t see any way that this person has followed through with any of the agreements. Vice Chair Stoldal would move to move forward with a legal action to get these two things protected. Vice Chair Stoldal stated that he wasn’t sure which was the quickest or the most severe, but he feels that the Commission needs to move forward aggressively.
The Chair asked if Vice Chair Stoldal was making a motion to pursue legal action against the property owner for failure to comply with terms of the Covenants, for breach of the settlement, and to seek injunctive relief?

Vice Chair Stoldal stated that that was correct, yes.

The Vice Chair made the motion to pursue legal action against the property owner for failure to comply with terms of the Covenants, for breach of the settlement, and to seek injunctive relief from the Court.

Rappa seconded the motion.

The Chair asked if any Commissioners would like to make comment on the motion. The Chair asked if any members of the public would like to make comment on the motion.

Maynard thanked Vice Chair Stoldal for making the motion. As a supporter of preservation in Southern Nevada and as an active member of the efforts to ensure that the Covenants and the building are protected, she stands behind Vice Chair Stoldal. As a community member and taxpayer, she supports him 100 percent.

The Chair thanked Maynard for her comments and asked if there were any other comments.

Commissioner Tors stated that she supports Vice Chair Stoldal’s comments about the protection of the Covenants, the investment, and the taxpayers.

The Chair asked for a vote.

Motion passed with all Commissioners in attendance voting in favor.

5. Public comment (see statement in Item 2 above)

The Chair asked for any public comment.

Maynard thanked the Commission for upholding the commitments made on behalf of the citizens of the State of Nevada and hope that a positive outcome will keep this cornerstone of our city together. She appreciates everything that the Commission is doing. It is time to call him out and the Commission is doing just that. As a citizen of Las Vegas and a taxpayer, she thanks the Commission and especially Vice Chair Stoldal.

6. Adjournment (1:21 pm)