

**RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS
AND THE EXTENSION OF REASONABLE PREFERENCES TO
PROPERTY OWNERS IN THE CITY OF LAS VEGAS, NEVADA
REDEVELOPMENT PROJECT**

Adopted:

_____, 2012

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I. [100] PURPOSE AND INTENT

These rules are adopted pursuant to the Community Redevelopment Law of the State of Nevada in order to implement the provisions of the Redevelopment Plan for the City of Las Vegas Redevelopment Project regarding participation of property owners and the extension of reasonable preferences to business occupants within Redevelopment Area 2. These rules set forth the procedures governing such participation and preferences.

It is the intention of the Agency to encourage and permit participation in the redevelopment of Redevelopment Area 2 by property owners and to extend reasonable preferences to business occupants of real property within the boundaries of Redevelopment Area 2 to the maximum extent consistent with the objectives of the Redevelopment Plan.

II. [200] DEFINITIONS

As used herein, the following definitions apply:

- (1) "Agency" means the City of Las Vegas Redevelopment Agency.
- (2) "Business Occupant" means any person, persons, corporation, association, partnership, or other entity engaged in business within Redevelopment Area 2 on or after the date of adoption of the Redevelopment Plan by the City of Las Vegas City Council.
- (3) "City Council" means the six duly elected City of Las Vegas City Councilmen and the Mayor in City of Las Vegas, Nevada.
- (4) "Owner" means any person or persons, corporation, association, partnership, or other entity engaged in business within Redevelopment Area 2 on or after the date of adoption of the amended Redevelopment Plan by the City of Las Vegas City Council.
- (5) "Owner Participation Agreement" means an agreement entered into by an Owner with the Agency in accordance with the provisions of the Redevelopment Plan and these rules.
- (6) "Redevelopment Area 2" means the areas described in the "Legal Description of the Redevelopment Boundaries" (Attachment No. 1 of the Redevelopment Plan) and shown on the "Redevelopment Area 2 Map" (Attachment No. 2 of the Redevelopment Plan)

III. [300] ELIGIBILITY

Owners shall be eligible to participate in the redevelopment of property within Redevelopment Area 2 in accordance with the provisions of the Redevelopment Plan, these rules, and the limitations herein described.

Participation opportunities are necessarily subject to and limited by factors such as the following:

- (1) The appropriateness of land uses proposed and consistent with the City of Las Vegas Master Plan and its Redevelopment Plan;
- (2) The construction, widening, or realignment of streets;
- (3) The ability of participants to finance acquisition and development in accordance with the Redevelopment Plan and development criteria adopted by the Agency in implementation of the Redevelopment Plan;
- (4) The desirability of land assemblage in Redevelopment Area 2 in order to create efficient and marketable commercial and industrial parcels; and
- (5) The construction or expansion of public facilities.
- (6) The elimination of incompatible and non-conforming land uses.

The Agency presently contemplates that in carrying out the Redevelopment Plan, certain portions of Redevelopment Area 2 may be acquired by the Agency for public improvements, facilities, and utilities and for other uses and purposes in accordance with the Redevelopment Plan. Therefore, owner participation opportunities will not be available for such properties.

IV. [400] TYPES OF PARTICIPATION

Subject to these rules, and limitations in Section 300 and this Section 400, Owners shall be given a reasonable opportunity to participate in redevelopment by:

- (1) Retaining all or a portion of their properties and developing or improving such property for use in accordance with the Redevelopment Plan;
- (2) Acquiring adjacent or other properties within Redevelopment Area 2 and developing or improving such property for use in accordance with the Redevelopment Plan; or
- (3) Selling their properties to the Agency and purchasing other properties in Redevelopment Area 2.

The foregoing methods of providing owner participation opportunities shall not be deemed exclusive.

V. [500] CONFORMING OWNERS

The Agency may, in its sole and absolute discretion, determine that certain real property within Redevelopment Area 2 presently meets the requirements of the Redevelopment Plan, and the Owners of such property will be permitted to remain as conforming Owners without an Owner Participation Agreement with the Agency, provided such Owners continue to operate, use, and maintain the real property within the requirements of the Redevelopment Plan.

In the event that any of the conforming Owners desire to (1) construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming, or (2) acquire additional property within Redevelopment Area 2, then in such event, such conforming Owners may be required by the Agency to enter into an Owner Participation Agreement with the Agency.

VI. [600] OWNER PARTICIPATION AGREEMENTS

Owners wishing to participate in redevelopment within Redevelopment Area 2 may be required, as a condition to participation, to enter into an Owner Participation Agreement with the Agency if the Agency determines it is necessary to impose upon the property any of the standards, restrictions, and controls of the Redevelopment Plan. The Agreement may require the participant to join in the recordation of such documents as the Agency may require in order to ensure the property will be developed and used in accordance with the Redevelopment Plan and the Owner Participation Agreement.

VII. [700] CONTENTS OF OWNER PARTICIPATION AGREEMENTS

An Owner Participation Agreement shall obligate the Owner, his or her heirs, successors and assigns, and tenants to devote the property to the uses specified in the Redevelopment Plan, abide by all provisions and conditions of the Redevelopment Plan for the period of time that the Redevelopment Plan is in force and effect and comply with all the provisions of the Owner Participation Agreement according to their terms, duration, and effect.

An Owner Participation Agreement may provide that if the Owner does not comply with the terms of the Agreement, the Agency, in addition to other remedies, may acquire such property or any interest therein by any lawful means, including eminent domain for its fair market value as of the date of the Owner Participation Agreement and the Agency may thereafter dispose of the property or interest so acquired in accordance with the Redevelopment Plan.

An Owner Participation Agreement shall contain such other terms and conditions which, in the discretion of the Agency, may be necessary to effectuate the purposes of the Redevelopment Plan.

VIII. [800] LIMITATIONS ON ACQUISITION OF PROPERTY BY THE AGENCY

The Agency shall not acquire real property to be retained and developed by an Owner pursuant to a fully executed Owner Participation Agreement if the Owner fully performs under the Agreement.

The Agency shall not acquire real property on which an existing building is to be continued on its present site under the Redevelopment Plan and in its present form and use without the consent of the Owner, unless:

- (1) Such building requires structural alteration, improvement, modernization, or rehabilitation;
- (2) The site or lot on which the building is situated requires modification in size, shape, or use; or
- (3) It is necessary to impose upon such property any of the controls, limitations, restrictions, and requirements of the Redevelopment Plan, and the Owner fails or refuses to participate in redevelopment by executing an Owner Participation Agreement in accordance with the provisions of the Redevelopment Plan.

IX. [900] PREFERENCE TO BUSINESS OCCUPANTS WITHIN THE PROJECT AREA

Business Occupants who desire to remain within a Redevelopment Area shall be extended a reasonable preference to remain or reenter in business within Redevelopment Area 2 if they otherwise meet the requirements prescribed in these rules and the Redevelopment Plan, provided said Business Occupants are able to demonstrate the financial ability to remain or reenter in business within the Project Area.

X. [1000] AMENDMENT OF RULES

These rules may be modified or amended from time to time by the Agency at any regular or duly called special meeting, provided, however, that no such amendment shall retroactively impair the rights of Owners who have executed Owner Participation Agreements with the Agency in reliance upon these rules as presently constituted.