

LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter referred to as "Lease") is entered into this ____ day of _____, 2010, by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada, (hereinafter referred to as "Landlord"), and the CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a body politic and corporate of the State of Nevada, (hereinafter referred to as "Tenant").

Landlord and Tenant hereby agree to the following terms and conditions:

1. **LEASE OF PREMISES:** On the terms and conditions set forth below, Landlord hereby leases to Tenant, and Tenant leases from Landlord, approximately 17,171 square feet of space located in the Las Vegas Business Center (the "Premises") in accordance with the provisions of this Lease, as depicted on Site Map – Exhibit "A" and Premises - Floor Plan, Exhibit "B", both attached hereto.

The Premises consists of Suites 14 to 26 totaling approximately 5,171 square feet of office space ideally suited for use as a business incubator ("Incubator Space"), Suites 1, 3, 5, 7, 9, 32, 34, 36, and 38 totaling approximately 10,800 square feet of light industrial/office space ideally suited for sublease to businesses ("Sublease Space") and Suite 30 totaling approximately 1,200 square feet ideally suited for use as a common area ("Common Area"), all of which are more fully depicted in the Incubator Space – Floor Plan, Sublease Space – Floor Plan and Common Area - Floor Plan, Exhibits "C", "C-1", and "C-2" respectively, also attached hereto.

2. **TERM:** The term of this Lease shall be for eleven (11) years from the Effective Date. The Lease may be terminated by mutual consent of Landlord and Tenant at any time during the term.

3. **PERMITTED USE:** The Premises shall be used for the operation of a business incubator and the Sublease Space shall be used for sublease as light industrial/office space to encourage the creation of new businesses, jobs or other business opportunities.

4. **COMPENSATION:** Tenant agrees to pay Landlord the amount of Twelve Dollars (\$12.00) per year during the term of this Lease. Tenant agrees to pay Landlord the rent annually in advance beginning on April 1, 2010 and on or before the 1st day of April of each subsequent year during the term of this Lease.

5. **MAINTENANCE AND UTILITIES:** Tenant shall maintain the Premises in good order; shall make all necessary repairs on a timely basis and shall perform cleaning duties on a regular basis.

6. **COMPLIANCE WITH LAWS:** During the term of this Lease, Tenant shall not use or knowingly permit any person to use all or any portion of the Premises being leased in any manner which violates any laws, ordinances or regulations of the United States; the State of Nevada; Clark County, Nevada; or the City of Las Vegas, Nevada; or any other governmental authority having jurisdiction over the Premises.

7. **HAZARDOUS WASTE:** Tenant shall not cause or permit any hazardous waste or substances to be used, stored, generated or deposited on or in the Premises by Tenant, its agents, employees, contractors, invitees or sub lessees. Tenant shall also not store any motor vehicle on the Premises that is leaking oil, gasoline or any other hazardous waste or substance.

8. **SURRENDER OF PREMISES:** Upon the expiration or termination of this Lease, Tenant shall immediately return the Premises to Landlord in the same condition, or better, as at the date first set forth on Page 1, as the date of this lease. Any damage to the Premises resulting from Tenant's use of said Premises (including but not limited to oil, gasoline or any other hazardous waste or substance) or removal of Tenant's fixtures, furnishings and equipment shall be immediately repaired or remediated by Tenant at Tenant's expense.

9. **ACCESS TO PREMISES:** Landlord shall deliver to Tenant the right to use, possession and occupancy of the Premises. Tenant acknowledges that Landlord will have unrestricted access to the Premises throughout the term of this Lease, unless Landlord deems it necessary under certain situations or conditions to not allow access to the Premises. Landlord agrees to provide reasonable timely notice to Tenant in the event access is not allowed to the Premises.

10. **DEFAULT:**

10.1 The following events of any one or more of them shall be events of default under this Lease:

- a. If Tenant abandons or vacates the Premises; or
- b. If Tenant fails to pay any compensation to be paid by Tenant under this Lease and such failure continues for thirty (30) days after written notification is issued that payment is delinquent.
- c. If Tenant fails to promptly and fully perform any other covenant, condition or agreement contained in this Lease for thirty (30) days after written notice from Landlord to Tenant.

10.2 If there is an event of default under this Lease, Landlord may terminate this Lease by a notice in writing to Tenant on a date (Termination Date) specified in the notice (which may be the date the notice is given), without any right by the Tenant to reinstate its rights by paying any compensation or other sum which is due or otherwise curing the situation which constituted an event of default.

11. **INDEMNIFICATION:** Subject to the limitations in NRS Chapter 40, Tenant shall defend, indemnify and hold Landlord harmless against and from loss, liability and claims of any kind for claims or liens against the Premises, loss or damage to property, or for any injury to or death of any person arising out of Tenant's use and occupancy of the Premises, or any work or activity allowed or suffered by Tenant on or about the Premise.

12. **SUB-LEASE OR LICENSE OF PREMISES:** Landlord will allow Tenant to sub-lease or license the Premises. Tenant will be required to submit the forms of any sub-lease or license

agreements to Landlord for review and approval before using said agreements to sub-lease or license any part of the Premises.

Landlord reserves the right to prohibit Tenant from entering into any sub-lease or license for the Premises with a sub-lessee or licensee to operate any business or for any purpose that is inconsistent with the goals or objectives of the City of Las Vegas Redevelopment Plan, Nevada Revised Statutes (NRS) 279 or is in violation of any City of Las Vegas Municipal Ordinance.

13. **INSURANCE:** Tenant is self-insured in compliance with the requirements of NRS. Tenant agrees to incorporate language in any sub-lease or license agreement for the Premises to require any and all sub-lessees or licensees to procure and maintain general liability insurance in the minimum amount of \$1,000,000 per occurrence; \$2,000,000 in the aggregate covering any injury or damage to person or property resulting from the use of the Premises for the entire term of any applicable sub-lease or license agreement. All said insurance policies shall name the Landlord and Tenant as additional insureds.

14. **NOTICES:** Any notice or other communication required or permitted to be given under this Lease (herein the "Notices") shall be in writing and shall be (i) personally delivered, or (ii) delivered by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid. The Notices shall be deemed received upon actual receipt. The Notices shall be directed to the parties at their respective addresses shown below, or such other address as either party may, from time to time, specify in writing to the other party in the manner described above:

LANDLORD: City of Las Vegas
Dept. of Neighborhood Services
400 Stewart Ave., 2nd Floor
Las Vegas, NV 89101
Attn: Director

COPY TO: City of Las Vegas
City Attorneys' Office
400 Stewart Ave., 9th Floor
Las Vegas, NV 89101

LESSEE: City of Las Vegas Redevelopment Agency
400 Stewart Ave., 2nd Floor
Las Vegas, NV 89101
Attn: Operations Officer

15. **ANNUAL NON-APPROPRIATION CLAUSE:** The payment of any rent or maintenance and utility costs by Tenant is subject to an annual budget approval from the Tenant's governing Board and the availability of Tenant's funds.

16. **NO WAIVER:** No waiver of any of the provisions of this Lease shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute

a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

17. **HEADINGS AND INTERPRETATION:** Headings used in this Lease are for convenience or reference only and are not intended to govern, limit or aid in the construction of any term or provision hereof. Any reference to a Section in this Lease shall include all sections and subsections related thereto.

18. **CHOICE OF LAW:** This Lease and each and every related document are to be governed by, and construed in accordance with, the laws of the State of Nevada.

19. **SEVERABILITY:** If any term, covenant, condition or provision of this Lease, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction, or rendered by the adoption of a statute invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Lease, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

20. **FORCE MAJEURE:** Landlord and Tenant shall each be excused for the period of any delay in the performance of any obligation hereunder when prevented from doing so by cause or causes beyond that party's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or services, or acts of God.

21. **MODIFICATIONS OR AMENDMENTS:** Upon approval of this initial Lease by the City Council and after it has been fully executed by signature of all parties, the City Manager shall have the authority to complete and execute any additional documents necessary for the completion of the intent of this contractual obligation, or to amend this Lease during the original term of this Lease. As an example, this may include amendments, changes of address, adjustments to monetary revenue or expenditure not to exceed ten thousand (\$10,000.00) dollars, filing and recording of appropriate documents with the County Records Office or the County Tax Assessors Office, and recordings and filing with the City Clerk's Office. No amendment, change or modification of this Lease shall be valid unless in writing and signed by all parties hereto.

22. **EFFECTIVE DATE:** The effective date of this Lease shall be the date this Lease is approved by the Las Vegas City Council.

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IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their duly authorized representatives the day and year first written above.

“Landlord”

CITY OF LAS VEGAS

ATTEST:

Beverly K. Bridges, MMC
City Clerk

By _____
OSCAR B. GOODMAN
MAYOR

“Tenant”

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

ATTEST:

Beverly K. Bridges, MMC
Secretary

By _____
ELIZABETH N. FRETWELL
EXECUTIVE DIRECTOR

APPROVED AS TO FORM:

J. Ponticello 3/1/10
Chief Deputy City Attorney Date

Exhibit "A"

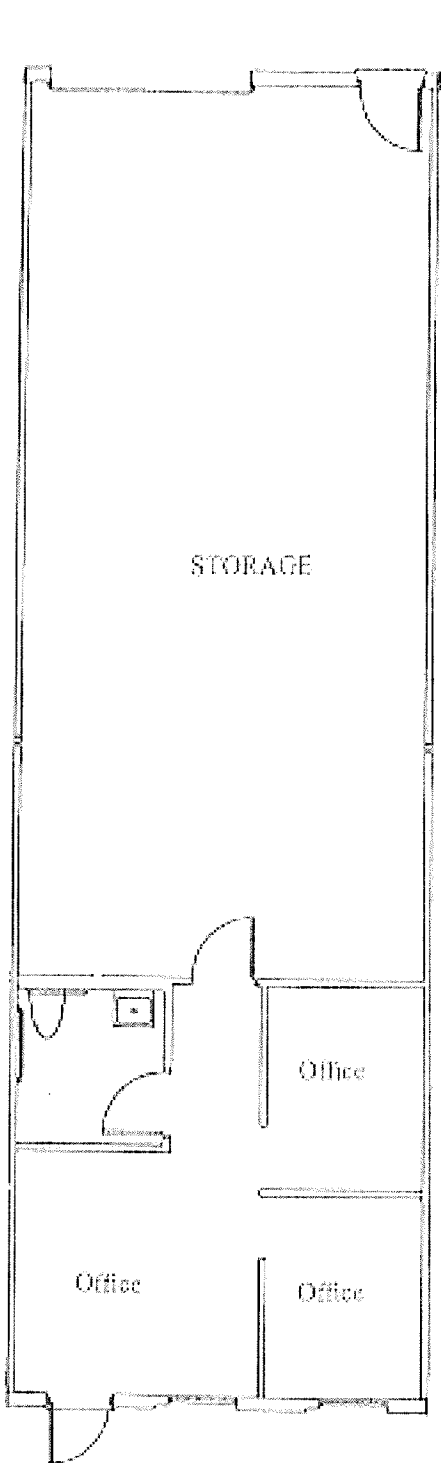
Site Map

1951 Stella Lake Street
Las Vegas Business Center (LVBC)

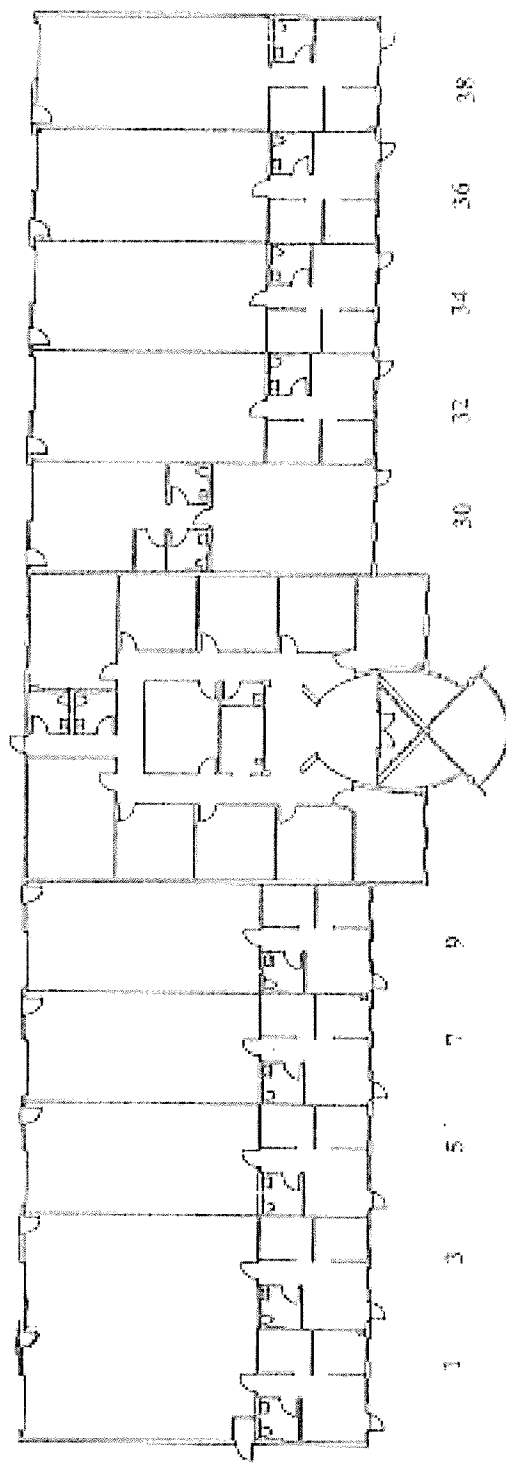


Exhibit "B"

Premises – Floor Plan



Suite 9



14-26

Exhibit "C"

Incubator Space – Floor Plan

Suites 14 to 26

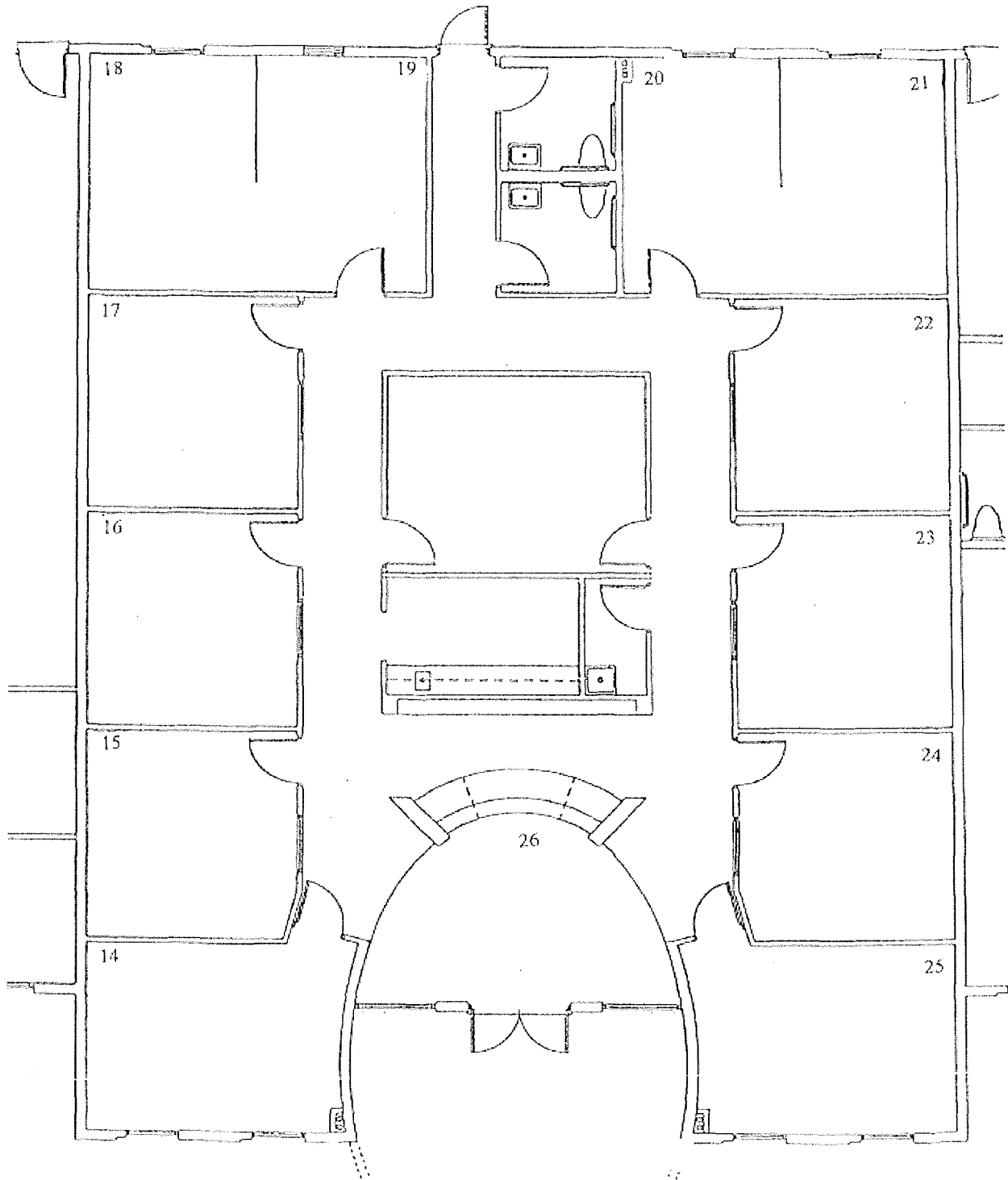


Exhibit "C-1"

Sublease Space - Floor Plan

Suites 1, 3, 5, 7, 9, 32, 34, 36 and 38

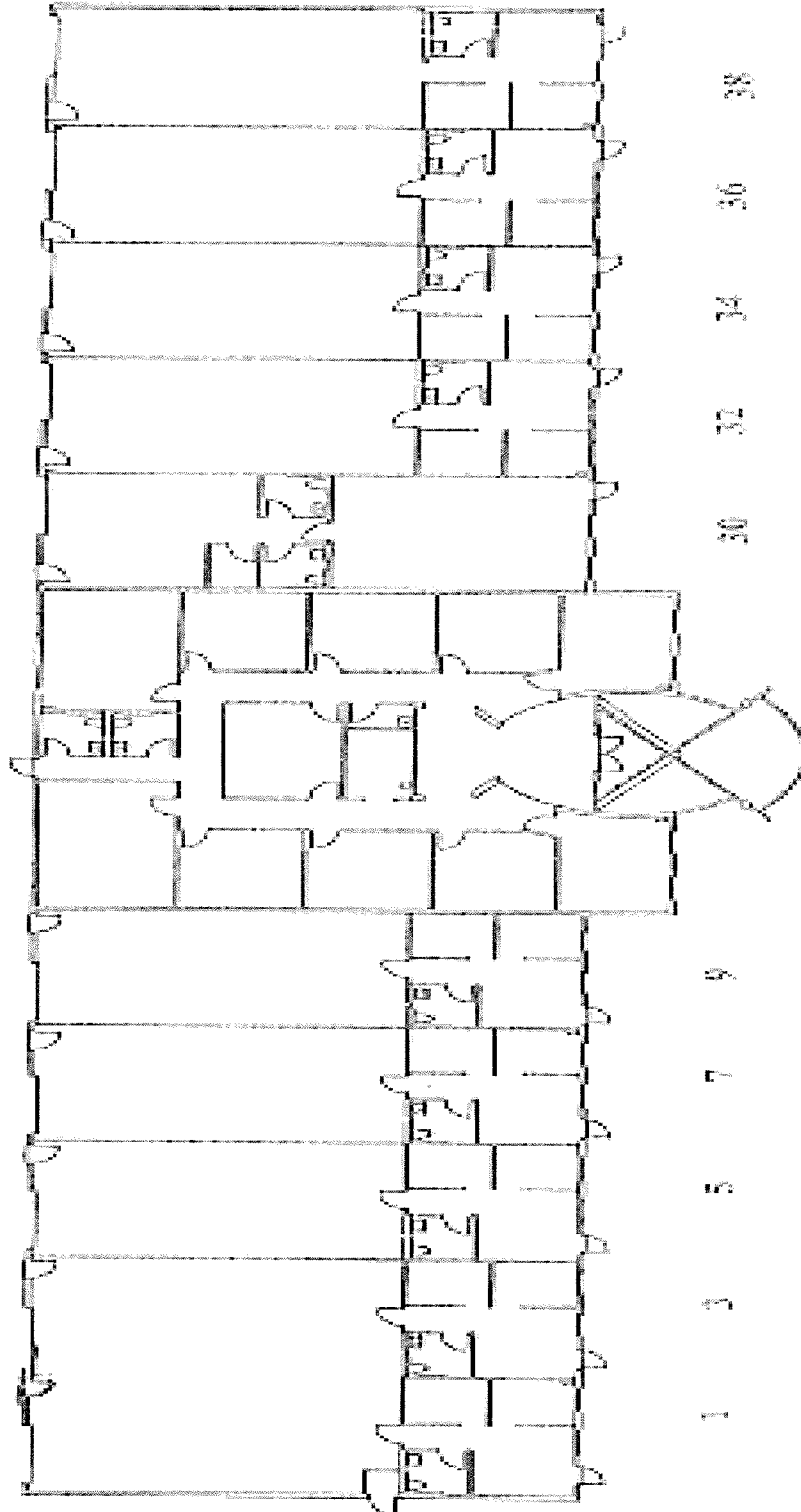


Exhibit "C-2"

Common Area - Floor Plan
Suite 30

