

IMPROVEMENTS REIMBURSEMENT AGREEMENT

THIS IMPROVEMENTS REIMBURSEMENT AGREEMENT (this "Agreement") is made and entered into as of _____, 20__, by and between the CITY OF LAS VEGAS, NEVADA (the "City"), and THE HOWARD HUGHES COMPANY LLC, a Delaware Limited Liability Company (the "Developer").

WHEREAS, the Developer has informed the City that, in the future, when the Las Vegas residential real estate market conditions improve, Developer may request that the City conduct proceedings pursuant to the provisions of Nevada Revised Statutes Chapter 271 to form a special improvement district within the City (the "District"), to levy special assessments, and to issue one or more series of bonds (hereinafter called "Bonds") to provide for the construction, acquisition, or furnishing of certain public improvements within the District; and

WHEREAS, the Developer has previously constructed certain roadway improvements (the "Roadway Improvements") and water lines (the "Water Lines") described in Exhibit A hereto which will benefit the properties anticipated to be in the District; and

WHEREAS, the Developer intends to request that the City levy special assessments against the properties in the District to finance a portion of the cost of the Roadway Improvements and Water Lines as well as other public improvements; and

WHEREAS, the Developer desires to dedicate the Roadway Improvements to the City and the Water Lines to the Las Vegas Valley Water District ("LVVWD") prior to formation of the District and execution of a Development and Financing Agreement between the City and the Developer relating to the District; and

WHEREAS, the Developer has requested that the City reimburse the Developer for a portion of the costs of the Roadway Improvements and Water Lines from proceeds of the Bonds; and

WHEREAS, the City desires to facilitate such reimbursement, subject to the conditions contained in this Agreement.

NOW THEREFORE, the parties, for mutual consideration, agree as follows:

SECTION 1. DEDICATION OF ROADWAY IMPROVEMENTS. The Developer agrees to transfer title to the Roadway Improvements by deed, bill of sale or other means reasonably acceptable to the City.

The Developer at the time of transfer shall warrant that the Roadway Improvements have been constructed in accordance with the plans and specifications therefore which have been approved by the City. The Developer agrees to remedy any defects in the Roadway Improvements and pay for any damage to other work resulting therefrom, which shall appear within one (1) year from the date of acceptance of the Roadway Improvements by the City.

SECTION 2. DEDICATION OF WATER LINES. The Developer agrees to transfer title to the Water Lines by deed, bill of sale or other means reasonably acceptable to LVVWD. Prior to or in connection with such transfer the Developer shall transfer to LVVWD or the City fee title to the real property where such Water Lines are located as applicable, or, if acceptable to LVVWD or the City, an easement, in form and substance satisfactory to LVVWD or the City, as applicable.

The Developer at the time of transfer shall warrant that the Water Lines have been constructed in accordance with the plans and specifications therefore which have been approved by LVVWD and the City. The Developer agrees to remedy any defects in the Water Lines and pay for any damage to other work resulting therefrom, which shall appear within one (1) year from the date of transfer of title of the Water Lines to LVVWD.

SECTION 3. REIMBURSEMENT FROM BOND PROCEEDS. The City hereby agrees to reimburse the Developer for the costs of the Roadway Improvements and Water Lines solely from Bond proceeds if the following occur:

- A. The City accepts the dedication of the Roadway Improvements;
- B. LVVWD accepts the dedication of the Water Lines;
- C. The Development and Financing Agreement between the City and the Developer relating to the District is executed by the City and the Developer;
- D. The District is created; and
- E. The Bonds are issued and there are sufficient proceeds from the Bonds to reimburse Developer for the costs of the Roadway Improvements and Water Lines.

SECTION 4. RESERVED RIGHTS. This Agreement does not in any way create an obligation or commitment that the City will proceed with the issuance of the Bonds, and the City expressly reserves the right to terminate or abandon the proceedings at any time prior to the issuance of the Bonds, if in the City's sole discretion, it deems such termination or abandonment to be in the best interests of the City.

SECTION 5. BINDING EFFECT. This Agreement shall be binding on the successors and assigns of the parties hereto.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in Clark County, Nevada, as of the date and year first herein above written.

Date of Council Action:

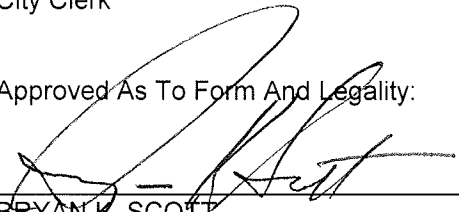
CITY OF LAS VEGAS

By: _____
CAROLYN G. GOODMAN, Mayor

ATTEST:

BEVERLY K. BRIDGES, MMC
City Clerk

Approved As To Form And Legality:



BRYAN K. SCOTT,
Assistant City Attorney

THE HOWARD HUGHES COMPANY, LLC,
A Delaware Limited Liability Company

By: 

KEVIN T. ORROCK, Vice President

EXHIBIT A

Description of Roadway Improvements

Summerlin Village 21

Far Hills Avenue Improvements: Desert Foothills Drive to Fox Hill Drive - (Rough Grade and Improvements)

This project consists of rough grading and improvements for the full width of the 2,115-foot segment of Far Hills Avenue between the west back of curb radii at the intersection with Desert Foothills Drive up to and including the full intersection at Fox Hill Drive. This roadway's full standard ROW width is 76' from back of curb to back of curb and will widen to approximately 106' at its intersections with Desert Foothills Drive and Fox Hill Drive. Other features include median islands, a 24-foot wide landscape area on the south side (Village 23B) and a 32-foot landscape area on the north side (Village 21). This construction will include the installation of full roadway improvements, water, sewer, storm drain, traffic signal interconnect conduit and pullboxes, foundations, poles and appurtenances for the future traffic signal at Far Hills and Fox Hill.

*The project has an estimated total construction cost of \$1,475,238. The future SID will fund a maximum of 50% of the total estimated construction cost which equals \$737,619. Including the additional 15% for soft costs, **the SID eligible project cost to be funded by this future SID is \$848,260.***

Far Hills Avenue Improvements: Desert Foothills Drive to Fox Hill Drive - (Street Lights)

This project consists of street light improvements for the full width of the 2,115-foot roadway segment of Far Hills Avenue between the west back of curb radii at the intersection with Desert Foothills Drive up to and including the full intersection at Fox Hill Drive. This construction will include the installation of street light conduits, foundations, poles, luminaires, wiring, pullboxes, service pedestals and appurtenances.

*The project has an estimated total construction cost of \$202,704. The future SID will fund a maximum of 50% of the total estimated construction cost which equals \$101,352. Including the additional 15% for soft costs, **the SID eligible project cost to be funded by this future SID is \$116,555.***

Far Hills Avenue Improvements: Fox Hill Drive to Sky Vista Drive – (Rough Grade and Improvements)

This project consists of rough grading and improvements for the full width of the 1,900-foot segment of Far Hills Avenue between the west back of curb radii at the intersection with Fox Hill Drive up to the east back of curb radii at the intersection with Sky Vista Drive. This roadway's full standard ROW width is 76' from back of curb to back of curb and will widen to approximately 106' at its intersections with Fox Hill Drive and Sky Vista Drive. Other features include median islands, a 24-foot wide landscape area on the south side (Village 23B) and a 32-foot landscape area on the north side (Village 21). This construction will include the installation of full roadway improvements, water, sewer, storm drain, traffic signal interconnect conduit and appurtenances.

*The project has an estimated total construction cost of \$1,350,584. The future SID will fund a maximum of 50% of the total estimated construction cost which equals \$675,292. Including the additional 15% for soft costs, **the SID eligible project cost to be funded by this future SID is \$776,585.***

Far Hills Avenue Improvements: Fox Hill Drive to Sky Vista Drive – (Street Lights)

This project consists of street light improvements for the full width of the 1,900-foot roadway segment of Far Hills Avenue between the west back of curb radii at the intersection with Fox Hill Drive up to the east back of curb radii at the intersection with Sky Vista Drive. This construction will include the installation of street light conduits, foundations, poles, luminaires, wiring, pullboxes, service pedestals and appurtenances.

The project has an estimated total construction cost of \$182,354. The future SID will fund a maximum of 50% of the total estimated construction cost which equals \$91,177. Including the additional 15% for soft costs, the SID eligible project cost to be funded by this future SID is \$104,855.

Traffic Signal: Far Hills Avenue and Fox Hill Drive

This project consists of the installation of a Traffic Signal and all the equipment required for a complete and operable system connected with the Freeway and Arterial System of Transportation (FAST) located at the intersection of Far Hills Avenue and Fox Hill Drive. This construction will include conduit, pullboxes, foundations, poles, wiring, mast arms, signal heads, controller cabinet, and all appurtenances, including any sidewalk Access Ramp Modifications to new ADA standards.

The project has an estimated total construction cost of \$440,000. The future SID will fund a maximum of 50% of the total estimated construction cost which equals \$220,000. Including the additional 15% for soft costs, the SID eligible project cost to be funded by this future SID is \$253,000.

Description of Water Lines

Summerlin Village 21

3550 Zone Waterline Improvements: Far Hills Avenue from 3665 Zone Pump Station to Desert Foothills Drive

This project consists of approximately 1,705 Linear Feet of 24" diameter Ductile Iron Water Pipe, complete with required trenching, backfill, gate valves, air vac. assemblies, blow offs, bends, thrust blocks, corrosion test stations, meter services, fire hydrants and adjustments of any appurtenances to finish grade.

This future SID will fund a maximum of 100% of the total estimated construction cost of \$510,350. Including the additional 15% for soft costs, the SID eligible project cost to be funded by this future SID is \$586,900.