

**COOPERATIVE GRANT AGREEMENT BETWEEN
CITY OF LAS VEGAS
AND NEVADA DEVELOPMENT AUTHORITY, INC.**

THIS COOPERATIVE GRANT AGREEMENT ("Agreement") is entered into as of the 7TH day of OCTOBER, 2009, by and between **NEVADA DEVELOPMENT AUTHORITY, INC. ("NDA")**, a Nevada non-profit corporation, and the **CITY OF LAS VEGAS ("CITY")**, a municipal corporation of the State of Nevada.

WITNESSETH

WHEREAS, the Nevada Development Authority (NDA) is a non-profit organization that meets the requirements as an organization created for religious, charitable or educational purposes as set forth in NRS 372.3261 and works to diversify and improve the economy of Southern Nevada and meet its goals and objectives through the following actions:

- Attract and assist new industrial and commercial businesses to Southern Nevada
- Facilitate the retention and expansion of existing businesses in Southern Nevada
- Foster an effective working relationship between business and government agencies (local, state and federal)
- Foster an effective relationship between businesses and educational entities that creates the partnerships to optimize employment opportunities and ensure that skilled workers are available to meet industry's needs
- Foster an effective relationship between NDA and other economic development agencies
- Improve the quality of life through growth that achieves a balance between economic development and our environment/infrastructure
- Provide effective communications to members and provide the means for additional member involvement
- Expand the number of NDA members
- Enhance NDA's information gathering and dissemination capability

WHEREAS, NRS 268.028 provides in pertinent part as follows:

1. The governing body of a city may expend money for any purpose that will provide a substantial benefit to the inhabitants of the city. Except as otherwise provided in subsection 4, the governing body may grant all or part of the money to a nonprofit organization created for religious, charitable or educational purposes to be expended for a selected purpose.

2. A grant or donation to a nonprofit organization created for religious, charitable or educational purposes and a donation to a governmental entity pursuant to this section must be made by resolution. The resolution must specify:
 - (a) The purpose of the grant or donation;
 - (b) If applicable, the maximum amount to be expended from the grant; and
 - (c) Any conditions or other limitations on the expenditure of the grant or the use of the donated property.
3. The provisions of this section do not limit the ability of a governing body of a city or its authorized representative to disburse money pursuant to NRS 321.5956 or any other specific statutory authority.

WHEREAS, the City desires to provide a grant to NDA to provide economic development incentives to certain new businesses within the City of Las Vegas which will create employment opportunities and be of substantial benefit to the inhabitants of the City; and

WHEREAS, pursuant to the terms of the Agreement and in accordance to Resolution No. ____, the NDA will administer a One Million Five Hundred Thousand Dollar (\$1,500,000.00) economic development incentive grant ("Economic Development Incentive Grant") provided by the City to the NDA in order to fund the "Participating Business" that will enter into a participation agreement with the NDA (the "Participation Agreement") and open a new business within the City of Las Vegas municipal boundary or Redevelopment Area (the "Project") and hire residents living within the City of Las Vegas CDBG Eligible Census Tracts ("Eligible Census Tracts"), subject to the Participating Business funding capital expenditures on tenant improvements and purchasing of equipment and fixtures for its new or renovated facility;

The Economic Development Incentive Grant of \$1,500,00.00 will be funded by the City of Las Vegas over a five year period in the following amounts: Year 1 – Five Hundred Thousand Dollars (\$500,000.00); Years 2 through 5 – Two Hundred Fifty Thousand Dollars (\$250,000.00) per year; and

WHEREAS, The City of Las Vegas is desirous of entering into this Cooperative Grant Agreement in order to make positive economic impact through the creation or retention of jobs and an increase in state and local tax revenue, as a benefit to the state and local economy; and

WHEREAS, the NDA is desirous of entering into this Cooperative Grant Agreement for the Economic Development Incentive Grant in order to achieve its purpose as a charitable organization; and

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter set forth, the adequacy and sufficiency of which consideration is hereby confirmed, the parties hereto agree as follows:

ARTICLE I. DEFINITIONS

In addition to the terms otherwise defined herein, as used herein, the following words shall have the following meanings:

“Agreement” means this Cooperative Grant Agreement.

“Effective Date” has the meaning set forth in Article XV hereof.

“Participating Business” means those business entities that are referred to the City of Las Vegas by the NDA, open a business within the boundary of the City of Las Vegas, hire residents of the City of Las Vegas living within the City of Las Vegas CDBG Eligible Census Tracts and make capital expenditures on tenant improvements and purchasing of equipment and fixtures for the new or renovated facility.

“Performance Objectives” has the meaning set forth in Article III hereof.

ARTICLE II. PURPOSE

The purpose of this Agreement is to promote economic development and commerce within the City of Las Vegas, Nevada, by providing a grant to NDA to (i) fulfill its mission of attracting and retaining business opportunities throughout southern Nevada, more specifically the City of Las Vegas, Nevada; (ii) administer the Economic Development Incentive Grant on behalf of the City for the purposes of attracting or retaining businesses within the City of Las Vegas where said business will make a capital investment expenditure on tenant improvements and purchasing of equipment and fixtures for a selected site and where said business will hire new, regular employees, which employees shall include residents from the City of Las Vegas CDBG Eligible Census Tracts; (iii) increase wages, benefits and salaries paid; and (iv) increase local and state tax revenues. These undertakings are expected to result in an economic benefit to the local and state economy and shall be of substantial benefit to the inhabitants of the City.

ARTICLE III. PERFORMANCE OBJECTIVES

A. The NDA will contract with the Participating Business to meet the performance objectives (the “Performance Objectives”). In order to meet the Performance Objectives, the Participating Business shall during the Term of the Agreement:

1. Be located within the City of Las Vegas municipal boundary;
2. Fund capital expenditures on tenant improvements and purchase equipment and fixtures for the Project with an aggregate fair market value of not less than One Million Five Hundred Thousand Dollars (\$1,500,000.00);
3. Attain a minimum employment level, on an annual basis, during the Term of this Agreement, as shown in Exhibit "A" and **hire** a minimum of new, regular employees, (as set forth on Exhibit A) that can be determined to be residents of the City of Las Vegas CDBG Eligible Census Tracts. A copy of the City of Las Vegas CDBG Eligible Census Tracts map is attached hereto and made a part of as Exhibit "B";

If the minimum employment level of 300 regular employees is not attained in NDA's FY 2009 - 2010 (fiscal year ends June 30, 2010), but the goal of 30 employees that reside in the City of Las Vegas CDBG Eligible Census Tracts is attained, then the Participating Business will be entitled to the Economic Development Incentive Grant of \$500,000.00.

- B. Satisfaction of Performance Objectives shall be determined from information provided to NDA by the Participating Business which has requested an Economic Development Incentive Grant for expanding or relocating its business within the boundary of the City of Las Vegas. The Participating Business shall have executed a Participation Agreement with the NDA. The NDA shall provide all information provided by the Participating Business to the City of Las Vegas for verification of the Performance Objectives. The Participating Business unconditionally consents and authorizes the NDA to provide such information to the City of Las Vegas. A determination by the City of Las Vegas to disburse funds to the NDA will serve as an acknowledgement that the Participating Business has met the Performance Objectives, and the NDA shall be entitled to rely without any obligation of inquiry to disburse such funds to the Participating Business. At a minimum, NDA will request the following from an officer of the Participating Business that has entered into the Participation Agreement:

1. A Certified Capital Expenditure Report ("Expenditure Report") shall be certified by an officer of the Participating Business, certifying that the tenant improvements and equipment and fixture purchases expended are in excess of what is shown in Exhibit "A" and shall be submitted no later than sixty (60) days after the end of the June 30 of each year of the Term of this Agreement.

The Expenditure Report shall have attached the supporting documentation which evidences the capital expenditures, such as lien releases and/or copies of cancelled checks supporting paid invoices.

2. A Certified Employment Report ("Qualified Employment Report") shall be certified by an officer of the Participating Business, quantifying the level of employment at the Participating Business site/facility and shall be submitted no later than sixty (60) days after the end of the fiscal year 2009-2010.

For the first Economic Development Incentive Payment, the Participating Business may submit to the NDA both the Expenditure Report and the Qualified Employment Report before the end of NDA's fiscal year 2009 – 2010. The Participating Business must still meet the employment and expenditures performance criteria of the Participation Agreement to qualify for the Economic Development Incentive Grant.

ARTICLE IV. ECONOMIC DEVELOPMENT INCENTIVE PAYMENT

The City agrees to disburse to the NDA the Economic Development Incentive Grant in the amounts as detailed in Exhibit "A" to the extent that the Participating Business is entitled to receive funds based on the City's review of an Economic Development Incentive Grant Payment Request from the Participating Business, copies of the Expenditure Report and the Qualified Employment Report. The City shall review information submitted to the NDA by the Participating Business and shall have the additional right to request further documentation or other information to substantiate the Performance Objectives. Upon review of the documentation and satisfaction that the Performance Objectives have been met, the City shall disburse the Economic Development Incentive Grant, in whole or in part pursuant to this Agreement, to NDA. NDA agrees to disburse to the Participating Business the amount of the Economic Development Incentive Grant that NDA receives from the City. Exhibit C – Grant Disbursement Process provides additional details as to the steps to be undertaken by the NDA and the City to process a request from the Participating Business for disbursement of the Economic Development Incentive Grant.

Notwithstanding anything to the contrary contained herein, the obligations of the City to make an Economic Development Incentive Grant to the NDA for the Participating Business, if the Participating Business does not meet the Performance Objectives for that Fiscal Year, the Participating Business may still be eligible for the Economic Development Incentive Grant for the next Fiscal Year, as detailed in Exhibit A.

ARTICLE V. TERM OF AGREEMENT

This Agreement shall commence as of the Effective Date and end on the 30th day of June, 2014 (the "Term").

ARTICLE VI. TERMINATION OF AGREEMENT

This Agreement may be terminated by NDA or the City upon thirty (30) days written notice in the event the Participating Business fails to meet its Performance Objectives during the term of this Agreement. The Indemnification provisions of Article XVI shall survive the termination of this Agreement.

ARTICLE VII. ASSIGNMENT OF INTEREST

NDA may not assign or transfer any interest in this Agreement to any third party, without the prior written consent of the City, which consent shall not be unreasonably withheld.

ARTICLE VIII. DISCRIMINATION CLAUSE

NDA agrees to abide by the requirements of Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972 and the Civil Rights Act of 1991; Federal Executive Order 11246; the Federal Rehabilitation Act of 1973, as amended; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; the Equal Pay Act of 1963; and the Age Discrimination in Employment Act of 1967, as amended with regard to the obligations of this agreement. In addition, NDA agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

NDA agrees not to discriminate against employees due to race, color, religion, sex, disabilities or national origin.

ARTICLE IX. APPROVAL OF AGREEMENT

This Agreement shall not be valid and enforceable until all appropriate parties, including the NDA Executive Committee and the City has approved it.

ARTICLE X. AMENDMENT TO AGREEMENT

The parties hereby agree that, in order to be effective, any amendment hereto shall be in writing and signed by all parties and approved by the requisite authorities.

ARTICLE XI. GOVERNING LAW

This Agreement shall be governed by the Laws of the State of Nevada.

ARTICLE XII. NDA INCURRED LEGAL EXPENSES

The City will reimburse the NDA for legal expenses incurred for the Participation Agreement between the NDA and the Participating Business and this Agreement, in an amount not to exceed ten thousand dollars (\$10,000.00).

ARTICLE XIII. NOTICES

Any notices required or given under the terms of this Agreement shall be deemed effectively given and received when deposited in the United States Mail, postage prepaid, stamped for transmittal, by registered or certified mail, addressed as follows:

If to: City of Las Vegas
Office of Business Development
400 Stewart Avenue, 2nd Floor
Las Vegas, NV 89101
Attention: Scott Adams, Director

If to: Nevada Development Authority
6700 Via Austi Parkway, Suite B
Las Vegas, NV 89119
Attention: Somer Hollingsworth, President

ARTICLE XIV. RULES OF INTERPRETATION

Unless the context clearly indicates to the contrary, the following rules shall apply to the interpretation and construction of this Agreement:

- A. Words importing the singular number shall include the plural number and vice versa.
- B. All references herein to particular articles or sections are references to articles or sections of this Agreement.
- C. The captions and headings herein are solely for convenience of references and shall not constitute part of this Agreement, nor shall they affect its meaning, construction or effect.

ARTICLE XV. EFFECTIVE DATE

Notwithstanding the date of execution hereof, the parties hereto mutually agree that the Effective Date of this Agreement is the _____ day of _____, 20__.

ARTICLE XVI. INDEMNIFICATION

Subject to the limitations and immunities set forth in NRS Chapter 41 and except for NDA's negligent or intentionally tortious actions, the City hereby agrees to protect, defend, indemnify, save and hold harmless the NDA, its respective officers, trustees, agents, servants and employees, including volunteers (the "Indemnified Parties"), from and against any and all claims, awards, damages, expenses, liabilities, demands, costs and fees (including reasonable attorneys' fees) in any way arising out of or connected with (i) arising out of the performance of NDA's obligations under this Agreement or the Participation Agreement or the performance of any parties in connection with the administration of the Economic Development Incentive Grant Funds.

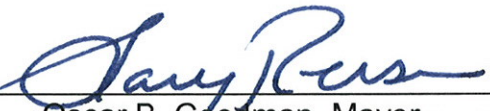
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates and places hereinafter provided, but effective on the Effective Date, in the presence of the undersigned respective witnesses

Date of City Approval:

CITY OF LAS VEGAS

October 7TH, 2009

By:


~~Oscar B. Goodman, Mayor~~
"CITY" Gary Reese, Mayor Pro-Tem

APPROVED AS TO FORM:

 9/24/09
Date

Office of the City Attorney

ATTEST:


BEVERLY K. BRIDGES, CMC, City Clerk

October 21, 2009

NEVADA DEVELOPMENT AUTHORITY, INC.
a Nevada Non-Profit Corporation

By:

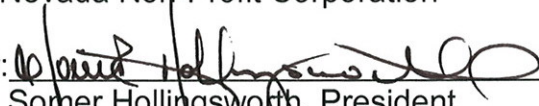

Somer Hollingsworth, President

Exhibit A

ECONOMIC DEVELOPMENT INCENTIVE GRANT SCHEDULE

	Year 1 FY 09-10	Year 2 FY 10-11	Year 3 FY 11-12	Year 4 FY 12-13	Year 5 FY 13-14	Total
Minimum Capital Improvements	\$500,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,500,000
TELUS' Projected Total of Employees	300	600	1,000	1,000	1,000	1,000
CDBG Hired Employees	30	25% (150)	25% (250)	25% (250)	25% (250)	250
Minimum Employment Levels	300	300	500	500	500	500
Minimum CDBG Hired Employees	10% (30)	25% (75)	25% (125)	25% (125)	25% (125)	125
Grant Funds	\$500,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,500,000

CDBG-Eligible Block Groups

EXHIBIT B CDBG Eligible Census Tracts

City of Las Vegas, Nevada

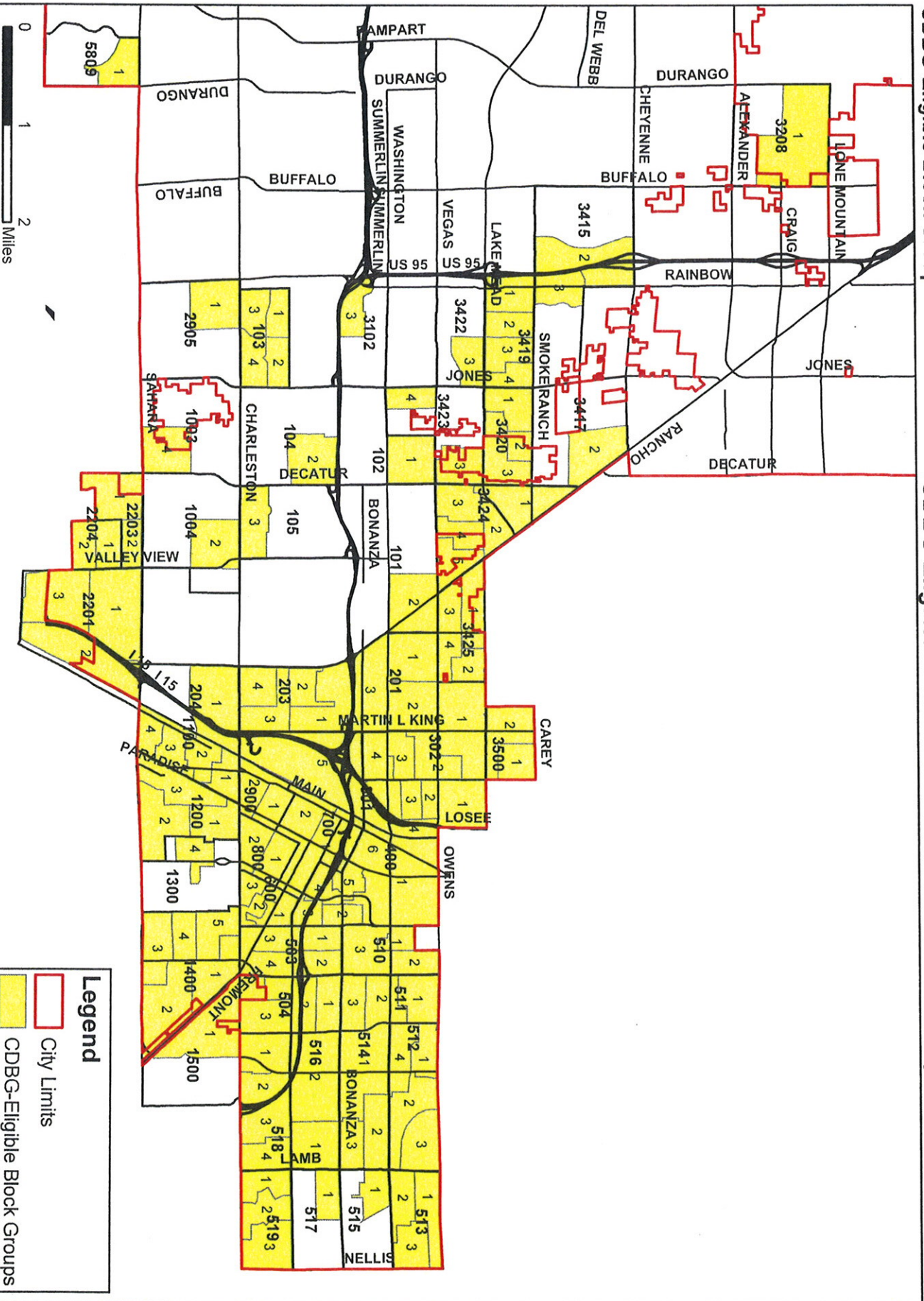


EXHIBIT C

GRANT DISBURSEMENT PROCESS

- 1. Participating Business submits quarterly Qualified Employment Reports NDA.**
- 2. Participating Business submits an annual FY Certified Capital Expenditure Report, an annual Qualified Employment Report and a report that it is complying with the goals and objectives of the Employment Plan no later than sixty (60) days after the end of NDA's Fiscal Year to NDA.**
- 3. NDA submits a letter to the City of Las Vegas, within 5 business days upon receiving the reports in Items 1 and 2 above, informing the city that the Participating Business has submitted a request for disbursement of the Economic Development Incentive Grant and that the necessary reports are ready for review.**
- 4. City representative(s) review the reports and supporting documentation to ensure that Participating Business has complied with the Performance Objectives of the Participation Agreement between NDA and the Participating Business. Review of the reports and supporting documentation should take no more than fifteen (15) to twenty (20) business days and will depend on the detail and completeness of the submitted reports and supporting documentation.**
- 5. Once the city representative has made a determination that the Performance Objectives have been met, a letter will be sent to the NDA and Participating Business, within five (5) business days, indicating compliance.**
- 6. A disbursement check will be mailed to NDA within fifteen (15) days from the date of the letter. NDA is to disburse the grant funds to the Participating Business within ten (10) days of receipt of the check from the City.**