DOWNTOWN LAS VEGAS

City of Las Vegas Downtown Redevelopment Agency
COUNCIL CHAMBERS • 400 EAST STEWART AVENUE
PHONE 386-6011

MINUTES

MEETING: #86-12

J U L Y   1 6,   1 9 8 6

10:00 A.M.
(Following the morning session of the City Council meeting)

Call to Order: 11:06 a.m.
Adjourned: 11:08 a.m.

REDEVELOPMENT AGENCY	PRESENT	ABSENT	EXCUSED
CHAIRMAN BILL BRIARE	X		
VICE-CHAIRMAN RON LURIE	X		
MEMBER BOB NOLEN			X
MEMBER AL LEVY	X		
MEMBER W. WAYNE BUNKER	X		
ASHLEY HALL, EXEC. DIRECTOR	X		
GEORGE OGILVIE, CITY ATTORNEY	X		
CAROL ANN HAWLEY, SECRETARY	X		

APPROVED BY REFERENCE August 6, 19 86

City of Las Vegas
CITY COUNCIL
COUNCIL CHAMBERS • 400 EAST STEWART AVENUE
PHONE 386-6011

The City of Las Vegas Downtown Redevelopment Agency will meet on Wednesday, July 16, 1986, at the hour of 11:00 A.M., in the Council Chambers of City Hall Complex, 400 East Stewart Avenue, Las Vegas, Nevada, to consider the following matters:

AGENDA

Order of Business

1. Approval of the minutes of the previous meeting

   A. Meeting of July 2, 1986

2. New Business

   A. Discussion and possible action approving a contract between the Agency and Kircher, Moore & Company.

   B. Discussion and possible action approving a contract between the Agency and Kutak, Rock & Campbell.

AFFIDAVIT OF POSTING

(Posting required under the provisions of NRS CHAPTER 241)

STATE OF NEVADA)
) ss
COUNTY OF CLARK)

Joanne Perry, an employee of the City of Las Vegas, Nevada being first duly sworn, deposes and says that on the 11th day of July, 1986, at the hour of 930 Am there were posted copies of a NOTICE, the attached of which is a true and correct copy of C.L.V. Downtown Redevelopment Agency to be held on the 16th day of July, 1986, at 400 East Stewart Avenue, Las Vegas, Nevada; to be posted on Public Bulletin Board at the following locations:

1. In the Bradley Building, State of Nevada, 2501 East Sahara Avenue;
2. In the Senior Citizens Center, 450 East Bonanza;
3. In the Clark County Courthouse, 200 East Carson;
4. On the Public Bulletin Board at the Plaza Level of City Hall, 400 East Stewart Avenue (near the entrance to the Court Clerk's Office); and
5. On the Special Public Bulletin Board at the Plaza Level of City Hall, 400 East Stewart Avenue (near the entrance to the City Council Chamber)

Joanne Perry
SIGNATURE

City Clerk Office
DEPARTMENT

Subscribed and sworn to before me this
11th day of July, 1986

Sandra R. Le Boeuf
NOTARY PUBLIC in and for said County and State
My Commission expires: 3-15-90

SANDRA R. LE BOEUF
Notary Public - State of Nevada
Appointment Recorded in Clark County
My Appointment Expires Mar. 15, 1990

AFFIDAVIT OF MAILING

(Mailing required under the provisions of A.B. 437, NRS CHAPTER 241)

STATE OF NEVADA)
) ss
COUNTY OF CLARK)

Joanne Gorry, an employee of the City of Las Vegas, Nevada being first duly sworn, deposes and says that on the 11th day of July, 1986, a copy of an AGENDA (NOTICE), the attached of which is a true and correct copy, of a REGULAR MEETING of the C.L.V. Downtown Redevelopment Agency, to be held on the 16th day of July, 1986, was deposited in the United States Mail, Postage prepaid, First Class Mail, to each person and/or organization whose name appears in the Agenda Register maintained in the Office of the City Clerk as having requested, in writing, a copy of said AGENDA (NOTICE).

Joanne Gorry
SIGNATURE (an employee in the Office of the CITY CLERK)

Subscribed and sworn to beofre me this 11th day of July, 1986

Sandra R. LeBoeuf
NOTARY PUBLIC in and for said County and State.
My Commission expires: 3-15-90

SANDRA R. LE BOEUF
Notary Public - State of Nevada
Appointment Recorded in Clark County
My Appointment Expires Mar 15, 1990

MEETING NO. 86-12

JUL 16 1986

ANNOTATED
MINUTES

CITY OF LAS VEGAS
DOWNTOWN REDEVELOPMENT AGENCY

A meeting of the Downtown Redevelopment Agency was held on Wednesday, July 16, 1986, at the hour of 11:06 A.M. in the Council Chambers of City Hall Complex, 400 East Stewart Avenue, Las Vegas, Nevada, to consider the agenda matters as follows:

IN ATTENDANCE:

William H. Briare, Chairman
Ron Lurie, Vice-Chairman
Al Levy, Member
W. Wayne Bunker, Member
Ashley Hall, Executive Director
George Ogilvie, General Counsel
Carol Ann Hawley, Secretary
Randall H. Walker, Deputy City Manager, Administrative Services
Larry Barton, Deputy City Manager, Community Services
Britt Ferguson, Deputy Director, Economic & Urban Development
Steve Gill, Deputy Director, Finance & Computer Services
Mike Hayes, City Manager's Office
Linda Cooper, Public Information Officer
Lisa Roche, Review-Journal
Sandra Cherub, Las Vegas Sun
Channel 3 News Team

EXCUSED: Bob Nolen, Member

AGENDA ITEMS:

1. APPROVAL OF MINUTES OF THE MEETING OF JULY 2, 1986.

   ACTION TAKEN: Lurie/APPROVED as written/UNANIMOUS (Nolen excused)

2. A. DISCUSSION AND POSSIBLE ACTION APPROVING A CONTRACT BETWEEN THE AGENCY AND KIRCHNER, MOORE & COMPANY.

   ACTION TAKEN: Lurie/APPROVED CONTRACT AS RECOMMENDED/UNANIMOUS (Nolen excused).

   B. DISCUSSION AND POSSIBLE ACTION APPROVING A CONTRACT BETWEEN THE AGENCY AND KUTAK, ROCK & CAMPBELL.

   ACTION TAKEN: Lurie/APPROVED CONTRACT/UNANIMOUS (Nolen excused)

The meeting was adjourned at approximately 11:08 A.M.

A TAPE RECORDING OF THIS MEETING IS ON FILE IN THE OFFICE OF THE AGENCY'S SECRETARY.

CITY OF LAS VEGAS
DOWNTOWN REDEVELOPMENT AGENCY

000005

AGENDA DOCUMENTATION

Date July 16, 1986 JUL 16 1986

TO:	FROM:
REDEVELOPMENT AGENCY	ASHELY HALL, EXECUTIVE DIRECTOR

SUBJECT: DISCUSSION AND POSSIBLE ACTION APPROVING A CONTRACT BETWEEN THE AGENCY AND KIRCHNER, MOORE AND COMPANY

PURPOSE/BACKGROUND

At your meeting on July 2, you selected Kirchner, Moore & Company to act as Financial Advisor in connection with the Agency's proposed tax increment bond issue.

Over the past two weeks, staff has been negotiating a contract with Kirchner, Moore which will be provided to you prior to the July 16th meeting.

FISCAL IMPACT

The cost of Kirchner Moore's services will be paid from bond proceeds.

RECOMMENDATIONS

It is the recommendation of the Executive Director that the Chairman be authorized to sign the contract.

ASHLEY HALL, EXECUTIVE DIRECTOR

Agenda Item

2. A

CITY OF LAS VEGAS

INTER-OFFICE MEMORANDUM

Date 000006

JUL 16 1986
July 14, 1986
BF:TIBI2

TO:
DOWNTOWN REDEVELOPMENT AGENCY
WILLIAM H. BRIARE, CHAIRMAN
RON LURIE, MEMBER
AL LEVY, MEMBER
BOB NOLEN, MEMBER
W. WAYNE BUNKER, MEMBER

FROM:
ASHLEY HALL
EXECUTIVE DIRECTOR
Ashley Hall

SUBJECT:
CONTRACT WITH FINANCIAL ADVISOR AND BOND COUNSEL (REFERENCE REDEVELOPMENT AGENCY AGENDA ITEMS 2A AND 2B, MEETING OF JULY 16, 1986)

COPIES TO:
RANDALL H. WALKER
GEORGE OGILVIE
MARVIN LEAVITT
JACK THOMASON

Attached are the proposed Contracts negotiated by staff between the Agency and Kirchner Moore & Company and Kutak, Rock & Campbell. The salient features of each of these contracts are outlined below.

A. KIRCHNER, MOORE & COMPANY

Because of our desire to sell bonds prior to the enactment of the proposed tax reform legislation, the Contract with Kirchner, Moore & Company contemplates a two stage process.

First, an initial large issue of bonds would be sold. The proceeds of these bonds would be put into escrow for 120 days. This would get us by the September 1 date on which the tax reform legislation is now expected to become effective, and gives us time to finalize the specifics of a more long-term tax exempt issue. For the initial issue, Kirchner, Moore & Company would serve as financial advisor and provide all of the services normally provided in a public sale of municipal bonds.

Next, at the end of that 120 days, long-term financing would be completed. At this point, the exact form that long-term financing will take has not yet been determined. It may involve remarketing some portion of the bonds, in which case Kirchner, Moore & Company will serve as remarketing agent (essentially, underwriters). It may involve the issuance of some new form of taxable debt, in which case Kirchner, Moore & Company will once again serve as financial advisor.

Because of the imprecise definition of the final financing structure, Kirchner, Moore & Company has agreed that any fee for this service will be negotiated when that financing structure is fully defined, after the initial issue. In return, the Agency has agreed that, if no agreement can be reached at that time, and the Agency hires another financial advisor, Kirchner, Moore & Company will be paid $5,000 for their work in the initial issue.

If agreement is reached, then Kirchner, Moore & Company will not receive payment until after the second issue or remarketing is completed. The final fee structure negotiated will be brought back to you for approval.

TO: Downtown Redevelopment Agency
SUBJECT: CONTRACT WITH FINANCIAL ADVISOR AND BOND COUNSEL (REFERENCE REDEVELOPMENT AGENCY AGENDA ITEMS 2A and 2B, MEETING OF JULY 16, 1986)
DATE: July 14, 1986
PAGE: -2-

Finally, it should be noted that it is at least possible that we will not be able to issue bonds in time to meet the tax reform legislation deadline. In that case, the contract also calls for Kirchner, Moore & Company's fee to be negotiated.

B. KUTAK, ROCK & CAMPBELL

As indicated in your agenda documentation, Kirchner, Moore & Company has recommended that Kutak, Rock & Campbell be considered for selection as bond counsel by the Agency (letter attached). The Agency's General Counsel has reviewed Kutak's qualifications, and believes that the firm is in fact qualified to do the job (a summary by the experience/qualifications of Kutak, Rock & Campbell is attached).

As with Kirchner, Moore & Company, the proposed contract with Kutak, Rock & Campbell reflects the uncertainties concerning the financial structure for this bond issue.

Essentially, Kutak's contract calls for them to perform all legal work regarding both the initial issue and any remarketing or reissue. However, the fee for their work will not be negotiated until a more precise definition of the financing structure is determiend. If at that time a fee cannot be agreed upon, Kutak will accept the sum of $5,000 for all services performed to date, and the contract will be terminated.

The final fee, once negotiated and approved by you, will only be payable out of bond proceeds.

AH:BEF:saw

Attachment(s)

000008

JUL 16 1986

AGREEMENT BETWEEN THE CITY OF LAS VEGAS
DOWNTOWN REDEVELOPMENT AGENCY AND FINANCIAL CONSULTANT
FOR THE DOWNTOWN LAS VEGAS REDEVELOPMENT AREA
TAX INCREMENT BOND ISSUE 1986

This Agreement, made and entered into this 16th day of July, 1986, by and between the City of Las Vegas Downtown Redevelpment Agency, Las Vegas, Nevada, hereinafter referred to as AGENCY, and Kirchner Moore & Company, hereinafter referred to as CONSULTANT,

WITNESSETH:

In consideration of the mutual covenants and obligations herein expressed, it is agreed by and between the parties hereto as follows:

The CONSULTANT agrees to provide the services in accordance with its Response to Request for Proposals for Financial Advisor, which is attached hereto as "Exhibit A" and incorporated herein by reference. These services include but are not limited to the following:

A: DEVELOPMENT OF A FINANCING PLAN.

The CONSULTANT will make a study of the AGENCY's plans and goals and recommend a plan for financing and meeting these goals. Such plan shall include an approximate maturity schedule and other terms and conditions, such as options of prior payment that will result in the issuance of debt instruments with a minimum average interest rate under terms and conditions most advantageous to the AGENCY. The CONSULTANT will evaluate alternative approaches to financing in terms of financial costs and feasibility, market acceptability, and timing of the AGENCY's program priorities, policy factors and political considerations. Phasing of the bond issue will be investigated as a possible approach.

Once the plan has been approved by the AGENCY, the CONSULTANT will assist in the steps necessary to be taken in the legal issuance and delivery of the bonds. These will include:

1. Develop a written chronological timetable of all steps necessary to complete the transactions.

2. Structure the financing package, including maturity schedules, call premiums, covenants, etc.

JUL 16 1986

3. Develop, with bond counsel, all necessary documents incident to the issuance of the bonds.

4. Develop a preliminary official statement to be used in connection with the sale and attend to its printing.

5. Advise the AGENCY of the optimum timing of the bond sale to minimize the net effective interest rate and borrowing costs.

6. Present the financial plan and the issue to be sold to the rating agencies for their review and rating and in the process coordinate the development of all background information relevant to the rating process, if requested by the AGENCY.

7. Arrange for a public sale of the transaction. Appropriate notice of the sale will be published as required. The notice of sale also will be circulated to prospective bidders (such as securities dealers, banks, etc.), along with copies of the preliminary official statement. The CONSULTANT will provide the AGENCY a list of the prospective bidders that the preliminary official statement is mailed to and contact the best candidates on that list to stimulate their interest in bidding.

8. Attend to the printing and dissemination of the final official statement, if necessary.

9. Arrange for the printing, signing and delivery of the bonds.

10. Close the transaction and execute the transfer of funds and assist in the short term investment of the funds as requested by the AGENCY. The CONSULTANT will advise the AGENCY of current market conditions, forthcoming bond issues, and other general information and economic data which might normally be expected to influence interest rates or bidding conditions so that the date of the sale of the bonds can be set at a time which, in CONSULTANT's opinion, will be favorable.

B. UNDERWRITE THE TRANSACTION.

The CONSULTANT believes very strongly in providing a firm underwriting commitment to its clients. As such, the CONSULTANT will submit a bid for the underwriting of the transaction in accordance with the notice of sale.

C. REINVESTMENT OF PROCEEDS.

The CONSULTANT, if requested by the AGENCY, will assist the AGENCY in the reinvestment of available monies from the bonds proceeds to assure the maximum return to the AGENCY.

D. PROVIDE DAY TO DAY ONGOING ASSISTANCE.

The CONSULTANT will be available upon call to provide advice on a range of financial issues. The CONSULTANT will review opportunities to restructure debt as well as provide information on new regulations and market conditions as they may affect the AGENCY. In addition, the CONSULTANT will provide updates on the market position of the AGENCY's transactions, and provide new financing ideas as they may develop and as they may apply to needs of the AGENCY.

E. PRELIMINARY FINANCING PLAN.

In the Repsonse to Request for Proposals for Financial Advisor provided by the CONSULTANT, the CONSULTANT included a Preliminary Financing Plan. that Preliminary Financing Plan, as subsequently amended, contemplates the AGENCY selling an initial long term bond issue (hereinafter, The Initial Issue) with the provision that the bond must be "put" to a trustee 120 days after the date of sale. Prior to the "put" date the AGENCY would finalize its long term financing plan, and CONSULTANT would proceed to implement that plan. It is expected that the long term plan will incorporate some form of one of the following options.

1. The AGENCY will remarket the appropriate amount of bonds, supported by a feasibility study, and remarket the balance on a short term "put" basis. In that event the CONSULTANT would serve as remarketing agent.

2. The AGENCY will remarket the bonds as conventional three year escrow bonds. In that event, the CONSULTANT will serve as remarketing agent.

3. The AGENCY will only remarket those bonds that can be supported by existing tax increment revenues and/or projections of revenues. In that event, the CONSULTANT will serve as remarketing agent.

4. The AGENCY will remarket a portion of the bonds, and reissue a portion of the bonds as taxable bonds. In that event, the CONSULTANT will serve as remarketing agent, and as financial advisor in connection with the reissuance.

5. The AGENCY will reissue an amount of bonds, as is feasible, as taxable bonds. In that event, the CONSULTANT will serve as financial advisor.

6. The AGENCY will not remarket or reissue any of the bonds.

The AGENCY hereby agrees to proceed on the basis of this Preliminary Financing Plan, with the understanding that, should the United States Congress take action moving forward the effective date of tax-reform legislation now before it, this plan may not be feasible. In that event, the CONSULTANT will proceed to develop an alternative financing plan in accordance with the provisions of Paragraph A of this Agreement.

F. COMPENSATION.

1. Preliminary Financing Plan. If the AGENCY is successful in marketing the initial issue, in accordance with the Preliminary Financing Plan described in Paragraph E, the CONSULTANT's fee for acting as remarketing agent in connection with any remarketing or financial advisor in connection with any reissuance will be negotiated once the final structure of the second stage of the financing is known. In the event the AGENCY and the CONSULTANT are unable to agree upon a fee at that time, this Contract will be considered terminated, and the AGENCY will be free to retain the services of such other financial advisors/remarketing agent as it may choose. In that event, the AGENCY will pay to the CONSULTANT a fee of $5,000 as full compensation for their services in acting as financial advisor in connection with the initial issue and any additional services the CONSULTANT may have performed between the date of the initial issue and the date of such termination.

If the AGENCY and CONSULTANT are able to reach agreement upon a fee, for the second stage of the financing, then the CONSULTANT agrees to waive any fee for services in connection with the initial issue.

No fee shall be charged until and unless the second stage of the

Preliminary Financing Plan has been successfully completed, except as otherwise provided above.

2. Otherwise. If, due to the reasons described in Paragraph E, it is not feasible to proceed with the Preliminary Financing Plan outlined in that paragraph, then the CONSULTANT's fee for acting as financial advisor in connection with the bond issue will be negotiated. In the event the AGENCY and the CONSULTANT are unable to agree upon a fee, this Contract will be terminated and the AGENCY will be free to retain the services of such other financial advisor as it may choose. In that event, the CONSULTANT shall not be entitled to any fee for services provided to date.

Any fee that is agreed upon as a result of negotiations pursuant to this subparagraph 3 shall not be charged until and unless debt instrument are issued and delivered to the AGENCY.

3. Miscellaneous Provision. It is understood that:

a. All out-of-pocket expenses, such as printing and Bond Counsel shall be paid by the AGENCY.

b. No travel to and from Las Vegas by the CONSULTANT shall be paid for by the AGENCY.

c. The CONSULTANT shall make no charge for attending meetings.

JUL 16 1986

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

KIRCHNER MOORE & COMPANY

By

CITY OF LAS VEGAS
DOWNTOWN REDEVELOPMENT AGENCY

By
Chairman

7-22-86

CITY OF LAS VEGAS NEVADA
DOWNTOWN REDEVELOPMENT AGENCY CREATED 1985

ATTEST:

Secreatry

CITY OF LAS VEGAS
DOWNTOWN REDEVELOPMENT AGENCY

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AGENDA DOCUMENTATION

Date July 16, 1986

JUL 16 196.

TO:	FROM:
REDEVELOPMENT AGENCY	ASHLEY HALL, EXECUTIVE DIRECTOR

SUBJECT: DISCUSSION AND POSSIBLE ACTION APPROVING A CONTRACT BETWEEN THE AGENCY AND KUTAK, ROCK & CAMPBELL.

PURPOSE/BACKGROUND

At your meeting of July 2, you selected the firm of Kircher, Moore & Company to act as Financial Advisor in connection with the Agency's proposed tax increment bond issue. At that same time, you authorized Kirchner, Moore to recommend a bond counsel, subject to Agency approval.

Subsequently, Kirchner, Moore has recommended the law firm of Kutak, Rock & Campbell of Denver, Colorado. The Agency's General Counsel has determined that Kutak,Rock & Campbell is qualified to perform this work, and thus, is acceptable to staff.

A proposed contract between the Agency and Kutak, Rock & Campbell, and background information on the firm will be provided to you before your meeting on July 16.

FISCAL IMPACT

Not yet known at this time.

RECOMMENDATIONS

It is the recommendation of the Executive Director that the Chairman be authorized to sign the contract between the Agency and Kutak, Rock, & Campbell.

ASHLEY HALL, EXECUTIVE DIRECTOR

Agenda Item

2. B

James D Kreidle
Executive Vice President
Public Finance

Seventeenth Street
ver, Colorado 80202
303 292-1600

000015
JUL 16 198

KIRCHNER MOORE & COMPANY
Investment Bankers

July 10, 1986

Mr. Britt E. Ferguson
Deputy Director of Economic
and Urban Development
City of Las Vegas Downtown
Redevelopment Agency
City Hall
400 East Stewart Avenue
Las Vegas, Nevada 89101

Re: Downtown Las Vegas Redevelopment Area
Tax Increment Bond Issue 1986

Dear Mr. Ferguson:

In connection with the above named bond issue, you have asked our firm for a recommendation concerning bond counsel. We recommend the firm of Kutak Rock & Campbell located in Denver, Colorado. Our recommendation is based on their vast knowledge of legal issues surrounding tax increment financings, their past experience in approving tax increment bond issues, and their ability to complete their work in a timely fashion.

We have worked with the firm in the past in connection with other tax increment financings and have found their work to be entirely satisfactory. Should you have any questions concerning this, please do not hesitate to contact us.

Very truly yours,

James D. Kreidle

JDK/ljc

KUTAK ROCK & CAMPBELL
A PARTNERSHIP
INCLUDING PROFESSIONAL CORPORATIONS
2400 ARCO TOWER - 707 17TH STREET
DENVER, COLORADO 80202
(303) 297-2400

ATLANTA
NEW YORK
OMAHA
WASHINGTON

GENERAL DESCRIPTION OF THE FIRM AND RELATED MATTERS

Nature of the Firm's Business

Kutak Rock & Campbell is a law firm of 206 lawyers with offices in Denver, Atlanta, Omaha and Washington, D.C. It serves local, regional and national clients in a broad and diversified practice. There are presently 36 attorneys in the Denver office, 16 of whom are directly involved in public finance and 6 of whom are directly involved in real estate.

The Firm began its practice as a "finance" law firm in public finance, later developing in the corporate finance, commercial practice, banking, financial services and corporate fields. It also has strong departments in real estate and in taxation and litigation (with particular emphasis on finance-oriented matters), as well as expertise in mass transit, bankruptcy, agricultural and international trade law.

Summary of the Firm's Experience in Municipal Debt Issues

In the area of public finance, the Firm has served in such capacities as bond counsel (in 49 states), underwriter's counsel for numerous national and regional firms, letter of credit bank counsel, insurer's counsel, national tax-exempt finance counsel for 20 major corporations, special purchaser's counsel and special tax counsel for thousands of financings throughout the nation. These include financings of traditional municipal projects (through the issuance of both general obligation and revenue bonds), as well as financings for public utilities, universities, single family housing, multi-family housing, pollution control facilities, health care facilities, industrial development projects, mass transit projects and student loans. The forms of financings have included general obligation bonds, revenue bonds for an extensive range of facilities and purposes, tax increment bonds, refundings, advance refundings, tax-exempt leases, pooled issues, composite issues, certificates of participation, tax-exempt commercial paper, tax-exempt mortgages and the full range of credit and liquidity support techniques. The nation-wide financings in which the Firm has participated in the last three years aggregate more than $20 billion.

Kutak Rock & Campbell has a long history of service to municipal clients located throughout the Rocky Mountain Region and located, in particular, in the State of Colorado. The Firm participated in the structuring of the first two financings in Colorado involving the issuance of single-family mortgage revenue bonds (i) for the City and County of Denver

($50,000,000 1978 Series A - closed on August 30, 1978) as Special Tax Counsel to the City and County and Counsel to the Underwriters, and (ii) for the City of Pueblo ($20,000,000 1978 Series A - closed on August 31, 1978) as Bond Counsel to the City and County of Denver.

The Firm successfully argued the test case concerning the legal authority for the issuance for tax increment bonds by urban renewal authorities located throughout Colorado. The Firm currently serves as Bond Counsel to the urban renewal authorities of Denver, Boulder, Arvada, Englewood, Estes Park and Thornton.

The Firm's reputation in public finance has been founded not only on its ability to conduct traditional research and to interpret statutes and regulations in a conventional manner, but, more importantly, on its success in developing innovative financing structures to meet the needs of its clients. In its various roles, the Firm has been involved in:

- The first tax-exempt floating rate monthly demand bond issue (for Tucson Electric Power Company).
- The first single-family mortgage revenue bond issues by municipalities (for the City of Chicago and the City and County of Denver).
- The first tax increment financing for urban renewal in the State of Colorado (for the Boulder Urban Renewal Authority).
- The first tax-exempt variable rate general obligation bond (for the Metropolitan Government of Nashville and Davidson County, Tennessee).
- The first non-debt lease-purchase financing of real property in the State of Colorado (for the County of Gunnison).
- The creation of HELP, the hospital equipment loan program, a form of pooled financing which was first used in Colorado and has now been used in 25 states.
- A prototype floating rate demand financing for hospitals (for Lester E. Cox Medical Center).
- The first major industrial development bond composite hospital financing (for Hospital Corporation of America).

- The first pollution control facility financing (for United States Steel Corporation).
- The largest tax-exempt corporate dock and wharf facility financing (for Atlantic Richfield Company).
- The first publicly offered tax-exempt variable rate bond issue (for United States Steel Corporation).
- The first pooled agricultural revenue bond financing (for the Louisiana Public Facilities Authority).
- The creation of TOP's, the secondary reoffering of low-coupon tax-exempt securities portfolios held by banks, insurance companies and other financial institutions.

In addition to participating in the innovative transactions referred to above, the Firm has had a long and active association with numerous issuers of general obligation, revenue obligation and other municipal debt obligations in Colorado. The Firm has provided services in recent years, as Bond Counsel on a regular basis or as Bond Counsel or Special Tax Counsel on certain specialized matters, to the following Colorado municipalities and counties:

Municipalities	Counties
City of Arvada	Adams County
City of Aspen	Arapahoe County
City of Aurora	El Paso County
City of Boulder	Gunnison County
Town of Breckenridge	Jefferson County
City of Colorado Springs	Morgan County
City and County of Denver	Pitkin County
City of Fort Collins	Pueblo County
Town of Frisco	Summit County
City of La Junta	
City of Lakewood	
City of Littleton	
City of Northglenn	
City of Pueblo	
Town of Snowmass Village	
City of Thornton	
City of Westminster	

The firm has also served as Bond Counsel to numerous school districts in Colorado, including the Cherry Creek School District and the Jefferson County School District.

The firm has served as Bond Counsel in connection with a special project financing for the Colorado Housing Finance Authority, and has served in the capacity as Underwriters Counsel in numerous other financings involving the Authority. The Firm participated in the drafting of legislation creating the Colorado Agricultural Development Authority, and has served as Bond Counsel to that Authority since its creation. The Firm has served as Counsel to the Underwriters in numerous financings with the Colorado Health Facilities Authority, including the first pooled hospital equipment financing in the United States, and is currently serving as Special Tax Counsel to the Authority on a series on ongoing transactions. Finally, the Firm has acted as Bond Counsel for various special issuers of tax exempt obligations, such as the urban renewal authorities listed above, and various local housing authorities in connection the issuance of multi-family housing revenue bonds.

The Firm has participated in the structuring of many innovative financings involving special districts, assessment districts and improvement districts. In most of these financings, the Firm has served as Bond Counsel to the issuing districts. A representative list of special districts that the Firm has represented as Bond Counsel includes the following:

Arrowhead Metropolitan District
Castle Pines Metropolitan District
Castle Pines North Metropolitan District
Cottonwood Water and Sanitation District
Foothills Metropolitan District
Lincoln Park Metropolitan District
Lincoln Park West Metropolitan District
Purgatory Metropolitan District

In serving as bond counsel to an issuer, Kutak Rock & Campbell typically prepares all necessary bond documents, renders opinions concerning the validity of the bonds or notes and their tax-exempt status, and advises the client in dealings with underwriters, including the preparation of public sale notices or the negotiations of bond or note purchase agreements.

The Firm commonly prepares all underlying financing documents. Thus, for example the Firm has prepared for various housing finance clients such documents as program handbooks, mortgage origination and servicing agreements, and forms of mortgages and notes. The Firm advises its clients on all aspects of federal, securities, banking, insurance and other applicable laws as they relate to a particular financing.

KUTAK ROCK & CAMPBELL

Summary of the Firm's Experience in Municipal Bond Related Tax Matters

In any tax exempt financing, one of the primary responsibilities of counsel is the delivery or review of the tax opinion. Kutak Rock & Campbell's tax opinions are accepted throughout the nation, a recognition of the high quality of the legal work performed by its Tax Department. Frequently the Firm is asked to serve as special tax counsel in difficult financings. The expertise of its tax lawyers is supported by in-house computer capabilities which far exceed those available in most firms and which allow the Firm to perform complex arbitrage calculations for issuers, underwriters and corporate participants in tax exempt financings.

Attorneys in the Tax Department work closely with attorneys in other areas of the public finance practice from the beginning of the structuring of a financing and are frequently called upon to find solutions to complex tax problems. The approach of the Tax Department is to endeavor to formulate or facilitate new concepts which respond to the needs of the issuer of the obligations and the exigencies of the credit markets.

In addition, the Financial Analysis Department of the Firm reviews cash flow schedules for bond issues, including generation or verification of various statistical and tax aspects of such issues. These reviews are performed by attorneys and computer/financial analysts using a computer facility which is dedicated solely to the Department's use and is distinct from the Firm's other computer resources. In addition, the Department is responsible for the verification of yield computations made by others and for the review of various cash flow problems for trustees.

Prior to closing on refunding issues or refunding escrow restructuring transactions, the Financial Analysis Department performs sizing computations, escrow cash flow analyses, savings comparisons and yield proofs.

While most of the requests for computer services involve issue sizing, debt service schedules and yield proofs, the Department can provide such miscellaneous computer-generated reports as amortization schedules for loans and mortgages, simple interest schedules, compound interest schedules, accreted value tables and lease payment schedules.

Letters of Credit, Variable Rate Instruments and Other Credit Enhancements

When letters of credit were teamed with municipal bonds, Kutak Rock & Campbell was involved in the initial major offerings and played a major role in structuring the financings, advising letter of credit banks and educating the rating agencies about this new type of financing. The Firm was involved as counsel to the letter of credit banks in one of the initial "floating rate demand bond" financings undertaken for a hospital, which has become a pattern for numerous others. The Firm was also an early leader in the "loans to lenders" programs and the FDIC- and FSLIC-insured deposit financings. In the continuing evolvement of credit enhanced financings, Kutak Rock & Campell has remained in the forefront in structuring transactions dependent upon credit or liquidity support ranging from long-term fixed rate financings to variable rate daily demand and commercial paper programs.

The Firm has been a leader in the development of financial guarantee insurance programs, representing insurance companies, insurance brokerage firms and investment bankers. The Firm helped create and acts as general counsel to Municipal Bond Insurance Association ("MBIA") and its managing general agency, Municipal Issuers Service Corporation. MBIA is the leader in providing municipal bond guarantee insurance, having insured more than $10 billion of principal amount of municipal bonds.

The Firm has developed numerous other types of financial guarantee insurance, including programs to insure commercial paper backed by equipment leases, bank card receivables and other types of accounts receivable. Financial guarantee insurance programs have been developed by the Firm to insure money market mutual funds. Finally, the Firm has been instrumental in developing a program of interest differential insurance by which an interest rate on a floating rate obligation is insured to the issuer.

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Financings in the State of Nevada
In Which Kutak Rock & Campbell Has Participated

$11,500,000 City of Henderson, Public Improvement Trust Multifamily Housing Revenue Bonds, Series 1985 (firm's role: underwriter's counsel)

$44,000,000 Clark County, Floating Rate Weekly Demand Industrial Development Revenue Bonds, Series 1985 (firm's role: underwriter's counsel)

$72,575,000 Nevada Housing Division, Single Family Program Senior Bonds Federally Insured Guaranteed, 1985 Issue A (firm's role: insurer's counsel)

$45,000,000 Washoe County, Nevada, Floating Rate Monthly Demand Gas and Water Facilities Revenue Bonds, Series 1984 (firm's role: underwriter's counsel)

$2,525,000 City of North Las Vegas, Nevada, Economic Development Revenue Bonds, Series 1983 (firm's role: bond counsel)

$43,700,000 Humboldt County, Nevada, Floating Rate Monthly Demand Pollution Control Revenue Bonds, Series 1983 (firm's role: underwriter's counsel)

$78,000,000 Clark County, Nevada, Industrial Development Revenue Bonds, Series 1983 (firm's role: underwriter's counsel)

$1,000,000 Humboldt County, Nevada, Collateralized Pollution Control Revenue Bonds, Series 1982B (firm's role: underwriter's counsel)

$11,600,000 Humboldt County, Nevada, Collateralized Pollution Control and Water Facilities Revenue Bonds, Series 1982A (firm's role: underwriter's counsel)

$39,500,000 Clark County, Nevada, Collateralized Pollution Control Revenue Bonds, Series 1982 (firm's role: underwriter's counsel)

$2,000,000 Incline Village General Improvement District, Recreation Revenue Bonds, Series 1981 (firm's role: counsel to the financial advisor)

$6,680,000 City of Henderson, Nevada, Public Improvement Trust Construction Loan Revenue Bonds, Series 1981 (firm's role: bond counsel)

$3,897,000 Washoe Housing Finance Corporation, Mortgage Revenue Bonds, Series 1980 (firm's role: bond counsel)

$3,710,000 Washoe Housing Finance Corporation, Construction Loan Notes, Series 1980 (firm's role: bond counsel)

$30,000,000 Washoe County, Nevada, Collateralized Gas and Water Facilities Revenue Bonds, Series 1979 (firm's role: underwriter's counsel)

$9,500,000 Clark County, Nevada, Collateralized Pollution Control Revenue Bonds, Series 1977 (firm's role: underwriter's counsel)

$10,000,000 Washoe County, Nevada, Collateralized Water Facilities Revenue Bonds, Series 1976 (firm's role: underwriter's counsel)

$20,000,000 Clark County, Nevada, Pollution Control Revenue Bonds, Series 1974 (firm's role: underwriter's counsel)

Tax Increment Bond Financings
In Which Kutak Rock & Campbell Has Participated

Colorado

$23,135,000 Englewood Urban Renewal Authority, Tax Increment Revenue Refunding and Improvement Bonds, Series 1985 A (firm's role: bond counsel)

$7,045,000 Englewood Urban Renewal Authority, Tax Increment Revenue Refunding Bonds, Series 1985 B (firm's role: bond counsel)

$2,200,000 Estes Park Urban Renewal Authority, Tax Increment Bonds, Series 1985 (firm's role: bond counsel)

$8,885,000 City of Fort Collins, Tax Increment Refunding Bonds, Series 1985A (firm's role: co-bond counsel)

$25,170,000 Boulder Urban Renewal Authority, Tax Increment Refunding Bonds, Series 1985 (firm's role: bond counsel)

$11,560,000 Arvada Urban Renewal Authority, Increment Notes, Series 1985 B-2 (firm's role: bond counsel)

$9,000,000 Edgewater Redevelopment Authority, Tax Increment Revenue Bonds, Series 1985A (firm's role: bond counsel)

$7,000,000 Edgewater Redevelopment Authority, Tax Increment Revenue Bonds, Series 1985B (firm's role: bond counsel)

$12,930,000 Thornton Development Authority, Tax Increment Refunding and Improvement Bonds, Series 1985A (firm's role: bond counsel)

$13,025,000 Arvada Urban Renewal Authority, Tax Increment Revenue Bonds, Series 1985A (firm's role: bond counsel)

$3,000,000 Thornton Development Authority, Tax Increment Bond Anticipation Notes, Series 1984B (firm's role: bond counsel)

$6,600,000 Thornton Development Authority, Tax Increment Bond Anticipation Notes, Series 1984 (firm's role: bond counsel)

$8,200,000 Downtown Redevelopment Authority-City of Fort Collins, Tax Increment Bonds, Series 1984A (firm's role: co-bond counsel)

$6,500,000 Englewood Urban Renewal Authority, Tax Increment Bond Anticipation Notes, Series 1984 B (firm's role: bond counsel)

$10,000,000 Arvada Urban Renewal Authority, Tax Increment Revenue Bonds, Series 1985B-1 (firm's role: bond counsel)

$11,560,000 Arvada Urban Renewal Authority, Tax Increment Revenue Bonds, Series 1985B-2 (firm's role: bond counsel)

$14,000,000 Arvada Urban Renewal Authority, Tax Increment Revenue Notes, Series 1985C (firm's role: bond counsel)

$4,100,000 Arvada Urban Renewal Authority, Bond Anticipation Subordinate Tax Increment Revenue Notes, Series 1985D (firm's role: bond counsel)

$9,990,000 Englewood Urban Renewal Authority, Tax Increment Bond Anticipation Notes, Series 1984 (firm's role: bond counsel)

$25,615,000 Boulder Urban Renewal Authority, Tax Increment Refunding Bonds, Series 1983 (firm's role: bond counsel)

$20,000,000 Boulder Urban Renewal Authority, Tax Increment Bonds, Series 1982 (firm's role: bond counsel)

$10,500,000 Boulder Urban Renewal Authority, Bond Anticipation Tax Increment Notes, Series 1980 A&B (firm's role: bond counsel)

<u>Michigan</u>

$8,100,000 City of Detroit Tax Increment Finance Authority, Variable Rate Demand Tax Increment Reserve Fund, 1984 Series A (firm's role: co-underwriter's counsel)

$46,100,000 City of Detroit Tax Increment Finance Authority, Variable Rate Demand Tax Increment Bonds, 1984 Series A (firm's role: co-underwriter's counsel)

<u>Minnesota</u>

$140,000,000 Port Authority of the City of Bloomington, Tax Increment Revenue Bonds, Series 1985 (firm's role: bond counsel)

$2,255,000 Port Authority of the City of Bloomington, Tax Increment Revenue Bonds, Series 1985B&C (firm's role: bond counsel)

$750,000 Port Authority of the City of Bloomington, Tax Increment Revenue Bonds, Series 1985A (firm's role: bond counsel)

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KUTAK ROCK & CAMPBELL
A PARTNERSHIP
INCLUDING PROFESSIONAL CORPORATIONS
2400 ARCO TOWER - 707 17TH STREET
DENVER, COLORADO 80202
(303) 297-2400

ATLANTA
NEW YORK
OMAHA
WASHINGTON

July 14, 1986

City of Las Vegas Downtown
Redevelopment Agency
City of Las Vegas
City Hall
400 East Stewart Avenue
Las Vegas, NV 89101

Re Retainer Agreement

Ladies and Gentlemen:

This letter is intended to set forth our understanding with respect to the retention of our firm as Bond Counsel to the City of Las Vegas Downtown Redevelopment Agency (the "Agency") in connection with the financing of a series of redevelopment projects of the Agency (the "Projects") to be located within the Downtown Las Vegas Redevelopment Area (the "Redevelopment Area").

The Agency has been created by the City of Las Vegas, Nevada (the "City") as a redevelopment agency pursuant to the provisions of the Community Redevelopment Law,Section 279.382 et seq., Nevada Revised Statutes (the "Act"). The Agency contemplates undertaking the Projects pursuant to the Act and the Redevelopment Plan for the Downtown Las Vegas Redevelopment Area (the "Redevelopment Plan") approved by the City pursuant to the Act. The Agency desires to retain the firm of Kutak Rock & Campbell as Bond Counsel, and Kutak Rock & Campbell agrees to act as Bond Counsel to the Agency, in connection with the accomplishment of the Projects pursuant to the Redevelopment Plan and the Act.

During the preliminary stages of planning for the Projects, we will be available at the request of the Agency to provide legal advice to the Agency and others designated by the Agency. As Bond Counsel to the Agency, we will advise the Agency and others designated by the Agency concerning the legal requirements necessary to cause tax increment or other obligations to be issued by the Agency in compliance with the Redevelopment plan, the Act and other applicable laws of the State of Nevada. In addition, we will advise the Agency and others designated by the Agency concerning the limitations of the Internal Revenue Code of 1954, as amended, and applicable state statutes concerning the exemptions from federal and state income taxation of interest on such obligations.

In the event that the Agency shall determine to issue its tax increment or other obligations in connection with the Projects, this agreement contemplates that we will act as Bond Counsel to the Agency for such financings. As Bond Counsel to the Agency, we will undertake the preparation of all documents necessary to cause the bonds to be issued in accordance with law, including all resolutions of the Agency and any necessary trust indentures and other agreements to Provide security for the payment of the principal of, premium, if any, and interest on the bonds. In this capacity, we will also represent the Agency in discussions and negotiations with its investment bankers and the principal developers of real estate in connection with the projects, if requested by the Agency.

Assuming compliance with all necessary legal requirements, we will render an opinion to the Agency as to the validity and enforceability of any bonds or other obligations of the Agency, and as to the exemption from federal income taxation of interest payable thereon in those instances where interest on obligations of the Agency is exempt from such taxes.

In order to comply with applicable state and federal securities laws, it will be necessary to prepare an Official Statement or other appropriate disclosure document in those cases where the Agency determines to make a public offering of its obligations. The requirement of an Official Statement may be avoided where a private placement of the bonds is made on an investment letter basis. The purpose of the Official Statement is to set forth all of the significant aspects of the bonds and the transactions related thereto, as well as all significant risk factors involved in the purchase of the bonds. As part of our engagement, we will act as Disclosure counsel to the Agency in connection with the preparation of the Official Statement for the Agency. In such capacity, we will undertake the preparation of the Official Statement and we will advise the Agency and others concerning the information required to be set forth in the Official Statement.

Except as otherwise provided in the following paragraph, this Agreement contemplates that all fees and disbursements of our firm are contingent upon, and will be paid from the proceeds of, the sale of the bonds of the Agency at the time of the bond closing. The amount of our fees for work as Bond Counsel and Disclosure Counsel will vary according to the size and complexity of the transactions in question, and will be negotiated with the Agency at such time as the final structure of the financing is determined. In the event we are unable to reach agreement with the Agency at that time, we agree to accept a fee of $5,000 as full compensation for all work performed to date.

This Agreement may be modified only in writing, signed by the Agency and signed on behalf of our firm. This Agreement may be terminated by either party by written notice to the other party. In the event of a termination by the Agency for any reason other than (i) the mutual decision by the Agency, its financial advisor and our firm that a sale of the bonds should not be attempted, or (ii) the Agency is unsuccessful in marketing the bonds, the Agency agrees to pay the fees and disbursements incurred by our firm to the date of such written notice

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TO: City of Las Vegas Downtown
Redevelopment Agency
RE: Retainer Agreement
July 14, 1986
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upon receipt of a statement for such fees and costs. Upon such payment, copies of all files, documents, correspondence and other work in progress of our firm shall be promptly provided to the Agency. It is understood, that any decision to delay issuing the bonds does not constitute a reason (i) or (ii) above and that, in that event, our firm will continue to act as Bond Counsel, unless terminated by the Agency. This Agreement supercedes all previous written or oral understandings between our firm and the Agency as to the matters set forth herein.

If the foregoing proposal is acceptable to you, please indicate your acceptance by signing and returning a copy of this Agreement enclosed herewith.

Yours Sincerely,

KUTAK ROCK & CAMPBELL

By Gregory V. Johnson
Gregory V. Johnson
General Partner

ACCEPTANCE

Accepted this 22nd day of July, 1986.

CITY OF LAS VEGAS DOWNTOWN
REDEVELOPMENT AGENCY

By William H. Briare
Chairman

Approved 7-17-86

Attest:

Carol A. Hawley
Secretary