

**OPERATING AGREEMENT
BETWEEN CITY OF LAS VEGAS REDEVELOPMENT AGENCY AND
CITY PARKWAY V, INC.**

THIS OPERATING AGREEMENT is made and entered into this _____ day of _____, 2011 by and between the CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a public body in the State of Nevada ("Agency") and CITY PARKWAY V, INC., a Nevada non-profit corporation ("CPV") (individually may be referred to as the "Party" and collectively as the "Parties").

WITNESSETH:

WHEREAS, CPV is the owner of certain real property known as Symphony Park which is located in the Redevelopment Area in the city of Las Vegas, Nevada; and

WHEREAS, the Agency adopted on March 5, 1986, that plan of redevelopment entitled, to -wit: the Redevelopment Plan for the Downtown Las Vegas Redevelopment Area pursuant to Ordinance 3218, which Redevelopment Plan has been subsequently amended on February 3, 1988, by Ordinance 3339; April 11, 1992, by Ordinance 3637, on November 4, 1996, on December 17, 2003, by Ordinance 5652 and on May 17, 2006, by Ordinance 5830 (collectively the "Redevelopment Plan"); and

WHEREAS, pursuant to NRS 279.462, the Agency may make and execute contracts and other instruments necessary or convenient to the exercise of its powers; and

WHEREAS, CPV, as owner of Symphony Park, provides functions and services which are in furtherance of the goals and objectives of the Agency; and

WHEREAS, the Agency and CPV desire to enter into this Agreement: (1.) To set forth activities and services in which CPV will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law (NRS 279.382 to 279.680, inclusive; and (2.) To provide that the Agency will be reimbursed by CPV for actions undertaken and costs and expenses incurred by CPV.

NOW, THEREFORE, in consideration of the mutual covenants of good faith and promises by and among the Parties set forth hereinafter, it is agreed as follows:

1. The Agency and CPV acknowledge that CPV has entered into and will enter into development agreements concerning the development and construction of parcels located within Symphony Park.

2. CPV agrees to provide for the Agency such certain assistance and technical services for the development of Symphony Park (collectively "CPV Services"), including, but not limited to planning, engineering, site preparation and improvements and other services and facilities as the Agency may provide in carrying out its functions under the Community

Redevelopment Law in NRS Chapter 279 provided that such CPV Services are approved by the Executive Director of the Agency. The CPV Services may include retaining the services of consultants, legal, financial and other professional services related thereto.

3. CPV will keep records of the CPV Services undertaken pursuant to this Agreement and the costs thereof in order that an accurate record of the CPV Services can be ascertained. CPV agrees that the CPV Services will be consistent with the functions set forth in the Community Redevelopment Law in NRS Chapter 279. CPV shall periodically, but not less than annually, submit to the Agency a Statement of Costs either incurred or to be incurred by CPV in rendering the CPV Services pursuant to this Agreement.

4. Upon receipt of a Statement of Costs from CPV to the Agency, Agency agrees to review and approve the CPV Services and the amount of funds expended or to be disbursed to CPV as set forth in the Statement of Costs. The Parties shall make appropriate adjustments during the review process of the Statement of Costs.

5. The Agency agrees that any request for funds will be consistent with and shall be subject to the review and approval of the Agency. In accordance with NRS 279.462, the Agency hereby agrees to provide funds to CPV for costs incurred for services by CPV pursuant to this Agreement from and to the extent that funds are available to the Agency for such purpose pursuant to NRS 279.676 or from other sources; provided, however, that the Agency shall have the sole and exclusive right to pledge any such sources of funds to the repayment of other indebtedness incurred by the Agency in carrying out the redevelopment project. The costs to CPV under this Agreement will be shown on Statement of Costs submitted to the Agency pursuant to Section 3 above. The parties acknowledge that Agency has appropriated \$9,600,000 to be used as funding to CPV for the CPV Services to be incurred as further documented in the Statements of Costs required in this Agreement. This funding to CPV shall be treated as a loan, advancement of money or indebtedness for the purposes of NRS 279.676 (1) (b).

6. In accordance with NRS 279.490, the Agency may borrow or accept financial assistance from CPV for any redevelopment project within the Redevelopment Area. Any financial assistance acquired by CPV may require the Agency to comply with any conditions of that loan or grant.

7. The term of the Agreement shall be for five (5) years, beginning the date this Agreement is approved by the Governing Board of the Agency (the "Initial Term"). Prior to the expiration of the Initial Term, the Parties may mutually agree to extend the term of the Agreement for up to two (2) five year extension periods.

8. If either Party fails to make any payment due hereunder at times specified herein, or either Party fails to abide by the provisions of this Agreement, this Agreement may be enforced by the other Party hereto in a court of competent jurisdiction to enforce the provisions of this Agreement, for damages or to obtain any other remedy that may be available in law or in equity, including specific performance of the provisions of this Agreement. The provisions of this Section are not intended as a limitation on the remedies that may be available in case of breach of this Agreement.

9. No failure or delay on the part of any Party to this Agreement to enforce the provisions hereof shall operate as a waiver thereof, nor shall a single or partial enforcement of any provision hereof preclude any other or further enforcement or exercise of any other right, power or remedy that any party of this Agreement may have.

10. Time is of the essence to this Agreement. Each Party agrees that it shall perform all of its obligations under this Agreement promptly when required.

11. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and their assigns. No assignment of this Agreement or any right or obligation hereunder by any of the Parties shall be valid unless the other Party consents to that assignment in writing.

12. This Agreement may be modified at any time by the Parties, but only by a written instrument signed by each of the Parties.

13. By approving and executing this Agreement, the Agency has approved that these actions are in compliance with and in furtherance of the Redevelopment Plan.

14. All notices required or permitted to be given hereunder shall be in writing, addressed to the Parties respective addresses set forth below, and may be delivered by hand, by facsimile, by nationally recognized private courier, or by United States mail. Notices delivered by mail will be deemed given five (5) business days after being deposited in the United States mail, postage prepaid, registered or certified mail (return receipt requested). Notices delivered by hand, by facsimile, or by nationally recognized private courier will be deemed given on the first business day following receipt; provided that a notice delivered by facsimile will only be effective if such notice is also delivered by hand, by nationally recognized private courier or deposited in the United States mail, postage prepaid, registered or certified mail (return receipt requested), on or before two (2) business days after its delivery by facsimile. Any party may change its address for notice by giving notice of such change of address to the other party in the manner herein provided.

If to Agency: City of Las Vegas Redevelopment Agency
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101
Attn: Chief Operations Officer

If to CPV: City Parkway V, Inc.
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101
Attn: President

15. This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada. Any action at law or other judicial proceeding for the enforcement of any provision shall be instituted in the County of Clark, State of Nevada.

16. If any provision of this Agreement is deemed to be invalid or unenforceable, the invalidity or unenforceability shall not affect the remaining provisions of this Agreement that can be given effect without the invalid or unenforceable provision, and the Parties hereto agree to replace the invalid or unenforceable provision with a valid provision which has as nearly as possible the same effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY

By: _____
Oscar B. Goodman, Chairman

ATTEST:

Beverly K. Bridges, MMC, Secretary

APPROVED AS TO FORM:

J. Ponticello 3/31/11
Date

CITY PARKWAY V, INC.

By: _____
Elizabeth N. Fretwell, President

ATTEST:

Scott D. Adams, Secretary

APPROVED AS TO FORM:

J. Ponticello 3/31/11
Date