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RESOLUTION NO. R-18-2023

RESOLUTION CONSENTING TO CERTAIN UNDERTAKINGS OF THE CITY OF LAS VEGAS REDEVELOPMENT AGENCY IN CONNECTION WITH THE OFFICE SPACE LEASE AMENDMENT BETWEEN THE LAS VEGAS REDEVELOPMENT AGENCY (AS LESSEE) AND PI BPG FOURTH STREET PARTNERS, LLC, A DELAWARE LIMITED LIABILITY COMPANY (AS LESSOR), FOR OFFICE SPACE LOCATED AT 300 SOUTH FOURTH STREET, LAS VEGAS, NEVADA 89101

WHEREAS, the City of Las Vegas Redevelopment Agency (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, by Ordinance 4036, on December 17, 2003, by Ordinance 5652 and on May 17, 2006, by Ordinance 5830, and on December 16, 2015, by Ordinance 6448 (the "Redevelopment Plan"); and

WHEREAS, the Redevelopment Plan identifies and designates an area within the corporate boundaries of the City of Las Vegas (the "Redevelopment Area") as in need of redevelopment in order to eliminate the environmental deficiencies and blight existing therein; and

WHEREAS, the Agency is an incorporated entity of the State of Nevada that was created to revitalize the Redevelopment Area by creating new jobs, maintaining existing employment opportunities, eliminating blight, and diversifying the local economy; and

WHEREAS, PI BPG FOURTH STREET PARTNERS, LLC, a Delaware limited liability company as successor in interest to CCRP/AG BOFA Plaza Owner, LLC, a Delaware limited liability company (the "Landlord") is the owner of the real property located at 300 South Fourth Street, Las Vegas, NV 89101 (the "Property"); and

WHEREAS, the Agency, as lessee, and Landlord, as lessor, are parties to that Office Lease for Suite 180 in the Property dated February 20, 2019 (the "Lease").

29 WHEREAS, the Agency is considering entering into that First Amendment to Lease thereby
30 amending the Lease which amendment is attached hereto as Exhibit A (the "Amendment"); and

31 WHEREAS, the Governing Body of the Agency has determined that the Amendment,
32 which provides for the leasing of office space in the Property for the development of a Las Vegas
33 Technology and Innovation Exchange to host third party companies in order to develop and
34 showcase the technology of such companies in a living lab setting with the goal of encouraging
35 and attracting new businesses to the Redevelopment Area, increasing local business revenues
36 through increased human activity and job creation in the Redevelopment Area 1 ("RDA 1") with
37 the further goal to catalyze the absorption of existing office space through the incubation and
38 placement of new businesses in the RDA 1 where there are high office vacancy rates, is in
39 compliance with and in furtherance of the goals and objectives of the Redevelopment Plan; and

40 WHEREAS, the City Council of the City of Las Vegas has considered the
41 undertakings of the Agency in connection with the Amendment, which provides for the payment
42 of monthly rental and related operating expenses as more fully set forth in the Amendment.
43

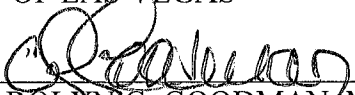
44 NOW, THEREFORE, BE IT HEREBY RESOLVED that the City Council of the
45 City of Las Vegas hereby finds and determines that the Amendment is of benefit to the
46 Redevelopment Area or the immediate neighborhood in which the Redevelopment Area is
47 located; and


RESOLVED FURTHER, that the City Council of the City of Las Vegas hereby
consents to the undertakings of the Agency in connection with the Amendment for the Property.

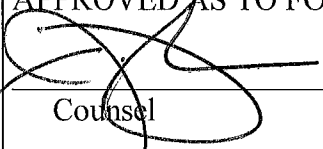
RESOLVED FURTHER, that the Director of Finance is hereby directed to
appropriate in the next annual budget all amounts required to be expended or estimated to be
expended under the Amendment.

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THE FOREGOING RESOLUTION was passed, adopted and approved this 19th day of
April, 2023.

CITY OF LAS VEGAS
By 
CAROLYN G. GOODMAN, Mayor

ATTEST:

LuAnn D. Holmes, MMC, City Clerk

APPROVED AS TO FORM:
 4/10/2023
Counsel Date

RESOLUTION NO. R-18-2023

RDA/CC Meeting 4/19/2023
RDA Item# 5 & CC Item# 37

EXHIBIT A
AMENDMENT

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FIRST AMENDMENT TO LEASE

This First Amendment to Lease (the “**First Amendment**”) is entered into as of April ___, 2023 by and between **PI BPG FOURTH STREET PARTNERS, LLC**, a Delaware limited liability company as successor in interest to CCRP/AG BOFA Plaza Owner, LLC, a Delaware limited liability company (“**Lessor**”) and **CITY OF LAS VEGAS REDVELOPMENT AGENCY**, a political subdivision of the State of Nevada (the “**Lessee**”), with respect to the following facts, understandings and agreements:

RECITALS

A. Lessor and Lessee have previously entered into that certain Office Lease, dated as of February 20, 2019 (the “**Lease**”) for certain premises more particularly described in the Lease. Capitalized terms used, and not otherwise defined, herein shall have the meanings given those terms in the Lease.

B. Lessor and Lessee desire to amend the Lease in order to extend the Term and in other respects as herein provided.

AGREEMENT

NOW THEREFORE, in consideration for the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

1. Recitals. The Recitals to this First Amendment are hereby made a part of this agreement and incorporated herein by this reference.

2. Term. The term of the Lease shall be extended for thirty-seven (37) months, commencing as of February 29, 2024 (the “Extended Term”).

3. Rental Obligation. Effective as of commencement of April 1, 2023, Lessee shall pay, without offset or deduction, the following amounts as basic monthly Base Rent as follows:

Period	Start Month	End Month	# of Months	Rental Rate Per RSF:	Annual Rental Rate Per RSF:	Monthly Total:	Period Total:
1	1	12	12	\$2.35	\$28.20	\$24,902.95	\$298,835.40
2	13	24	12	\$2.42	\$29.05	\$25,650.04	\$307,800.48
3	25	36	12	\$2.49	\$29.92	\$26,419.54	\$317,034.48
4	37	48	12	\$2.57	\$30.81	\$27,212.13	\$326,545.56
5	49	49	1	\$2.64	\$31.74	\$28,028.49	\$28,028.49

Notwithstanding the foregoing and provided that Lessee is not otherwise in default, Lessee shall be entitled to fifty-percent (50%) Base Rent abatement during April 2023.

4. Base Year. Effective upon commencement of the Extended Term, Lessee’s Base Year shall be amended to 2023.

5. Parking. Lessee shall be entitled to utilize up to twenty-one (21) parking stalls during the Extended Term, at prevailing market rates.

6. Option to Extend. Lessee shall have the right to extend the Lease in accordance with the terms set forth in Exhibit A, attached hereto and incorporated by reference.

7. Lessor Notice Address. The new notice information for the Lessor is as follows:

c/o Barker Pacific Group, Inc.
626 Wilshire Boulevard, Suite 200
Los Angeles, CA 90017
Attention: Michael D. Barker

8. No Default by Lessor. Lessee acknowledges and confirms that no default by Lessor exists. Lessor acknowledges and confirms that no default by Lessee exists.

9. Continuing Effectiveness. All terms and provisions of the Lease, unless modified herein by this First Amendment, shall remain unchanged and shall continue in full force and effect.

IN WITNESS THEREOF, this First Amendment has been executed as of the date first above written.

<p>“LESSOR”</p> <p>PI BPG FOURTH STREET PARTNERS, LLC a Delaware limited liability company</p> <p>By: _____ Michael D. Barker Authorized Representative</p>	<p>“LESSEE”</p> <p>CITY OF LAS VEGAS REDVELOPMENT AGENCY, a political subdivision of the State of Nevada</p> <p>By: _____ Name: Carolyn G. Goodman Title: Chairperson</p> <p>Its: _____</p>
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ATTEST:

LuAnn D. Holmes, MMC, City Clerk

APPROVED AS TO FORM:

M. Niarchos 4/3/23

Counsel Date

RESOLUTION NO. _____

RDA/CC Meeting: _____
RDA Item # _____ & CC Item # _____

EXHIBIT A

EXTENSION OPTION

Lessor hereby grants to Lessee two (2) options to extend the Lease Term (individually, the “**Extension Option**” and collectively, the “**Extension Options**”) on the same terms, conditions and provisions as contained in the Lease, except as otherwise provided herein, for a period of one (1) year each (individually, the “**Option Term**” and collectively, the “**Option Terms**”). Except as provided in this Exhibit A, Lessee shall have no other rights to extend the Lease Term. The Extension Option shall be exercised, if at all, by irrevocable and unconditional written notice to Lessor on a date that is between nine (9) and twelve (12) months prior to the date of expiration of the then Lease Term, time being of the essence. If Lessee fails to give such irrevocable and unconditional written notice of its exercise of the Extension Option during such three (3) month period, the Extension Option shall thereupon expire of its own terms and without any further action by Lessor or Lessee.

The monthly installment of Base Rent to be paid during the Option Term shall be the Fair Market Rent (as defined below).

As used herein, the term “**Fair Market Rent**” for the Premises shall mean the total rent (taking into account known or, if not known, market-consistent additional rent obligations, and considering any “base year” or “expense stop” applicable thereto, and adjusting the base rent component of such rent to reflect the net value after accounting for whether or not utility expenses are paid by the comparison tenant consistent with Lessee's utility payment obligations), including all escalations, at which tenants as of the commencement of the applicable Option Term are entering into “true leases” (specifically excluding financing, sublease and non-encumbered leases) for premises comparable in size, floor location and quality of improvements to the Premises for a comparable term, and located in office buildings that are comparable to the Building in terms of age, quality of construction, level of services and amenities, size and appearance, and located in the same submarket area, giving appropriate consideration to the annual rental rates per rentable square foot, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, and accounting for the value of any tenant incentives and concessions provided to the comparison tenant (versus those provided to Lessee), if any, including, but not limited to: (a) rental abatement concessions or build-out periods granted to such tenant; (b) tenant improvements or construction allowances, taking into account the value of the existing improvements in the Premises, such value to be based upon the age, quality and layout of the improvements and the extent to which the same could be utilized by general office users as contrasted with Lessee; and (c) other monetary concessions being granted such tenant. in connection with such comparable space; provided, however, that in calculating the Fair Market Rent, no consideration shall be given to the fact that Lessor is or is not required to pay a real estate brokerage commission in connection with Lessee's exercise of its right to extend the Lease Term, or the fact that landlords are or are not paying real estate brokerage commissions in connection with such comparable space.

On or before five (5) business days after the Lessee provides Lessor notice of Lessee's exercise of the Extension Option, Lessor and Lessee shall commence negotiations to agree upon the Fair Market Rent applicable thereto. If Lessor and Lessee are unable to reach agreement on Fair Market Rent within ten (10) business days after the date negotiations commence, then Fair Market Rent shall be determined as follows:

(i) If Lessor and Lessee are unable to agree on Fair Market Rent within said ten (10) business day period, then within five (5) business days thereafter, Lessor and Lessee shall each simultaneously submit to the other in a sealed envelope its good faith estimate (the “**Estimates**”) of the Fair Market Rent (which may or may not be consistent with previous negotiations). If the higher of such Estimates is not more than one hundred five percent (105%) of the lower of such Estimates, then the Fair Market Rent shall be the average of the two Estimates.

(ii) If the matter is not resolved by the exchange of Estimates as provided in subsection (i) above, then either Lessor or Lessee may, by written notice to the other on or before five (5) business days after the exchange, require that the disagreement be resolved by arbitration. Within seven (7) days after such notice, the parties shall select as an arbitrator a mutually acceptable MAI appraiser with experience in real estate activities, including at least ten (10) years experience in appraising commercial office space in the city and state in which the Project is located. If the

parties cannot agree on an appraiser, then, within a second period of seven (7) days, each party shall select an independent MAI appraiser meeting the aforementioned criteria, and, within a third period of seven (7) days, the two appointed appraisers shall select a third appraiser meeting the aforementioned criteria and the third appraiser shall determine the Fair Market Rent pursuant to subsection (iii) below. If one party shall fail to make such appointment within said second seven (7) day period, then the appraiser chosen by the other party shall be the sole arbitrator.

(iii) Once the arbitrator (the “**Determining Appraiser**”) has been selected as provided for in subsection (ii) above, then Determining Appraiser shall make an independent determination of the Fair Market Rent as of the commencement date of the applicable Option Term (including, without limitation, any market escalations). The Determining Appraiser will be instructed that it must choose either the Lessor’s Estimate or the Lessee’s Estimate and is not permitted to select any other rate. Such determination of the Fair Market Rent shall be made in writing within ten (10) business days of selection of the Determining Appraiser. Each party shall be bound by this determination. All appraisal costs will be paid by the party whose suggested rate was not selected as the Fair Market Rent by the Determining Appraiser. The Fair Market Rent determination established pursuant to this subsection (iii) will be binding on the parties and the Lease shall be extended for the applicable Option Term unless the parties mutually agree to nullify the Extension Option and allow the Term to terminate on its scheduled termination date.

Notwithstanding anything to the contrary in this Exhibit A, in no event shall Base Rent during the Option Term be less than Base Rent payable during the last full month immediately prior to the Option Term. Lessor agrees that in the event the Fair Market Rent as determined above by appraisal exceeds one hundred percent (100%) of the then Base Rent currently in effect, Lessee at its discretion may by written notice to Lessor withdraw the exercise of the Extension Option and this Lease shall expire at the then expiration date of the Lease Term. Notwithstanding anything to the contrary in this Exhibit A, Tenant may only exercise the Extension Option, and an exercise thereof shall only be effective, if at the time of Tenant’s exercise of the Extension Option and on the commencement of the Option Term (i) the Lease is in full force and effect, and (ii) an Event of Default is not continuing. Additionally, the Extension Option is personal to the initial Tenant named herein (i.e., **CITY OF LAS VEGAS REDVELOPMENT AGENCY**, a political subdivision of the State of Nevada), and may not be exercised or assigned, voluntarily or involuntarily, by or to, any person or entity other than such initial Tenant named herein.