

Summary — a resolution reducing the interest rate on certain assessments in the City of Las Vegas, Nevada Special Improvement District No. 404 (Summerlin Area)

RESOLUTION NO. R-26-99

A RESOLUTION REDUCING THE INTEREST RATE ON CERTAIN ASSESSMENTS IN THE CITY OF LAS VEGAS, NEVADA SPECIAL IMPROVEMENT DISTRICT NO. 404 (SUMMERLIN AREA); AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the City of Las Vegas, Nevada (the "City") is organized and operating pursuant to the provisions of Chapter 517, Statutes of Nevada 1983, as amended, and the general laws of the State of Nevada; and

WHEREAS, the City has heretofore created its City of Las Vegas, Nevada Special Improvement District No. 404 (Summerlin Area); and

WHEREAS, the City Council (the "Council") has by Ordinance No. 3467, as amended (the "Assessment Ordinance"), adopted and approved on November 15, 1989, levied assessments in the amount of \$73,885,000 against the property in the District benefited by the Project; and

WHEREAS, the City has heretofore issued its City of Las Vegas, Nevada Special Improvement District No. 404 (Summerlin Area) UPDATES™ Local Improvement Bonds, Series 1989 in the aggregate principal amount of \$73,885,000 (the "Bonds") pursuant to Ordinance No. 3469 of the City and a Trust Indenture dated as of December 1, 1989, as amended (the "Indenture"), between the City and State Street Bank and Trust Company, N.A., as Trustee (the "Trustee"); and

WHEREAS, pursuant to the terms of the Indenture, the City has converted a portion of the Bonds to Fixed Interest Rate Bonds (as defined in the Indenture); and

WHEREAS, on April 4, 1996, the City converted \$15,100,000 of the Bonds to Fixed Rate Bonds (the "1996 Converted Bonds"); and

WHEREAS, pursuant to NRS 271.488 (the "Refunding Act"), the City is authorized to issue bonds in order to refund, pay and discharge certain outstanding bonds of the City for the purpose of reducing interest rates and effecting other economies and to evidence such borrowing by the issuance of bonds in accordance with the provisions of NRS § 350.500 through §§ 350.720, cited in § 350.500 thereof by the short title "Local Government Securities Law"; and

WHEREAS, the City has heretofore determined that it is in the best interests of the City and the owners of certain property in the District to issue the City's Local Improvement Refunding Bonds, Series 1999 (the "Bonds") to refund, pay and discharge all or any portion (as determined by the City Finance Director) of the 1996 Converted Bonds and to reduce the interest payable on the assessments which secured the 1996 Converted Bonds (the "Assessments"); and

WHEREAS, the Refunding Act requires that upon the issuance of the Bonds, the Council must reduce the rate of interest on the assessments which secure the Bonds provided that such interest rate may not exceed by more than one percent the highest rate of interest on the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAS VEGAS IN THE STATE OF NEVADA:

Section 1. The interest rate on the unpaid installments of the assessments which secure the payment of the Bonds and the premium to be paid in connection with a prepayment of Assessments shall be reduced as provided in the Indenture, the Assessment Ordinance and the ordinance authorizing the issuance of the Bonds.

Section 2. The Council hereby finds that (i) the issuance of the Bonds will not materially or adversely impair the City's obligation with respect to the 1996 Converted Bonds and (ii) the principal balance of the Assessments will not increase as a result of the issuance of the Bonds..

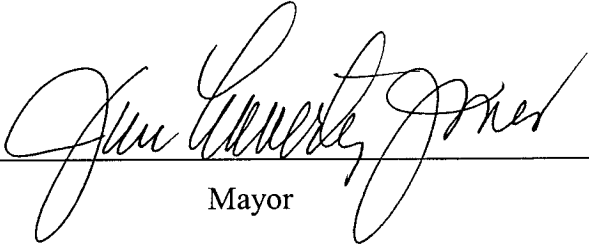
Section 3. The officers of the City shall take all action in conformity with the Act (as defined in the Indenture) necessary or desirable in conformity with the Act to carry out, give effect to and consummate the transactions contemplated by this resolution.

Section 4. All bylaws, orders and resolutions, or parts thereof, in conflict with this resolution are repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, or resolution, or part thereof, heretofore repealed.

Section 5. If any section, paragraph, clause or provision of this resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 6. This resolution shall be in full force and effect from and after its adoption.

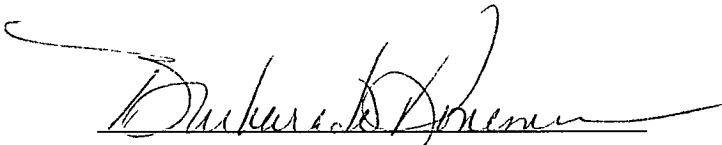
PASSED AND ADOPTED this April 12, 1999.



Mayor

) (SEAL)

Attest:



City Clerk

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