City of Las Vegas

REAL ESTATE COMMITTEE MEETING
CITY HALL, 400 EAST STEWART
8TH FLOOR CONFERENCE ROOM
TUESDAY, JULY 6, 1999
3:00 P.M.

REAL ESTATE COMMITTEE - COUNCILMEN REESE AND McDONALD

CALL TO ORDER:

ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

MINUTES: Approval of the Minutes of the Regular meeting of June 1, 1999.

NEW BUSINESS

1. Discussion and approval of the Second Amendment to Lease Agreement between the City of Las Vegas and On Time Productions in the Incubator Program at the Las Vegas Business Center

2. Discussion and approval of a Lease Agreement between the City of Las Vegas and Dee's Vocational and Rehabilitation Services in the Incubator Program at the Las Vegas Business Center

CITIZENS PARTICIPATION

ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISIONS OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A MATTER NOT LISTED ON THE AGENDA, PLEASE CLEARLY STATE YOUR NAME AND ADDRESS. IN CONSIDERATION OF OTHERS, AVOID REPETITION, AND LIMIT YOUR COMMENTS TO NO MORE THAN THREE (3) MINUTES. TO ENSURE ALL PERSONS EQUAL OPPORTUNITY TO SPEAK, EACH SUBJECT MATTER WILL BE LIMITED TO TEN (10) MINUTES.

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

Downtown Transportation Center, City Clerk's Board
Senior Citizens Center, 450 E. Bonanza
Clark County Government Center, 500 S. Grand Central Parkway
Court Clerk's Office Bulletin Board, City Hall Plaza
City Hall Plaza, Special Outside Posting Bulletin Board

26 ✓

AFFIDAVIT OF MAILING

(Mailing required under the provisions of NRS Chapter 241)

STATE OF NEVADA)
) ss
COUNTY OF CLARK)

Beverly K. Bridges, an employee of the City of Las Vegas, Nevada being first duly sworn, deposes and says that on the **29th** day of **June** , 1999, a copy of NOTICE, the attached of which is a true and correct copy of the Public Hearing - re: **Real Estate Committee Meeting** to be held on the 6**th** day of **July** 1999 was deposited in the United States Mail, Postage prepaid, First Class Mail, to each person and/or organization whose name appears on the list maintained in the Office of the City Clerk.

Beverly K Bridges

SIGNATURE

City Clerk
DEPARTMENT

VICKY DARLING
Notary Public - State of Nevada
Appointment Recorded in Clark County
My Appointment Expires 5-22-2002
94-0089-1

Subscribed and sworn to before me this

29 day of June, 1999

Vicky Darling
NOTARY PUBLIC in and for said County and State

AFFIDAVIT OF POSTING

(Posting required under the provisions of NRS Chapter 241)

STATE OF NEVADA)
) ss
COUNTY OF CLARK)

ANGELA CROLLI and GABRIELA S PORTILLO-BRENNER, employees of the City of Las Vegas, Nevada being first duly sworn, depose and say that on the day of 30th day of June, 1999, at the hour of 9 00 A M there were posted copies of a NOTICE, the attached of which is a true and correct copy of **the Regular Meeting of the Real Estate Committee** to be held on the 6th day of July, 1999, at 3 00 P M in the 8th Floor Conference Room, 400 E Stewart Avenue, Las Vegas, Nevada, to be posted on Public Bulletin Boards at the following locations

AC 1 On the City Clerk's Bulletin Board at the Downtown Transportation Center,

2 Senior Citizens Center, 450 E Bonanza Road (sent by fax for posting),

AC 3 On the Special Bulletin Board at the Plaza Level of City Hall, 400 E Stewart Avenue (near the entrance to the Court Clerk's Office),

AC 4 On the Special Bulletin Board at the Plaza Level of City Hall, 400 E. Stewart Avenue (in the walkway area between Metro and Municipal Court)

5 Clark County Government Center, 500 S Grand Central Parkway (sent by fax to the County Manager's Office for posting)

Angela Crolli   Gabriela S. Portillo-Brenner
SIGNATURE

City Clerk
DEPARTMENT

Subscribed and sworn to before me
this 30th day of June, 1999

Beverly K Bridges
NOTARY PUBLIC in and for
said County and State

Notary Public - State of Nevada
COUNTY OF CLARK
BEVERLY K. BRIDGES
No 93-4081-1
My Appointment Expires July 25, 2001

ANNOTATED MINUTES
REAL ESTATE COMMITTEE MEETING
CITY HALL, 400 EAST STEWART AVENUE
8TH FLOOR CONFERENCE ROOM
3:00 P.M.
TUESDAY, JULY 6, 1999

CALL TO ORDER: Councilman McDonald called the meeting to order at 3 12 p m

ATTENDANCE: Michael J McDonald, City Councilman
Terri Ponticello, Deputy City Attorney
David Roark, Manager, Real Estate & Asset Management
Jeffrey Maresh, Director, Office of Business Development

EXCUSED: Gary Reese, City Councilman

MIINUTES:

The Minutes of the Regular meeting of June 1, 1999, were approved by reference

(3 12)
1-9

1. DISCUSSION AND APPROVAL OF THE SECOND AMENDMENT TO LEASE AGREEMENT BETWEEN THE CITY OF LAS VEGAS AND ON TIME PRODUCTIONS IN THE INCUBATOR PROGRAM AT THE LAS VEGAS BUSINESS CENTER

Mr Roark requested the matter be stricken from the agenda

No one appeared in opposition

There was no discussion

Councilman McDonald stated the matter would be stricken.

(3 13)
1-8

2 DISCUSSION AND APPROVAL OF A LEASE AGREEMENT BETWEEN THE CITY OF LAS VEGAS AND DEE'S VOCATIONAL AND REHABILITATION SERVICES IN THE INCUBATOR PROGRAM AT THE LAS VEGAS BUSINESS CENTER

Mr Roark indicated that the subject company has been on the waiting list since March of 1998 Due to the move of the previous tenant to another suite, the subject tenant is able to move into Suite 9-A of the Incubator The lease will generate revenue in the amount of approximately $500 per month, a total of $12,000 over a maximum 24-month period He recommended approval

No one appeared in opposition

There was no further discussion

Councilman McDonald stated Item No. 2 would be forwarded to the Full Council with a "Do Pass" recommendation.

(3 13 - 3 14)
1-16

CITIZENS PARTICIPATION:

None.

(3·14)
1-44

ADJOURNMENT:

The meeting adjourned at 3:14 p m

/gpb

CITY OF LAS VEGAS

Date

July 6, 1999

INTER-OFFICE MEMORANDUM

TO: COUNCILMAN GARY REESE REAL ESTATE COMMITTEE	**FROM:** JEFF MARESH, DIRECTOR OFFICE OF BUSINESS DEVELOPMENT
SUBJECT: July 6, 1999, Real Estate Committee Agenda Item/Discussion and approval of the Second Amendment to Lease Agreement between the City of Las Vegas and On Time Productions in the Incubator Program at the Las Vegas Business Center	**COPIES TO:** MAYOR OSCAR B. GOODMAN COUNCILMAN MICHAEL J MCDONALD COUNCILMAN LARRY BROWN VIRGINIA VALENTINE STEVEN P. HOUCHENS JOHN MCNELLIS

BACKGROUND:

The Incubator Program at the Las Vegas Business Center has been a success since it first opened From the first day, all of the office units have been occupied and there has been a waiting list. In May, 1999, The Tax Wizards successfully graduated from the Incubator program and vacated Suite 14 On Time Productions ("Tenant") is one of the original tenants that occupied the Incubator when it opened March 2, 1998 and desires to move into Suite 14 so that it can hire an employee to help the business grow. Tenant will keep the suite open at least 75% of the business week.

FISCAL IMPACT:

There will be no fiscal impact

STAFF RECOMMENDATION:

Staff recommends approval of the Second Amendment to the Lease Agreement between the City of Las Vegas and On Time Productions in the Incubator Program at the Las Vegas Business Center.

SECOND AMENDMENT TO
Lease and Management Agreement
Las Vegas Business Center

THIS SECOND AMENDMENT TO LEASE AND MANAGEMENT AGREEMENT is made and entered into this ___day of ___________, 1999, by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada ("City"), and ON TIME PRODUCTIONS ("Tenant").

RECITALS

WHEREAS, the City and Tenant entered into a Lease and Management Agreement ("Agreement") dated February 23, 1998, for the lease of certain Premises at the Las Vegas Business Center; and

WHEREAS, the City and Tenant desire to change certain provisions of the Agreement concerning the term of tenancy, condition of premises and tenant improvements to the Premises.

NOW, THEREFORE, in consideration of the foregoing premises and covenant and conditions set forth herein, the City and Tenant agree to amend the Agreement as follows:

1. In Section 1, delete Sentence 1 and replace with the following:

> Subject to the provisions of this Agreement, City hereby leases to Tenant, and Tenant hereby leases from City, certain space within the Incubator commonly known as 1951 Stella Lake Street, Suite 14, Las Vegas, Nevada. Exhibit "A" attached.

Except as expressly set forth in this Second Amendment, all provisions of the Agreement shall remain valid and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Lease and Management Agreement as of the date first above written.

CITY OF LAS VEGAS

By:__________________________
OSCAR B. GOODMAN, Mayor

ATTEST:

____
BARBARA JO RONEMUS, City Clerk

APPROVED AS TO FORM:

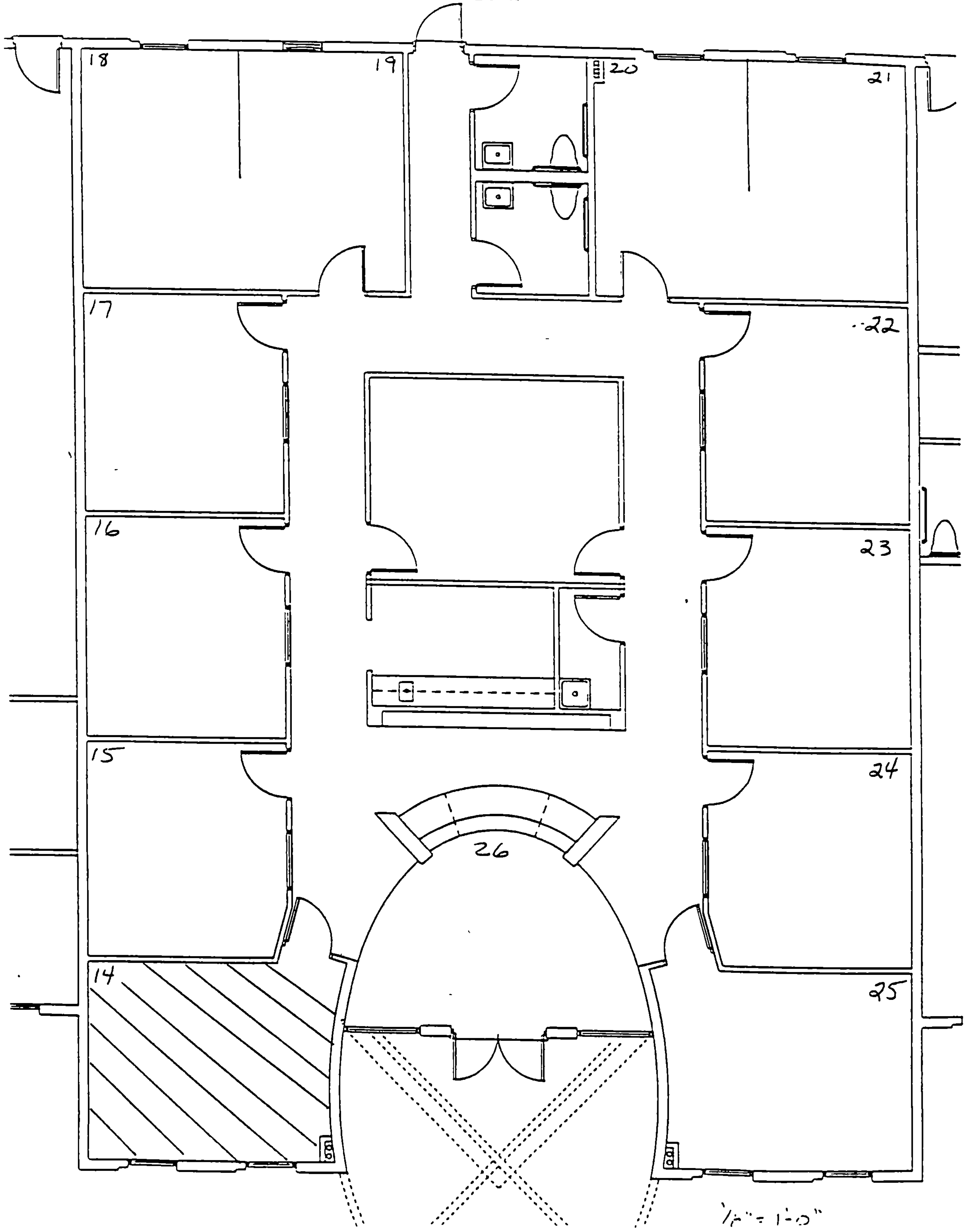
J. Ponticello 6/21/99
Date

APPROVED BY CITY COUNCIL_______________

ON TIME PRODUCTIONS

By: Janis Carter
JANIS CARTER, owner

LAS VEGAS BUSINESS CENTE
1951 Stella Lake St.
"Exhibit A"



CITY OF LAS VEGAS

INTER-OFFICE MEMORANDUM

Date

July 6, 1999

TO:

COUNCILMAN GARY REESE
REAL ESTATE COMMITTEE

FROM:

JEFF MARESH, DIRECTOR
OFFICE OF BUSINESS DEVELOPMENT

SUBJECT:

July 6, 1999, Real Estate Committee Agenda Item/Discussion and approval of a Lease Agreement between the City of Las Vegas and Dee's Vocational and Rehabilitation Services in the Incubator Program at the Las Vegas Business Center

COPIES TO:

MAYOR OSCAR B. GOODMAN
COUNCILMAN MICHAEL J. MCDONALD
COUNCILMAN LARRY BROWN
VIRGINIA VALENTINE
STEVEN P HOUCHENS
JOHN MCNELLIS

BACKGROUND:

The Incubator Program at the Las Vegas Business Center has been a success since it first opened on March 2, 1998 From the first day, all of the office units have been occupied and there has been a waiting list Due to the move of the previous tenant to Suite 23, Tenant is able to move into Suite 9-A of the Office #2 Incubator program. The above tenant, Dee's Vocational and Rehabilitation Services ("Tenant") has been on the waiting list since March, 1998

Tenant will occupy Suite 9-A, as shown on Exhibit "A" of the Lease Agreement. Tenant will provide vocational and rehabilitation related services, as well as tours and charters Tenant will be eligible for all other benefits enjoyed by other incubator tenants Tenant's Lease Agreement is on a month-to-month basis for a maximum period of 24 months.

FISCAL IMPACT:

The fiscal impact will be $12,000 over a 24 month period.

STAFF RECOMMENDATION:

Staff recommends approval of the Lease Agreement between the City of Las Vegas and Dee's Vocational and Rehabilitation Services in the Incubator Program at the Las Vegas Business Center

LEASE AND MANAGEMENT AGREEMENT

Las Vegas Incubator

THIS LEASE AND MANAGEMENT AGREEMENT (hereinafter "Agreement") entered into this ___ day of _________, 1999, by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada (hereinafter "City"), and DEE'S VOCATIONAL AND REHABILITATION SERVICES, a for-profit Nevada proprietorship (hereinafter "Tenant").

WITNESSETH:

WHEREAS, City is the owner of the Las Vegas Business Center ("Business Center"), located at 1951 Stella Lake Drive in Las Vegas, Nevada; and

WHEREAS, City has established the Las Vegas Incubator ("Incubator") within the Business Center to provide a supportive environment to improve the management skills of small and new businesses to stabilize them and provide for eventual expansion; and

WHEREAS, City proposes to improve the business environment to enhance the economic well-being of the community and provide employment opportunities for area residents who are of low to moderate income, and

WHEREAS, City desires to make available to Incubator Tenant ("Tenant"), by means of this Agreement, certain space within the Incubator on the terms and conditions set forth herein; and

WHEREAS, the Business Center was constructed in part with funds from the Economic Development Administration ("EDA") in the form of a grant (#07-01-03025), whose general and special purpose (hereinafter referred to as the purpose of the EDA grant") was to construct a light industrial/office building for multiple tenants in the Las Vegas Special Impact Area, and

WHEREAS, the Business Center was also constructed in part with funds from the U. S. Department of Housing and Urban Development ("HUD") Community Development Block Grant ("CDBG") as a capital improvement project; and

WHEREAS, the operations of the Incubator are being jointly funded through Business Center Program Income, a grant from Wells Fargo Bank, and a grant from the Southern Nevada Enterprise Community; and

WHEREAS, this Agreement is consistent with the purpose of the separate and various federal and private funds provided for that purpose.

NOW, THEREFORE, in consideration of the foregoing and the covenants and conditions set forth herein, the parties agree as follows:

1. AGREEMENT OF PREMISES

Subject to the provisions of this Agreement, City hereby leases to Tenant, and Tenant hereby leases from City, certain space within the Incubator commonly known as 1951 Stella Lake Drive, Suite 9A, Las Vegas, Nevada. The suite (hereinafter the "Premises") consists of approximately 100 square feet and its location and dimensions are shown particularly on the copy of the Floor Plan of the Business Center which is attached hereto as Exhibit "A" and incorporated herein by this reference Included in the Premises are. desk, executive chair, a guest chair, file cabinet, computer software and hardware, and telephone.

It is understood and agreed by Tenant that private offices will be available for rent only by tenants which will be occupied at least 75% of each work week either by the tenant or the tenant's employees or associates, with the exception of occasional vacations or business trips out of town. In the event that the office areas or cubicles will be occupied less than 75% of the work week as described earlier in this Section, then the Tenant will occupy shared or cubicle space.

2. TERM

Unless earlier terminated in accordance with the provisions of this Agreement, the term of this Agreement shall be on a month to month basis. The term shall begin on August 1, 1999 (the "Commencement Date") and shall end on July 31, 2001. In the event that either City or Tenant desires to terminate this Agreement, City (or its designated representative) or Tenant shall terminate this Agreement by providing fifteen (15) days notice without cause. Such notice will not negate the obligations of the Tenant to pay any rent that is due and payable for term that the Premises are occupied. However, under no circumstances, shall this Agreement exceed twenty-four months from the Commencement Date.

3. OBLIGATIONS OF THE CITY

City will provide the Premises and Services as detailed in this section. Services shall include·

a) all utilities,

b) basic telephone system;

c) staff support;

d) business counseling to Tenant or refer Tenant to persons with the needed business skills;

e) shared computer printer;

f) fax and copy machines;

g) limited reception services; and

h) a minimum of six free training seminars.

4. OBLIGATIONS OF THE TENANT

In exchange for the Rent and Services provided by this Agreement, Tenant agrees to the following:

a) Attend a minimum of six classes of business skill training during the first six months of occupancy, which training will be agreed by Tenant and City staff;

b) Develop a Business Plan by the end of the first year of occupancy,

c) Obtain a City of Las Vegas business license before commencement of this agreement;

d) Attend a "round table" discussion each month of related business topics established and designated by City in advance and with sufficient and proper notice;

e) Provide financial reports including a balance sheet, profit and loss statement, and cash flow analysis at the end of every quarter.

5. MINIMUM RENT

Tenant agrees to pay City at such place as City may designate, without prior demand therefor and without any deductions or setoff whatsoever, and as minimum monthly rent, the sum of Five Hundred Dollars and No/Hundredths ($500.00) in advance, on the first day of each calendar month of the Agreement. Tenant agrees to pay City, on July 1, 1999, the first full month's rent and, if the Commencement Date occurs on a day other than the first day of the month, additional rent for the initial fractional month prorated on a per diem basis. Rental payments made by Tenant to City may be by check or draft and are subject to collection. If payment of any rent by check or draft is dishonored upon presentation for payment, Tenant shall pay a Twenty-five and No/hundredths ($25.00) return check charge, which shall be payable to City, as additional rent, together with Tenant's next monthly rental payment. If the square footage of the Premises is increased or decreased by mutual written agreement during the term of this Agreement, the minimum rent shall be adjusted accordingly.

It is understood and agreed that the monthly rental payments may be paid to the City of Las Vegas on behalf of Tenant by the Southern Nevada Enterprise Community (SNEC) in accordance with the terms of the Interlocal Agreement between Clark County (Grantee Agency for the Southern Nevada Enterprise Community Program) and City of Las Vegas for State of Nevada Social Services Block Grant Title XX Grant Funds. In the event that the monthly rents are paid by SNEC, it shall be as follows:

Schedule	**Tenant**	**SNEC**
First six (6) months	$150.00	$350.00
Second six (6) months	$175.00	$325.00
Second twelve (12) months	$200.00	$300.00

It is understood that that the supplemental rent will be provided by SNEC because Tenant will provide rehabilitation and vocational services to one Enterprise Community resident for each month.

6. <u>NON-RELOCATION</u>

It is understood and agreed that 34% of the funds to reconstruct the Business Center were received by means of a grant from EDA. Sixty-six (66%) of the funds were received from the United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program. It is a condition of the EDA grant that the building on the Premises not be leased to a company which has relocated its facility from one commuting area to another. Tenant represents and warrants that it has not relocated its business facility from a location outside the Las Vegas Metropolitan Statistical Area ("Area") to the Business Center. Tenant agrees to comply with EDA policies concerning nonrelocation by furnishing to City, a "Employer's Certificate of Nonrelocation", the form of which is attached as Exhibit "B" and provided by the City.

This condition does not apply to businesses which:

(i) relocated to the Area prior to the date of the Tenant's application for Agreement;

(ii) have moved or will move into the Area primarily for reasons which have no connection to the Agreement of the Las Vegas Business Center;

(iii) will expand employment in the Area substantially beyond employment in the area in which the business had originally been located;

(iv) are relocating from technologically obsolete facilities to be competitive;

(v) are expanding into the Area by adding a branch, affiliate, or subsidiary while maintaining employment levels in the old areas; or

(vi) are determined by EDA to be exempt (13 CFR Section 316 4(b).

7. EMPLOYMENT

A. It is understood, acknowledged and agreed by Tenant that funds to reconstruct the Business Center were received from the EDA and the CDBG Program. Consistent with the requirements of those funding sources, Tenant agrees that it will implement a program to offer and provide jobs to persons of low and moderate incomes.

B In order for Tenant to comply with the requirements of subsection A of this Section 7, Tenant either must fill at least fifty-one percent (51%) of the job openings that are created after the Commencement Date of this Agreement with persons of low to moderate income, as defined by HUD regulations, or make openings available to such persons. In order to assure that the latter alternative is met, the requirement of special skills or education may not be used as a barrier to such openings, and first consideration for filling those openings must be accorded to low to moderate income persons. Tenant may, but is not required to, fulfill this requirement of "first consideration" through the use of a referral agency that has been approved by City as being capable of identifying and placing eligible persons, such as Nevada Business Services Tenant may fulfill its obligation under subsection A of this Section 7 by complying with alternative job creation plans that may be adopted and approved by City and the federal funding agencies described in said subsection.

C. In order to demonstrate compliance with this Section 7, Tenant shall, for each person who is hired or considered for hire, either obtain and keep on file for verification the necessary information about the person to determine low to moderate income status or otherwise document satisfaction of the requirements of this Section.

D. Tenant agrees to repay to City any costs which may be disallowed by City or the United States Government in connection with Tenant's failure to comply with the provisions of this Section 7.

8. CONDITION OF PREMISES

The Premises are leased to Tenant on an "as-is" basis, except that City warrants that the building complies with applicable building-related codes. City makes no other warranty concerning the Premises and shall have no obligation to construct any improvements other than those that presently exist.

9 RENT DEFINED

The terms "rent" and "rental" as used in this Agreement means the minimum rent as described in Section 5, any rental adjustment to reflect increases or decreases in the area of the Premises, any additional rents, any amounts to be reimbursed by Tenant and any and all other sums, no matter how designated, that are required to be paid by Tenant under this Agreement.

10. LATE CHARGES

In the event Tenant is delinquent in the payment of rent for a period in excess of ten (10) days, there shall be added to the rent a late charge equal to three percent (3%) of the monthly rent.

11. USE OF PREMISES

Tenant agrees to use the Premises solely for the purpose of conducting its business, which is expressly limited to services related to rehabilitation and vocational services, including Dee's Charter and Tours, both of which must be approved under the City Business License and duly licensed. Except as expressly consented to in writing by City, Tenant shall not use or permit the Premises to be used for any purpose, and shall not operate under any name, other than those which are set forth in this Section 11. In addition, Tenant agrees not to use the Premises or permit its use for any purpose that is inconsistent with the purpose of the EDA and CDBG grants. Tenant agrees to maintain Premises in good condition and to not use any nails, bolts, or any other materials to change the walls, floors, or any other portion of the Premises, without the written consent of City. In addition, Tenant agrees to not add any computer software or any other computer materials to the computer provided by the City without written consent of City. Tenant agrees to use reasonable caution and respect other Tenants' confidentiality when using shared equipment and space. Because the building was constructed with federal funds, Tenant agrees to maintain a drug free environment and will sign the Drug Free Certification, the form of which is attached hereto as Exhibit C.

12. LAWS, WASTE, NUISANCE

Tenant covenants that it:

A. Will not use or suffer or permit any persons or persons to use the Premises or any part thereof for conducting thereon any activity not authorized in this Agreement;
B. Will comply with all laws, ordinances, regulations and requirements, now in force or which hereafter may be in force, of any lawful governmental body or authority having jurisdiction over the Premises,
C. Will keep the Premises and every part thereof in a clean, neat and orderly condition, and will in all respects and at all times fully comply with all health and police regulations; and
D. Will not suffer, permit or commit any nuisance or waste.

13. CHANGES TO AND OPERATION OF BUSINESS CENTER

City reserves the right at all times to exercise reasonable control over, and from time to time to make changes, alterations or additions to, the Business Center. City shall endeavor to do so with a minimum of disruption to Tenant's rights under this Agreement. This Section does not diminish Tenant's right to seek any remedy available at law or in equity for injury or damage that Tenant may suffer because of City's alteration of the interior of the Premises

City shall maintain the structural components of the Business Center The structural components of the Business Center shall consist of the following: the foundations, bearing and exterior walls, the roof; the electrical, plumbing and sewage systems lying outside the Premises; gutters and downspouts and other structural improvements made by City to the building in which the Premises are located. If City is required to make structural repairs by reason of Tenant's negligent act or omission, Tenant shall pay City's cost for making such repairs within fifteen (15) days after presentation of a bill therefor. Failure of Tenant to do so shall constitute a default by Tenant hereunder. City's obligation of repair as provided for herein is expressly conditioned upon City's receipt of written notice, given in the manner set forth in Section 42, of the need for such repair City shall have no liability to Tenant based upon City's failure to repair in the absence of the notice hereby required to be given.

14. ALTERATIONS

Tenant shall not make or cause to be made to the Premises any alterations, additions or improvements, or install or cause to be installed any trade fixtures, exterior signs, floor coverings, interior or exterior lighting, plumbing fixtures, or shades or awnings, or make any other changes, without first obtaining City's written approval. Tenant shall present to the City plans and specifications for such work at the time approval is sought. In the event City consents to the making of any alterations, additions or improvements to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense. All such work with respect to any alterations, additions and changes shall be done in a good and workmanlike manner and diligently prosecuted to completion such that, except as absolutely necessary during the course of such work, the Premises shall at all times be a complete operating unit. Any such alterations, additions or changes shall be performed and done strictly in accordance with all laws, regulations and ordinances relating thereto. In performing the work of any such alterations, additions or changes, Tenant shall have the same performed in such a manner as not to obstruct access to any portion of the Premises or the Business Center. Any alterations, additions or improvements to the Premises including wall covering, paneling and built-in cabinet work, but excepting movable furniture and trade fixtures, shall at once become a part of the realty and shall be surrendered with the Premises and to become the property of City unless City otherwise elects at the end of the term hereof.

15. UTILITIES

City shall provide all utilities, including gas, electricity, water, sewer, and the basic telephone system. Tenant shall be responsible for and shall promptly pay all additional charges to the monthly telephone bills, such as second line or voice mail, in excess of the basic telephone system which is provided by the City, including long distance fax charges. City shall not be liable in the event of any interruption in the supply of any utility services to the Premises or Business Center except and unless said interruption is due City's negligence. Tenant agrees that it will not install any equipment which will exceed or overload the capacity of any utility facilities and that if any equipment installed by Tenant shall require additional utility facilities, the same shall be installed at Tenant's expense in accordance with plans and specifications previously approved in writing by City.

16. USE OF PARKING AND OTHER AREAS

In connection with its use of the Premises pursuant to this Agreement, Tenant is entitled to reasonable use of the parking lot for the Business Center under a revocable license. All facilities in or about the Business Center shall be subject to the exclusive control and management of City. City shall have the right to construct, maintain and operate lighting and other facilities on all said areas and improvements; to police the same; to change the area, level, location and arrangements of the parking area and other common facilities; to restrict parking by Tenants, their officers, agents, and employees; to close all or any portion of said areas or facilities to such extent as may be legally sufficient to prevent a dedication thereof or the accrual of any right to any person or the public therein; and to close temporarily all or any portion of the parking areas or facilities to discourage non-customer parking. City shall operate and maintain the parking area in such manner as City in its discretion shall determine. City shall have full right and authority to employ and discharge all its personnel with respect thereto, and shall have the right, through reasonable rules, regulations and/or restrictive covenants promulgated by it from time to time, to control use and operation of the parking area in order that the same may occur in a proper and orderly fashion No such rules, regulations or restrictive covenants may be enforced against Tenant unless notice thereof is first provided to Tenant.

17. TAXES

Subject to applicable exemptions from tax, Tenant shall be solely responsible for and shall pay before delinquency any and all taxes of any nature that may be levied, assessed or imposed upon the possession or use of the Premises or buildings, structures, improvements, personal property and other taxable interests located in or upon the Premises.

18. RESPONSIBILITY AND LIABILITY

Tenant will be financially responsible to City for liability or claims for damages or injury resulting from negligent or intentional acts or omissions by Tenant and its employees in connection with an occurrence upon the Premises during the term of this Agreement, and Tenant will resist and defend at its own expense any actions or proceeding brought against City by reason of such claims.

19. INSURANCE

Tenant agrees to procure and maintain, at its sole cost and expense by the end of the first year of this Agreement and any renewal period thereof, the following:

A Fire insurance and extended coverage insurance to cover the replacement cost of Tenant's improvements, trade fixtures, furnishings, equipment and all other personal property,

B. Workmen's compensation coverage as required by law, whether by self-insurance or otherwise.

C. General liability and property damage coverage with respect to the Premises with combined single limits of not less than $1,000,000 per person and per occurrence for bodily injury and a limit of not less than $1,000,000 per accident or occurrence for property damage. The liability coverage may be provided through self-insurance.

Tenant agrees that City shall be an additional named insured with respect to the property damage coverage described in subsection C of this Section 19. Tenant further agrees to deliver to City evidence of the coverages required herein no later than 30 days after the Commencement Date of the Second Year, August 1, 2000. The policy or policies that provide property damage coverage shall contain a provision that the insurer will not cancel or reduce the required coverage without first providing City at least 30 days' written notice

20. ACCESS TO PREMISES

City shall have the right to place, maintain and repair all utility equipment of any kind in, upon and under the Premises as may be necessary for the servicing of the Premises and other portions of the Business Center. City shall also have the right to enter the Premises upon reasonable notice to inspect or to exhibit the same to prospective purchasers, and Tenants, and to make such repairs, additions, alterations or improvements as City may deem desirable. During the two (2) months prior to the expiration of this Agreement, City may place upon the Premises signs indicating the availability of the Premises for Agreement, which Tenant shall permit to remain thereon.

City may enter the Premises at any time, without notice, in the event of an actual or believed emergency. City shall at all times have and retain a key with which to unlock all of the doors of the Premises, excluding Tenant's vaults and safes, and City shall have the right to use any and all means which City may deem proper to open said doors in an emergency in order to obtain entry to the Premises. Any entry to the Premises by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of the Premises, or an eviction of Tenant from the leased Premises or any portion thereof.

21. SURRENDER OF PREMISES

Upon expiration or other authorized termination of this Agreement, Tenant shall surrender the Premises in the same condition as they were in at the commencement of this Agreement, except for additions, alterations or changes specifically authorized by City and reasonable wear and tear, and shall deliver all keys to City. Before surrendering the Premises, Tenant shall remove all of its personal property and trade fixtures and such alterations or additions to the Premises made by Tenant as may be specified for removal by City, and shall repair any damage caused by such property or the removal thereof.

22. HOLDING OVER

There will be no holding over after the twenty-four month term. Prior to the end of the twenty-four month term, Tenant will receive a thirty (30) day notice to vacant on or before July 31, 2001.

23. SALE OF BUSINESS CENTER

City reserves the right at any time to sell, convey or otherwise transfer its interest in the Business Center or any portion thereof. In the event of a sale, conveyance or transfer of its interest (other than a transfer for purposes of creating a security interest), City must include, as part of the documents transferring its interest, a provision obligating its successor to honor City's obligations under this Agreement.

24. EMINENT DOMAIN

In case the whole of the Premises, or such part thereof as shall substantially interfere with Tenant's use and occupancy thereof, shall be taken by any lawful power or authority by exercise of the right of eminent domain, or sold to prevent such taking, either Party may terminate this Agreement effective as of the date possession is required to be surrendered to said authority. Tenant shall not because of such taking assert any claim against City or the taking authority for any compensation because of such taking, and City shall be entitled to receive the entire amount of any award without deduction for any estate or interest of Tenant. In the event the amount of property or the type of estate taken shall not substantially interfere with the conduct of Tenant's business, City shall be entitled to the entire amount of the award without deduction for any estate or interest of Tenant. In such event, City shall promptly proceed to restore the Premises to substantially their condition prior to such partial taking, and a proportionate allowance shall be made to Tenant for the rent corresponding to the time during which, and to the part of the Premises of which, Tenant is so deprived on account of such taking and restoration. Nothing contained in this Section 24 shall be deemed to give City any interest in, or prevent Tenant from seeking any award against the taking authority for, the taking of personal property and fixtures belonging to Tenant or for relocation expenses recoverable against the taking authority.

25. DAMAGE OR DESTRUCTION

A. Tenant shall give prompt notice to City in case of fire or accidents in or near the Premises or in the common areas.

B. If the Premises are partially damaged by fire or other casualty, City shall repair such damage at its cost, subject to City's option contained in subsection C of this Section, and rent shall be abated according to the part of the Premises which remains unusable by Tenant until such repairs are completed.

C. If the Business Center or common areas are substantially or totally destroyed, or if the Premises are damaged so extensively that they cannot, in City's opinion, be repaired within sixty (60) days after commencement of such repairs, or if City shall decide to rebuild the Business Center or common areas so that they will be substantially different structurally or architecturally, then either party, at its option and within thirty (30) days after such damage or destruction, may give the other party written notice thereof and this Agreement shall thereupon be canceled effective as of the date of the occurrence of such damage or destruction. If the Agreement is not canceled and City elects to repair and rebuild, this Agreement shall remain in effect and rent shall be abated in proportion to the part of the Premises which are unusable by Tenant

D. If any damage referred to in this Section 25 is due in whole or in part to the act, neglect, fault or omission of Tenant, there shall be no abatement of rent.

26. LIENS AND ENCUMBRANCES

Tenant agrees to keep the Premises and its interest therein free from liens and encumbrances. If any lien or other encumbrance is filed against the Premises or any part thereof by reason of Tenant's acts or omissions or because of a claim against Tenant, Tenant shall cause the same to be canceled and discharged of record by bond or otherwise within ten (10) days after notice by City. The failure of Tenant to obtain a cancellation or discharge of record by bond or otherwise as provided herein within the time limit hereby established shall constitute a default of the terms of this Agreement.

27. ASSIGNMENT AND SUBLETTING

Tenant shall not transfer, assign, delegate, mortgage or hypothecate this Agreement, in whole or in part, or permit the use of the Premises by any person or persons other than Tenant, or sublet the Premises, or any part thereof, without the prior written consent of City in each instance. In accordance with 13 C.F.R. Part 314, Tenant also agrees not to transfer, assign, delegate, mortgage or hypothecate this Agreement, in whole or in part, or sublet the Premises, in whole or in part, for any purpose, or with any effect, that is inconsistent with the purpose of the EDA and CDBG grants.

Any assignment or subletting without City's consent shall be voidable by City and shall constitute a default hereunder which, at the option of City, shall result in the termination of this Agreement or the exercise of City's other remedies hereunder, or both. Consent to any assignment or subletting shall not operate as a waiver of the necessity for consent to any subsequent assignment or subletting. The terms of any such consent shall be binding upon any persons holding by, under or through Tenant.

28. DEFAULT BY CITY

In the event City fails to fulfill any obligation under this Agreement, Tenant shall, before exercising any right or remedy available to it, give City written notice of the claimed breach, default or noncompliance, which City shall have the right to cure for the thirty (30) days following the giving of the notice. Subject to the provisions of Section 25 if City fails or refuses to make repairs or provide services which are required hereunder within thirty (30) days after receiving written notice from Tenant of the need therefor, Tenant may exercise any right or remedy available to it under Nevada law.

29. DEFAULT BY TENANT

A. Upon the occurrence of any of the following events, City shall have the remedies set forth in subsection B.

   1) Tenant's failure to pay any rental or any other sum due hereunder within thirty (30) days after the same shall be due.

   2) Tenant's failure to perform any other term, condition, or covenant to be performed by it pursuant to this Agreement within thirty (30) days after written notice of such default shall have been given to Tenant by City.

   3) The falsification by Tenant or its agents of any document required to be furnished to City hereunder.

B. Upon the occurrence of any of the events set forth in subsection A, City shall have the option to take any or all of the following actions, without further notice or demand of any kind to Tenant or any other person:

   1) Terminate this Agreement by written notice to Tenant. In the event of such termination, Tenant agrees to immediately surrender possession of the Premises.

   2) Seek damages and any other remedy, legal or equitable, available under Nevada law.

30. GOVERNING LAW

This Agreement shall be governed by and interpreted according to the laws of the State of Nevada.

31. NO PARTNERSHIP

City does not by this Agreement, in any way or for any purpose, become a partner or joint venturer of Tenant in the conduct of its business or otherwise.

32. FORCE MAJEURE

Each of the parties shall be excused for the period of any delay in the performance of any obligation hereunder when prevented from doing so by cause or causes beyond that party's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or services, or acts of God.

33. NO WAIVER

Failure of City to insist upon the strict performance of any provision or to exercise any option hereunder shall not be deemed a waiver of its right to do so in the future. No provision of this Agreement shall be deemed to have been waived by City unless such waiver is in writing

34. PARTIAL INVALIDITY

If any provision of this Agreement or the application thereof to any person or circumstances shall to any extent be invalid, the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by Law.

35. BROKER'S COMMISSIONS

Tenant represents and warrants that there are no claims against it for brokerage commissions or finder's fees in connection with this Agreement. If any such instances do occur, brokerage commissions or finder's fees will be paid entirely by the Tenant.

36. PROVISIONS BINDING

Except as otherwise provided, all provisions herein shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors and assigns. In the event of any sale or assignment (except for purpose of security or collateral) by City of the Business Center, the Premises or this Agreement, City shall, from and after the effective date thereof (irrespective of when such sale or assignment occurs), be entirely relieved of all of its obligations which shall, as of the time of such sale or assignment or on the effective date, whichever is later, automatically pass to City's successor in interest. The preceding sentence applies only if City's successor-in-interest is required by the transfer documents to honor City's obligations under this Agreement.

37. NON-DISCRIMINATION

City and Tenant each assures that the Premises are not segregated with respect to race, color, religion or national origin, and each agrees that it will not segregate or discriminate on such grounds with respect to public utilization of or access to the Premises. Tenant agrees to comply with EDA policies concerning nondiscrimination and civil rights by furnishing to City, for transmittal to EDA, a properly executed "Assurance of Compliance with Civil Rights and Other Legal Requirements" form and such other civil rights materials as EDA may require in order to analyze Tenant's civil rights posture and practices City agrees to provide Tenant with any forms that Tenant may be required to furnish hereunder.

38. ENTIRE AGREEMENT

This Agreement, including any exhibits and addenda attached hereto, set forth the entire agreement between the parties. All such exhibits and addenda mentioned in this Agreement are incorporated herein by reference. Any prior conversations or writings concerning the Agreement of the Premises are merged herein and extinguished. No amendment to this Agreement shall be binding upon City or Tenant unless reduced to writing and executed by the Parties and, in the case of the Tenant, executed with the same formality as attended Tenant's execution of this Agreement.

39. SUBMISSION OF THIS AGREEMENT

Submission of this Agreement for examination by Tenant does not constitute an option for the Premises and becomes effective as an Agreement only upon execution and delivery thereof by City to Tenant. If any provision contained in an amendment or addendum is inconsistent with a provision in the body of this Agreement, the provision contained in said amendment or addendum shall control. The captions and section numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe or describe the scope or intent of any section or paragraph.

40 AUTHORITY OF SIGNATORIES

Each signatory to this Agreement represents that he or she is duly authorized to execute and deliver the same on behalf of the entity for which he or she is signing and that this Agreement is binding upon said entity in accordance with its terms.

41. NOTICES

Any notice, demand, request, or other instrument which may be or is required to be given under this Agreement shall be delivered in person or sent by United States certified or registered mail, postage prepaid, and shall be sent to the following address:

If to the City:

City of Las Vegas
Attn: City Manager, c/o Director
Neighborhood Services Department
400 East Stewart Avenue,
Las Vegas, Nevada 89101

If to the Tenant:

Dee's Vocational and Rehabilitation Services
Doloris Wallace Douglas, owner
1951 Stella Lake Drive, Suite #9A
Las Vegas NV 89106

Either party may designate a different address by giving written notice to the other Party.

42. EDA APPROVAL OR WAIVER THEREOF

This Agreement shall not be binding on the parties or take effect until it has been approved by the Assistant Secretary of EDA or his designee, or until such approval has been waived in writing; provided, however, that if such approval or waiver is obtained, the Commencement Date of this Agreement shall be as set forth herein.

43. APPROVAL OR CONSENT BY CITY

Whenever the approval or consent of City is required by this Agreement, such approval or consent shall not be unreasonably withheld.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first set forth above.

CITY OF LAS VEGAS

By______________________________

OSCAR B.GOODMAN, Mayor

"CITY"

ATTEST:

____

BARBARA JO RONEMUS, City Clerk

APPROVED AS TO FORM J. Pontello 6/17/99

APPROVED BY CITY COUNCIL __________________

DEE'S VOCATIONAL AND REHABILITATION SERVICES

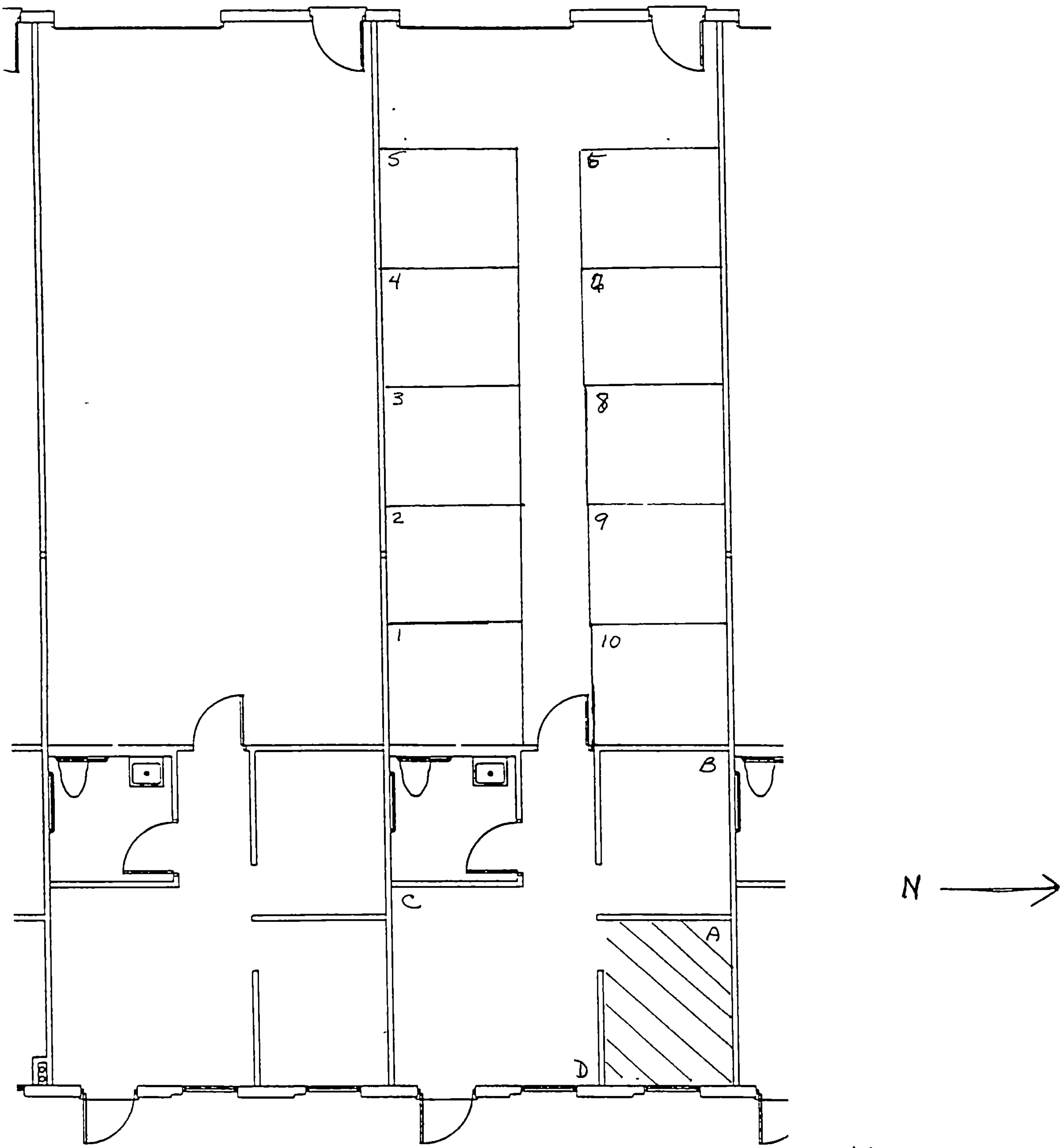
By Dolaris Wallace Douglas

DOLORIS WALLACE DOUGLAS, owner

"TENANT"

EXHIBIT "A"

LAS VEGAS BUSINESS CENTER
1951 STELLA LAKE ST., LAS VEGAS, NV 89106



SUITE "9"

1/8" = 1'-0"

Exhibit B

Employer's Certificate of Nonrelocation

I certify that I have not relocated my business from one commuting area to another. I have not relocated my business from a location outside the Las Vegas Metropolitan Statistical Area ("Area") to the Business Center. I agree to comply with EDA policies concerning nonrelocation by furnishing to City, on this Exhibit D, the "Employer's Certificate of Nonrelocation".

Approved EDA Exemptions from the Nonrelocation:

(i) relocated to the Area prior to the date of the applicant's application for Lease;

(ii) moved or will move into the Area primarily for reasons which have no connection to the Lease of the Las Vegas Business Center,

(iii) expand employment in Area substantially beyond employment in the area in which the business had originally been located,

(iv) relocating from technologically obsolete facilities to be competitive;

(v) expanding into the Area by adding a branch, affiliate, or subsidiary while maintaining employment levels in the old areas; or

(vi) determined by EDA to be exempt (13 CFR Section 316.4(b).

Dee's Vocational and Rehabilitation Services

Doloris Wallace Douglas, owner

Date 6-25-99

Exhibit C
Certification Regarding Drug-Free Requirements
City of Las Vegas
Certification

Tenant certifies that it will provide a drug-free workplace by:

1. Notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Premises and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing a drug-free awareness program to inform employees about:
   a. the dangers of drug abuse in the workplace;
   b. the Tenant's policy of maintaining a drug-free workplace;
   c any available drug counseling, rehabilitation, and employee assistance programs; and
   d the penalties that may be imposed upon employees for drug violations occurring in the workplace.
3. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will.
   a. abide by the terms of the statement; and
   b notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction,
4. Notifying the City within ten days after receiving notice under subparagraph 3b from an employee or otherwise receiving actual notice of such conviction;
5. Taking one of the following actions, within 30 days of receiving notice under subparagraph 3b with respect to any employee who is so convicted.
   a. taking appropriate personnel action against such an employee, up to and including termination; or
   b. requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency;
6. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5, and 6.

Dee's Vocational and Rehabilitation Services

Doloris Wallace Douglas

Doloris Wallace Douglas, owner