

City of Las Vegas Redevelopment Agency
Council Chambers • 400 Stewart Avenue
Phone - 229-6011 [Voice] 386-9108 [TDD]

MINUTES

Meeting of
MARCH 17, 2004
9:00 A.M.

(Following the morning session of the City Council Meeting)

Called To Order: 1:11 P.M.
Adjourned: 1:22 P.M.

REDEVELOPMENT AGENCY	PRESENT	ABSENT	EXCUSED
CHAIRMAN OSCAR B. GOODMAN	☒	☐	☐
MEMBER GARY REESE - VICE-CHAIRMAN	☒	☐	☐
MEMBER LARRY BROWN	☒	☐	☐
MEMBER LYNETTE BOGGS McDONALD	☒	☐	☐
MEMBER LAWRENCE WEEKLY	☒	☐	☐
MEMBER MICHAEL MACK	☒	☐	☐
MEMBER JANET MONCRIEF	☒	☐	☐
DOUG SELBY, EXECUTIVE DIRECTOR	☒	☐	☐
BRADFORD R. JERBIC, CITY ATTORNEY	☒	☐	☐
BARBARA JO RONEMUS, SECRETARY	☒	☐	☐

APPROVED BY REFERENCE: May 19, 2004

ATTEST:

SECRETARY

CHAIRMAN

27 ✓

City of Las Vegas

REDEVELOPMENT AGENCY MEETING
CITY HALL, 400 STEWART AVENUE
COUNCIL CHAMBERS

CITY OF LAS VEGAS INTERNET ADDRESS: <http://www.lasvegasnevada.gov>

WEDNESDAY, MARCH 17, 2004

9:00 A.M.

(Following Morning Session of the City Council Meeting)

ALL ITEMS ON THIS AGENDA ARE SCHEDULED FOR ACTION UNLESS SPECIFICALLY NOTED OTHERWISE.

THESE PROCEEDINGS ARE BEING PRESENTED LIVE ON KCLV, CABLE CHANNEL 2, AND ARE CLOSED CAPTIONED FOR OUR HEARING IMPAIRED VIEWERS. THE COUNCIL MEETING, AS WELL AS ALL OTHER KCLV PROGRAMMING, CAN BE VIEWED ON THE INTERNET AT www.kclv.tv. THE PROCEEDINGS WILL BE REBROADCAST ON KCLV CHANNEL 2 AND THE WEB THE WEDNESDAY OF THE MEETING AT 8:00 PM, AND ALSO ON FRIDAY AT 4:00 AM, SATURDAY AT 7:00 PM, SUNDAY AT 7:00 AM AND THE FOLLOWING MONDAY AT 1:00 PM.

- CALL TO ORDER
- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW
- 1. APPROVAL OF THE MINUTES BY REFERENCE FOR THE MEETING OF FEBRUARY 4, 2004
- 2. DISCUSSION AND POSSIBLE ACTION REGARDING A THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH EDMOND TOWN CENTER, LLC TO DEVELOP THE 11.1-ACRE SITE COMMONLY KNOWN AS SITE PARCEL B, LOCATED AT THE SOUTHWEST CORNER OF "H" STREET AND OWENS AVENUE, APN 139-28-503-024 - WARD 5 (WEEKLY)

CITIZEN PARTICIPATION: ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISION OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A REDEVELOPMENT AGENCY MATTER NOT LISTED ON THE AGENDA, PLEASE STEP UP TO THE PODIUM AND CLEARLY STATE YOUR NAME AND ADDRESS. PLEASE LIMIT YOUR REMARKS TO THOSE MATTERS UNDER THE EXPRESS JURISDICTION OF THE REDEVELOPMENT AGENCY. 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

Facilities are provided throughout City Hall for the convenience of disabled persons. Special equipment for the hearing impaired is available for use at meetings. If you need an accommodation to attend and participate in this meeting, please call the City Clerk's office at 229-6311 and advise of your need at least 48 hours in advance of the meeting. The City's TDD number is 386-9108.

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

City Hall Plaza, Special Outside Posting Bulletin Board
Court Clerk's Office Bulletin Board, City Hall Plaza
Las Vegas Library, 833 Las Vegas Boulevard North
Clark County Government Center, 500 So. Grand Central Parkway
Grant Sawyer Building, 555 E. Washington Avenue

AFFIDAVIT OF MAILING

(Mailing required under the provisions of NRS Chapter 241)

STATE OF NEVADA)

) ss

COUNTY OF CLARK)

Paula Clark, an employee of the City of Las Vegas, Nevada being first duly sworn, deposes and says that on the **11th** day of **March, 2004**, a copy of NOTICE, the attached of which is a true and correct copy of the Notice – re: **Redevelopment Agency Meeting** to be held on the **17th day of March, 2004**, 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.

Paula Clark

SIGNATURE

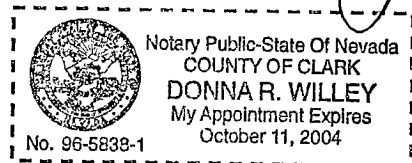
City Clerk

DEPARTMENT

Subscribed and sworn to before me this

15th day of March, 2004

Donna R. Willey
NOTARY PUBLIC in and for said County and State



STATE OF NEVADA)
) ss
COUNTY OF CLARK)

1. City Hall Plaza, Special Outside Posting Bulletin Board, 400 Stewart Avenue (in the walkway area between Metro and Municipal Court).
2. Court Clerk's Office Bulletin Board, City Hall Plaza, 400 Stewart Avenue (near the entrance to the Court Clerk's Office);
3. Las Vegas Library, 833 Las Vegas Blvd.
4. Clark County Government Center, 500 S. Grand Central Parkway
5. Grant Sawyer Building, 555 E. Washington Avenue

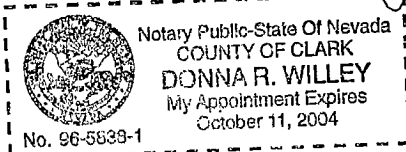
SIGNATURE

City Clerk
DEPARTMENT

Subscribed and sworn to before me this

15th day of March, 2004

Donald R. Willey
NOTARY PUBLIC in and for said County and State



REDEVELOPMENT AGENCY AGENDA
MEETING OF: MARCH 17, 2004

THESE PROCEEDINGS ARE BEING PRESENTED LIVE ON KCLV, CABLE CHANNEL 2, AND ARE CLOSED CAPTIONED FOR OUR HEARING IMPAIRED VIEWERS. THE COUNCIL MEETING, AS WELL AS ALL OTHER KCLV PROGRAMMING, CAN BE VIEWED ON THE INTERNET AT www.kclv.tv. THE PROCEEDINGS WILL BE REBROADCAST ON KCLV CHANNEL 2 AND THE WEB THE WEDNESDAY OF THE MEETING AT 8:00 PM, AND ALSO ON FRIDAY AT 4:00 AM, SATURDAY AT 7:00 PM, SUNDAY AT 7:00 AM AND THE FOLLOWING MONDAY AT 1:00 PM.

- CALL TO ORDER
- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

MINUTES:

CALLED TO ORDER BY CHAIRMAN GOODMAN AT 1:11 P.M.

PRESENT: CHAIRMAN GOODMAN and MEMBERS REESE, BROWN, L.B. McDONALD, WEEKLY, MACK (excused from the meeting until 1:13 p.m.), and MONCRIEF

ALSO PRESENT: DOUG SELBY, Executive Director, BRADFORD JERBIC, City Attorney, and BARBARA JO RONEMUS, Secretary

ANNOUNCEMENT MADE: Posted as follows:

City Hall Plaza, Posting Board

Court Clerk's Bulletin Board, City Hall

Las Vegas Library, 833 Las Vegas Boulevard North

Clark County Government Center, 500 S. Grand Central Pkwy.

Grant Sawyer Building, 555 E. Washington Avenue

(1:11)

3-2288

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: MARCH 17, 2004

DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT

DIRECTOR: IAIN VASEY, ACTING

SUBJECT:

APPROVAL OF THE MINUTES BY REFERENCE FOR THE MEETING OF FEBRUARY 4, 2004

MOTION:

REESE – APPROVED by Reference – UNANIMOUS with MACK excused

MINUTES:

Before going on to the next item, MAYOR GOODMAN thanked IAIN VASEY for his superb service to the City. Another entity recognized his talents and offered him a job. He is going to be working in Glendale, Arizona.

(1:11 – 1:13)

1-2296

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: MARCH 17, 2004

DEPARTMENT: BUSINESS DEVELOPMENT

DIRECTOR: IAIN VASEY, ACTING

SUBJECT:

DISCUSSION AND POSSIBLE ACTION REGARDING A THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH EDMOND TOWN CENTER, LLC TO DEVELOP THE 11.1-ACRE SITE COMMONLY KNOWN AS SITE PARCEL B, LOCATED AT THE SOUTHWEST CORNER OF "H" STREET AND OWENS AVENUE, APN 139-28-503-024 - WARD 5 (WEEKLY)

Fiscal Impact

☒	No Impact	Amount:
☐	Budget Funds Available	Dept./Division:
☐	Augmentation Required	Funding Source:

PURPOSE/BACKGROUND:

Pursuant to the amendment read into the Redevelopment Agency record on January 7, 2004, the Developer was required to close on its Development Loan by March 5, 2004, commence construction by March 12, 2004, and complete construction by March 12, 2005. In consideration of additional earnest money and pre-leasing progress of the Developer, this Third Amendment would extend these three deadlines by thirty days.

RECOMMENDATION:

Staff is seeking the direction of the Redevelopment Agency Board of Directors.

BACKUP DOCUMENTATION:

1. Site Map
 2. Disclosure of Principals
 3. Third Amendment to the Disposition and Development Agreement
- Submitted at the meeting: revised Third Amendment by Deputy City Attorney Teresita Ponticello

MOTION:

WEEKLY – APPROVED the revised Third Amendment – UNANIMOUS

MINUTES:

IAIN VASEY, Acting Director, Business Development, reported that at the 3/3/2004 Agency meeting, staff was directed to prepare an amendment to the Development agreement to allow an extension of 30 days. Subsequent to that meeting, a great deal of negotiation and discussion took place with the developer, the Council, and the City Attorney's office. New information has come to light, and the City Attorney's office is recommending another change. DEPUTY CITY ATTORNEY TERESITA PONTICELLO submitted a revised Third Amendment, which is made part of the record, and summarized the changes. The new Section 109.1 provides an extension by the Agency in

REDEVELOPMENT AGENCY MEETING OF MARCH 17, 2004

Business Development

Item 2 - DISCUSSION AND POSSIBLE ACTION REGARDING A THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH EDMOND TOWN CENTER, LLC TO DEVELOP THE 11.1-ACRE SITE COMMONLY KNOWN AS SITE PARCEL B, LOCATED AT THE SOUTHWEST CORNER OF "H" STREET AND OWENS AVENUE, APN 139-28-503-024 - WARD 5 (WEEKLY

MINUTES – Continued:

consideration of the developer's submittal of a non-refundable extension fee in the amount \$20,000. The amended schedule of performance will extend the time for closing on the development loan and commencing construction to 7/7/2004. Section 112, Subsection C reads that the developer and its affiliate lender, if they should fail to close on the development and fail to commence construction by 7/7/2004, the Agency shall be entitled to immediately record the interim Quit Claim Deed. In this regard the developer and the affiliate lender have waived their right to notice of default and their right of opportunity to cure. Section 2.119 provides that no notice of default will be going to the holder of the acquisition financing and that the holder shall waive its rights to notice of default and opportunity to cure. The affiliate lender will sign an amended consent and subordination agreement concurring with the terms of this Third Amendment, and that all parties will sign the amended irrevocable escrow instructions to reflect the terms of this Third Amendment. She recommended approval of the revised Third Amendment.

CHAIR GOODMAN confirmed the concurrence of DAVID SMITH, Edmond Town Center, who thanked DEPUTY CITY ATTORNEY PONTICELLO, MR. VASEY, and BILL ARENT for making this happen. He also appreciated the creative leadership of MEMBER WEEKLY.

MEMBER WEEKLY thanked MR. VASEY and DEPUTY CITY ATTORNEY PONTICELLO for interpreting his desires on this matter correctly and putting it in writing. He stood firm on his vision of development for this site.

TOM McGOWAN, Las Vegas resident, concurred with the amendment. In JOHN EDMOND'S defense, MR. McGOWAN stated that when MR. EDMOND spoke at a previous meeting about the surrounding community, he was referring to the people who burned down Nucleus Plaza, people who fired shots at the unarmed fireman who arrived to suppress the fire, and the people who burned down the Moulin Rouge.

(1:13 – 1:18)

3-2360

**CERTIFICATE - DISCLOSURE OF OWNERSHIP/PRINCIPALS
(CONTINUED)**

Block 1	Contracting Entity
Edmond Town Center, LLC	
Name	c/o Nucleus Investments, Inc.
Address	2810 W. Charleston, Suite 78H Las Vegas, NV 89102
Telephone	(702) 646-0220
EIN or DUNS	Pending

Block 2	Description
Subject Matter of Contract/Agreement:	
Transfer of Westland Plaza (Parcel A) (APN 139-28-503-014, -015, and -016)	
Transfer of Parcel B (APN 139-28-503-024)	
Assignment of Disposition and Development Agreement dated April 10, 2001	
RFP #:	

Block 3	Type of Business
☐ Individual ☐ Partnership ☒ Limited Liability Company ☐ Corporation	

Block 4	Disclosure of Ownership and Principals		
In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.			
	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	Nucleus Investments, Inc.	2810 W. Charleston, Suite 78H Las Vegas, NV 89102	(702) 646-0220
2.	WSA Westland Associates, LLC	100 Ring Road West Garden City, NY 11530	(516) 248-4920
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals - Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: 1

EXHIBIT 1
DISCLOSURE OF PRINCIPALS ADDENDUM
WSA WESTLAND ASSOCIATES, LLC

Full Name/Title	Business Address	Business Telephone
Achenbaum Family Partnership, LP	C/o WSA Management, Ltd. 100 Ring Rd. West Garden City, NY 11530	(516)248-4920
The 2002 Michael Achenbaum Grantor Trust	C/o WSA Management, Ltd. 100 Ring Rd. West Garden City, NY 11530	(516)248-4920
Arik Kislin	1384 Broadway, 22 nd Floor New York, NY 10018	(212)730-0100
1996 Rina Chernaya Trust Lubov Chernaya, Trustee	C/o Arik Kislin 1384 Broadway, 22 nd Floor New York, NY 10018	(212)730-0100
1996 Diana Chernaya Trust Lubov Chernaya, Trustee	C/o Arik Kislin 1384 Broadway, 22 nd Floor New York, NY 10018	(212)730-0100
1996 Elina Chernaya Trust Anna Tupikova Chernaya, Trustee	C/o Arik Kislin 1384 Broadway, 22 nd Floor New York, NY 10018	(212)730-0100
1996 Stephanie Chernaya Trust Anna Tupikova Chernaya, Trustee	C/o Arik Kislin 1384 Broadway, 22 nd Floor New York, NY 10018	(212)730-0100

Block 5 - Disclosure of Ownership and Principals - Alternate

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: Not applicable

Date of Attached Document: _____ Number of Pages: _____

I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

John Edmond
John Edmond Name

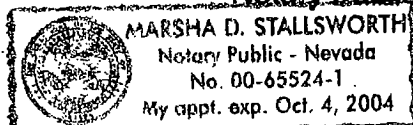
August 8, 2003

Date

Subscribed and sworn to before me this 11th
day of

August ~~2001~~ 2003

Marsha D. Stallsworth
Notary Public



**THIRD AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT
BETWEEN CITY OF LAS VEGAS REDEVELOPMENT AGENCY
AND EDMOND TOWN CENTER, LLC**

THIS THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT ("Third Amendment") is made and entered into this 17th day of March, 2004 by and between the CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a public agency corporate and politic in the State of Nevada ("Agency") and Edmond Town Center, LLC, a Delaware limited liability company ("New Developer").

RECITALS:

A. WHEREAS, the Agency and WLVD, LLC ("Original Developer"), entered into the Disposition and Development Agreement ("Agreement") dated April 18, 2001, for the development of a 75,000 square foot retail shopping center (the "Project"), to be located in the Redevelopment Area of downtown Las Vegas at the Southwest corner of "H" Street and Owens Avenue, (the "Site"); and

B. WHEREAS, the Original Developer assigned all rights, title, and interest in the Agreement to Nucleus Plaza, Inc. through an Agreement to Assign dated July 30, 2001, and whereby such Agreement to Assign was approved by the Agency on November 7, 2001; and

C. WHEREAS, Nucleus Plaza, Inc. formally amended its corporate name to Nucleus Investments, Inc., ("Prior Developer") per a Certificate of Amendment filed with the Nevada Secretary of State Office on October 8, 2001; and

D. WHEREAS, the Current Developer received title to the Site by way of the Grant, Bargain and Sale Deed recorded in the Official Records of the Office of the Recorder, County of Clark, on November 13, 2001, as Instrument No. 00719, Book No. 20011113, (the "Grant, Bargain, and Sale Deed") which contains a reversionary clause allowing the Agency the right to reenter and repossess the site subject to any mortgage, deed of trust, or security instrument permitted by the Agreement; and

E. WHEREAS, the Agency and the Prior Developer entered into the First Amendment to Disposition and Development Agreement on May 1, 2002, in order to extend the performance deadlines contained in the Agreement; and

F. WHEREAS, the Prior Developer and Edmond Town Center, LLC, a Delaware Limited Liability Company and assignee to the Agreement and Site ("New Developer", and/or the "Developer"), and the Agency entered into the Second Amendment to the Disposition and Development Agreement ("Second Amendment") on September 3, 2003, in order to specify new equity partners and define such partners' contributions and interests in the Project;

G. WHEREAS, the New Developer represented at the time of executing the Second Amendment that it had the financial capacity to complete the Project, and own the Project for five years following the completion of construction ("Permanent Holding Period"), as further defined in the Second Amendment; and

H. WHEREAS, the New Developer has closed on the purchase of property adjacent to the Site, commonly known as Westland Plaza (Assessor's Parcel Nos. 139-28-503-014, 139-28-503-015, and 139-28-503-016) ("Westland Plaza") through its own equity with financing provided by an affiliate of WSA (the "Affiliate Lender") as described more particularly in the Second Amendment; and

I. WHEREAS, the Agency desires to maintain its right to reentry and repossession of the Site, as stated in the Agreement, until the Developer reasonably demonstrates that it has the financing in place to construct the Project; and

J. WHEREAS, the Developer has requested in writing per its letter to the Agency dated March 2, 2004, an additional sixty (60) calendar days to achieve additional leases necessary to close on a Development Loan from its Lender; and

K. WHEREAS, the Developer and Agency, in consideration of an extension fee as described more fully hereinafter, mutually desire to extend to July 7, 2004: the deadline to close on the Commitment, the deadline to resume construction activity of the Project, and the deadline to complete construction of the Project, as more particularly described hereinafter;

NOW, THEREFORE, for and in consideration of the mutual agreement contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Agency and New Developer agree that the Agreement, First Amendment and Second Amendment shall be amended as follows:

1. **Attachment "B" – Schedule of Performance**

Attachment "B-2", as described in the Second Amendment and entitled "Second Amended Schedule of Performance" shall be deleted and replaced with the attached Attachment "B-3" entitled "Third Amended Schedule of Performance." Developer acknowledges and warrants that this Schedule of Performance has been reviewed by Whiting-Turner Contracting Company and represents a current construction and development schedule which can be accomplished by the Developer.

2. **Provision of Construction Financing Commitment**

Nucleus Investments, Inc., a member of the Developer, previously provided a construction financing commitment letter dated October 22, 2001 ("Commitment") from Whiting-Turner Contracting Company, which the Agency approved. In consideration of the Agency's allowance and acceptance of a construction lender other than Whiting-Turner Contracting Company, the Developer agrees to submit a substitute construction commitment

letter for the Development Loan ("Substitute Commitment"), containing all items required of the Commitment as identified in Section §111, items "a" through "f" inclusive.

Agency acknowledges that the Developer has provided the Agency with an executed preliminary term sheet ("Term Sheet"), which is dated October 1, 2003 and which was submitted to Credit Lyonnais New York Branch. Any deviation in the terms outlined in the Term Sheet must be approved in writing by the Agency, whereby such approval from the Agency will not be unreasonably withheld. The Developer warrants that this Term Sheet, or a term sheet reasonably similar to the Term Sheet for which the Agency will accept in writing, represents the terms and conditions required for closing on the Development Loan according to the Schedule of Performance listed in Attachment "B-3."

3. Section §109.1 is added to the Agreement and shall read as follows:

[§109.1] Extension Fee

In consideration of the Agency extending: (1) the deadline to achieve and close on the Development Loan to July 7, 2004; and, (2) the deadline to commence construction of the Development to July 7, 2004, the Developer hereby submits a nonrefundable extension fee in the amount of Twenty Thousand and no/100 Dollars (\$20,000.00) payable to the Agency ("Extension Fee"). The extended performance deadlines are described more particularly in the Third Amended Schedule of Performance, Attachment "B-3".

4. Section §112, subsection c is hereby amended to read as follows:

[§ 112] Agency's Requirements

c. Developer and Agency acknowledge that Developer has executed a quitclaim deed ("Interim Quitclaim Deed") which has been delivered to First American Title Company of Nevada. The Interim Quitclaim Deed shall continue to be held by First American Title Company of Nevada (or a Nevada title company mutually acceptable to Agency, Developer, and Affiliate Lender) (the "Escrow Holder") with a set of amended irrevocable escrow instructions, ("Amended Quitclaim Escrow Instructions") the form for which is attached as Attachment "L-1" and by this reference is made a part hereof. As more particularly described therein, the Amended Quitclaim Escrow Instructions specify that:

- (i) if the Developer or its Affiliate Lender fails to close on the Development Loan and commence and resume construction of the Development by July 7, 2004, the Agency shall be entitled to instruct the Escrow Holder to immediately record the Interim Quitclaim Deed. The Developer hereby specifically waives its rights or remedies to the thirty (30) days written notice of default

and an opportunity to cure as set forth in Section 401. The Affiliate Lender further consents to waive its rights and remedies to the written notice of default and opportunity to cure as set forth in Section 219;

- (ii) if the Interim Quitclaim Deed has not been recorded prior to closing of the Development Loan, it shall be returned to the Developer upon the Developer closing on the Development Loan and commencing construction of the Development pursuant to the Amended Irrevocable Escrow Instructions.

5. **Section 219 is amended to read in full as follows:**

[§219] Notice of Default to Mortgage, Deed of Trust or Other Security Interest Holders; Right to Cure

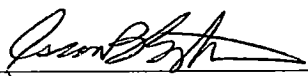
Except as set forth in Section 112 subsection c(i) and in this section, whenever the Agency shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer under this Agreement, the Agency shall at the same time deliver a copy of such notice or demand to each holder of record of any mortgage, deed of trust or other security interest authorized by this Agreement who has previously made a written request to the Agency therefore. The Agency shall not exercise or enforce any of its remedies under this Agreement if such holder shall have, within ninety (90) calendar days after receipt of this notice, cured or remedied the breach or default, or if such breach or default is not reasonably susceptible to cure within such ninety (90) day period, shall have commenced such cure or remedy and thereafter shall diligently pursue such cure or remedy to completion, including obtaining possession of the Site if such possession is reasonably required to effect such cure or remedy; *provided, however, that if the default consists of the failure of Developer to close on the Development Loan and the failure of the Developer to commence construction of the Development as provided in the Schedule of Performance, the holder of the Acquisition Financing agrees to waive its right and remedies to the notice of default and the right to cure or remedy a breach or default under this Section 219.* In the event there is more than one such holder, the right to cure or remedy a breach or default of the Developer under this Section 219 shall be exercised by the holder first in priority or as the holders may otherwise agree among themselves. Any such holder properly completing the improvements shall be entitled, upon written request made to the Agency, to a Certificate of Completion from the Agency. Anything to the contrary notwithstanding, a default or breach by Developer, and/or a notice of default or breach by Agency to Developer shall in no way impair or hinder the holder's priority or security interest represented by holder's mortgage, deed of trust or other security interest.

6. **Affiliate Lender Amended Consent and Subordination.** The Affiliate Lender agrees to execute an Amended Consent and Subordination, the form for which is attached as "Attachment M-1," which provides for its consent to this Third Amendment.

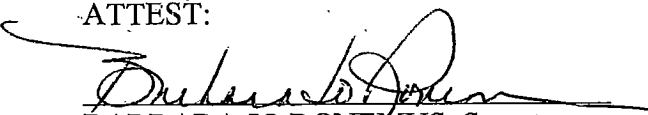
7. **No Other Amendments.** Except as expressly set forth in this Third Amendment, all provisions of the DDA, the First Amendment and the Second Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the Agency and Developer have caused this Third Amendment to be executed by their respective representatives thereunto duly authorized as of the date first written above.

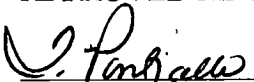
CITY OF LAS VEGAS REDEVELOPMENT
AGENCY

By: 
OSCAR B. GOODMAN, Chairperson
"Agency"

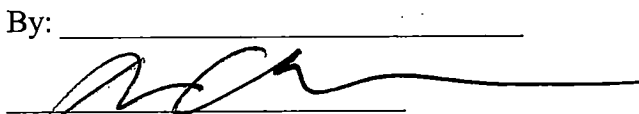
ATTEST:


BARBARA JO RONEMUS, Secretary

APPROVED AS TO FORM:

 3/26/04
Date

EDMOND TOWN CENTER, LLC
A Delaware Limited Liability Company

By: 
Manager/Managing Member

"Developer"

ACKNOWLEDGMENTS

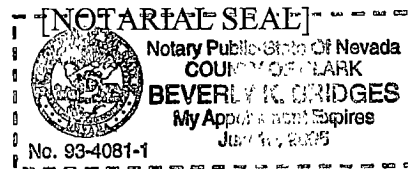
STATE OF NEVADA)
) ss:
COUNTY OF CLARK)

The foregoing instrument was acknowledged before me this 25th day of May, 2004, by Oscar B. Goodman, as Chairperson of the City of Las Vegas Redevelopment Agency.

Sign Name: Beverly K. Bridges
Notary Public

Print Name: BEVERLY K. BRIDGES

My Commission Expires: 7-10-2005



NEW YORK
STATE OF NEVADA)
) ss:
NASSAU
COUNTY OF CLARK)

The foregoing instrument was acknowledged before me this 2nd day of April, 2004, by William M. Kochan as Manager/Managing Member of Edmond Town Center, LLC, a Delaware Limited Liability Company.

Sign Name: Elizabeth M. Kochan
Notary Public

Print Name: ELIZABETH M. KOCHAN

[NOTARIAL SEAL]

My Commission Expires: 12/23/05

ELIZABETH M. KOCHAN
Notary Public, State of New York
No. 4990104
Qualified in Nassau County
Commission Expires Dec. 23, 2005

**ATTACHMENT B-3
THIRD AMENDED SCHEDULE OF PERFORMANCE**

<u>Action</u>	<u>Date</u>
1. <u>Execution and Delivery of Agreement.</u> Developer shall execute and deliver this Agreement to the Agency.	Completed
2. <u>Submission – Developer’s Good Faith Deposit.</u> The Developer shall deliver to the Agency a Good Faith Deposit of \$50,000.	Completed
3. <u>Execution of Agreement by Agency.</u> The Agency shall hold a public hearing to authorize execution of this Agreement and, if so authorized, shall execute and deliver this Agreement to the Developer.	Completed
4. <u>Execution and Delivery of Escrow Instructions.</u> The Agency and Developer shall execute and deliver Escrow Instructions to Escrow Agency.	Completed
5. <u>Delivery of the Reports.</u> Agency shall deliver the Reports as defined in Section 126 to the Developer.	Completed
6. <u>Delivery of the Title Report.</u> Escrow Agent shall deliver the Title Report.	Completed
7. <u>Approval of Title Report.</u> Developer shall approve the Title Report.	Completed
8. <u>Environmental Contingency.</u> Agency shall conduct Environmental Phase I study and proceed to place the Site in compliance with Section 119.	Completed
9. <u>Commencement of Relocation of Existing Tenants on Site.</u>	Completed
10. <u>Commencement of Demolition, Abatement and Excavation by Agency.</u> The Agency shall commence work in accordance with Sections 116 and 119.	Completed
11. <u>Completion of Demolition, Abatement and Excavation by Agency.</u>	Completed

<u>Action</u>	<u>Date</u>
12. <u>Submission of Developer's Firm Evidence of Financing (the "Commitment")</u> . The Developer shall submit to the Agency for review and approval Firm and Binding Evidence for the Site from a lending institution of its choice pursuant to Section 111.	Completed
13. <u>Approval of Commitment</u> . The Agency shall approve or disapprove the Commitment for the Site.	Completed
14. <u>Site Closing</u> .	Completed
15. <u>City and Other Governmental Permits</u> . The Agency shall assist the Developer in obtaining all necessary permits and in meeting all regulatory requirements associated with development of the Site.	Completed
16. <u>Submission – Certificates of Insurance</u> . The Developer shall furnish to the Agency duplicate originals or appropriate certificates of bodily injury and property damage insurance and such other insurance as required in Section 208 herein for the Development.	Completed
17. <u>Submission of Evidence of Firm Bids or Actual Construction Contracts for Construction of the Site</u> . The Developer shall submit evidence of firm bids or actual construction contracts for the construction of the Site Development.	Completed
18. <u>Commencement of Construction</u> . The Developer shall begin construction of the Site Development.	Completed.
19. <u>Submission of Term Sheet for Substitute Commitment</u> . In consideration of the Agency's allowance and acceptance of a construction lender other than Whiting-Turner Contracting Company, the Developer agrees to submit a term sheet for a substitute construction commitment letter for the Development Loan ("Substitute Commitment"), containing all items required of the Commitment as identified in Section §111, items "a" through "f" inclusive, executed by the proposed Lender of the Development Loan.	Completed.
20. <u>Agency Approval of Substitute Commitment</u> . The Agency shall have ten (10) days following submission of the executed term sheet for the Substitute Commitment, to approve or disapprove the Substitute Commitment for the Site. Failure of the Agency to respond in writing within ten (10) days shall constitute approval of the Substitute Commitment.	Completed.

<u>Action</u>	<u>Date</u>
21. <u>Submission of revised construction schedule from Whiting-Turner Contracting Company.</u> The Developer shall submit a revised construction schedule from Whiting-Turner Contracting Company showing, at a minimum, the following construction milestones: the placement (underground) of utilities in building footprint; pouring of slab on grade; framing of walls and roof; EIFS; installation of site utilities and building connections; electrical installation; paving of parking lot; and irrigation and landscaping installation.	No later than July 7, 2004.
22. <u>Verbal Update to Agency Board to demonstrate progress on the Site Development.</u> The Developer, or a representative of the Developer, shall present a written and verbal report on the construction of the Development. This shall be for sharing information only, and no specific action of the Agency or Developer shall be required at such meetings.	November 19, 2003, and every month thereafter on the Agency's second monthly board meeting (Third Wednesday of each calendar month), until completion of the Site Development.
23. <u>Developer's submission of nonrefundable extension fee to the Agency.</u> The Developer shall submit an to the Agency \$20,000 cash or cash equivalent, which shall be nonrefundable and be deemed an extension fee.	On or prior to March 17, 2004.
24. <u>Closing of the Development Loan.</u> The Developer will close escrow for the Development Loan, as evidenced by the recordation of a promissory note and any related security instrument documents thereto.	No later than July 7, 2004.
25. <u>Resuming of Construction Activity on Site.</u> The Developer shall resume construction of the Site Development, as evidenced by the pouring of slab (foundation) on grade for the Site Development.	No later than July 7, 2004.
26. <u>Return of Agency's Quitclaim Deed and accompanying Escrow Instructions to the Developer.</u> The Agency shall release its right to re-enter and recapture the Site from the Developer and instruct the title company to return the Quitclaim Deed and accompanying Escrow Instructions, to the Developer in order to allow the Developer to close on the Development Loan.	Concurrent with both (1) the Developer's Closing of the Development Loan and (2) the Developer's Resuming of Construction Activity on the Site.

Action

Date

27. **Completion of Construction.** *The Developer shall complete construction of the Site Development, as evidenced by the Agency's delivery of the Certificate of Completion to the Developer upon achieving a certificate of occupancy for the Site Development.*
28. **Return of One Half of Developer's Total Good Faith Deposit.**
The Agency shall return one half of the Total Good Faith Deposit to the Developer upon the completion of construction as documented by the Agency's executed Certificate of Completion.
29. **Return of Remainder of Developer's Total Good Faith Deposit.**
The Agency shall return the remaining balance of the Developer's Total Good Faith Deposit
- No later than July 7, 2005.
- Within thirty (30) calendar days after the recordation of the Certificate of Completion for the Site.
- Within thirty (30) calendar days of the earlier of: (i) the expiration of the Permanent Holding Period (five years following recordation of the Certificate of Completion for the Site), or (ii) transfer of the Site in a conveyance approved by the Agency as provided in Section 215.

ATTACHMENT "L-1"
AMENDED IRREVOCABLE ESCROW INSTRUCTIONS

March _____, 2004

First American Title Company of Nevada
9960 West Cheyenne Avenue, Suite 240
Las Vegas, Nevada 89129
Attention: Melanie Babbitt, Escrow Officer

Re: Escrow No. _____

Dear Sir or Madam:

Edmond Town Center, LC, a Delaware limited liability company, is the "New Developer" and CK Hudson Investment LLC Series 2, a Delaware limited liability company is the "Affiliate Lender" under that certain Disposition and Development Agreement dated April 10, 2001, as amended May 1, 2002, by a Second Amendment dated September 17, 2003 and by a Third Amendment of even date herewith (collectively, the "DDA"), with the City of Las Vegas Redevelopment Agency (the "Agency"), the other party to these instructions, providing for conveyance of a certain parcel of real property (the "Site").

The Site is the subject of this escrow and is described in the accompanying quitclaim deed (the "Quitclaim Deed").

Section 112 of the Second Amendment provides that, at the time of conveyance of the Site to the New Developer, the Quitclaim Deed will be delivered to you together with irrevocable escrow instructions for the purpose of instructing you as to the disposition of the accompanying Quitclaim Deed.

In the event that you receive from the Agency notice: (i) certifying that a copy of such action has been delivered concurrently to the New Developer, (ii) stating that the Agency is entitled to have the Quitclaim Deed recorded under Section 112 of the DDA, and (iii) accompanied by satisfactory evidence that any mortgage other than a mortgage from the Affiliate Lender existing thereon has been discharged or by funds sufficient to discharge such mortgage, you shall after receipt of said notice immediately record the Quitclaim Deed. The Affiliate Lender acknowledges that any mortgage, deed of trust, or similar security instrument which is received from the New Developer for security of its Acquisition Financing (as defined in the DDA therein) shall be subordinate to the accompanying Quitclaim Deed.

The undersigned, jointly and severally, and each of us to the extent that we may lawfully do so and to the extent of unencumbered, budgeted appropriations, hereby agree to defend, indemnify, and hold you harmless from any liability whatsoever, including attorneys' fees arising out of your carrying out these instructions.

In the event that you receive notice from the New Developer, or the Affiliate Lender, certifying that a copy of the notice has been delivered concurrently to the Agency and stating that the new Developer or the Affiliate Lender has secured and closed on the Development Loan and commenced construction of the Development as provided in the DDA, you shall at the end of thirty (30) days after receipt of said notice return the Quitclaim Deed to the New Developer, unless during the thirty (30) day period, the Agency objects on the basis that neither the new Developer nor the Affiliate Lender has closed on the Development Loan or commenced construction of the Development pursuant to the DDA.

In the event that you are advised by both parties hereto that the Agency's power of termination with respect to the Site has ended, you will forthwith return the Quitclaim Deed to the New Developer or Affiliate Lender.

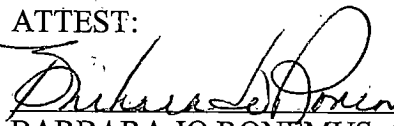
These instructions may not be withdrawn or in any way amended, modified, or waived without the prior written consent of all parties hereto.

Please indicate your acceptance of, and agreement to carry out these instructions as indicated below.

CITY OF LAS VEGAS REDEVELOPMENT
AGENCY

By: 
OSCAR B. GOODMAN, Mayor

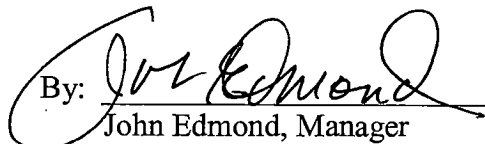
ATTEST:


BARBARA JO RONEMUS, City Clerk

Approved as to form:

 6/14/04
Date

EDMOND TOWN CENTER, LLC,
a Delaware limited liability company

By: 
John Edmond, Manager

AFFILIATE LENDER

CK Hudson Investment LLC Series 2,
a Delaware limited liability company

By: Ela Kislin

First American Title Company of Nevada hereby accepts and agrees to carry out these
escrow instructions.

FIRST AMERICAN TITLE COMPANY OF NEVADA

By: _____
Print Name: _____

ATTACHMENT M-1
AMENDED CONSENT AND SUBORDINATION

The undersigned, CK Hudson Investment LLC Series 2, a Delaware limited liability company hereby:

1. Consents to the foregoing Third Amendment;

2. Agrees to waive its right and remedies as the Affiliate Lender and beneficiary of any deed of trust or other security instrument securing the Acquisition Financing to the notice of default and opportunity to cure set forth in Section 219 of the Disposition and Development Agreement and further agrees that its rights shall be subject and subordinate to the rights of the Agency as provided in the Disposition and Development Agreement, as amended, including the rights of the Agency in connection with the Interim Quitclaim Deed as provided in Section 112;

3. Agrees that the provisions of the Consent and Subordination dated _____ shall remain valid and in full force and effect.

✓ Dated: _____

CK Hudson Investment LLC Series 2

✓ By: Ela Kislin

Its: Member

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: MARCH 17, 2004

CITIZEN PARTICIPATION: ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISION OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A REDEVELOPMENT AGENCY MATTER NOT LISTED ON THE AGENDA, PLEASE STEP UP TO THE PODIUM AND CLEARLY STATE YOUR NAME AND ADDRESS. PLEASE LIMIT YOUR REMARKS TO THOSE MATTERS UNDER THE EXPRESS JURISDICTION OF THE REDEVELOPMENT AGENCY. 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.

MINUTES:

TOM McGOWAN, Las Vegas resident, concurred with CHAIR GOODMAN'S comments about IAIN VASEY. He commended MEMBER WEEKLY for his efforts in the Edmond Town Center matter. He requested a meeting with MEMBER WEEKLY.

(1:18 – 1:19)

3-2626

DAN CONTRERAS, Bonanza Village resident, showed a picture of the vacant VA Hospital in his neighborhood and expressed concern about Item 139 on that afternoon's portion of the Council meeting. It is rumored that the VA Hospital is being considered for the mental hospital if Item 139 is denied. He urged the Members to consider West Las Vegas residents, who already have to deal with homeless shelters and the drug treatment center.

(1:19 – 1:22)

3-2678

TODD FARLOW, 240 N. 19th Street, stressed that the wait on the L'Octaine project was well worth it. It is looking fabulous.

(1:22)

3-2784

THE MEETING ADJOURNED AT 1:22 P.M.

Respectfully submitted:


GABRIELA S. PORTILLO-BRENNER, DEPUTY CITY CLERK

March 26, 2004


Barbara Jo Ronemus, Secretary