Resolution No. R-131-2000

Summary – a resolution concerning the City of Las Vegas, Nevada Special Improvement District No. 808 (Summerlin Area) and approving the form of the Development and Financing Agreement with The Howard Hughes Corporation.

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 Howard Hughes Corporation, a Delaware corporation (the "Developer"), the owner of 100% of the assessable property (except for property owned by the City and except for State or other government or privately owned property on which easements will be acquired) in a proposed improvement district to be known as the "City of Las Vegas, Nevada Special Improvement District No. 808 (Summerlin Area)" (the "District"), has heretofore presented to the Council of the City (the "Council") a written petition requesting the City to initiate the creation of the District and the acquisition and improvement of the street project, storm sewer project, sanitary sewer project and water project therein (the "Project") pursuant to Chapter 271, Nevada Revised Statutes and all laws amendatory thereof and supplemental thereto; and

WHEREAS, the City and the Developer, pursuant to such petition, propose to enter into a Development and Financing Agreement (the "Agreement") for the acquisition and improvement of the Project which contains the terms and conditions required by NRS 271.710 and 271.720; and

WHEREAS, the Council has reviewed the proposed form of the Agreement and has found it to be satisfactory to the Council.

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

Section 1. The form, terms and provisions of the Agreement are approved, and the City shall enter into and perform its obligations under the Agreement in substantially the form presented to the Council at this meeting, with only such changes therein as are required by the circumstances and are not inconsistent herewith; and the officers of the City are hereby authorized and directed to execute and deliver such documents as required hereby.

Section 2. The officers of the City are directed to take all action necessary to effectuate the provisions of this resolution.

Section 3. All action heretofore taken (not inconsistent with the provisions of this resolution) by the Council and the officers of the City directed toward the District and the Project is ratified, approved and confirmed.

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 December 6, 2000.

Mayor

(SEAL)

Attest:

City Clerk

APPROVED AS TO FORM:

Date 12/11/00

STATE OF NEVADA)
) SS.
CITY OF LAS VEGAS)

I, Barbara Jo Ronemus, the duly elected and qualified City Clerk of City of Las Vegas (the "City"), in the State of Nevada do hereby certify:

1. The foregoing pages, minutes of a meeting of the City Council of the City (the "Council") held on December 6, 2000, constitute a true, correct, complete and compared copy of the proceedings of the Council so far as said minutes relate to a resolution, a copy of which resolution is set forth therein.

2. The adoption of the resolution was duly moved and the resolution was adopted by an affirmative vote of a majority of the members of the Council as follows:

Those Voting Aye:	Oscar B. Goodman Gary Reese Michael J. McDonald Larry Brown Lynette Boggs-McDonald Lawrence Weekly Michael Mack
Those Voting Nay:	NONE
Those Absent:	NONE
Those Abstaining:	NONE

3. The copy of the resolution is a true, correct, complete and compared copy of the original passed and adopted by the Council at the designated meeting.

4. The original of the resolution has been approved and authenticated by the signatures of the Mayor of the City and myself as City Clerk and has been recorded in the regular official record of the Council kept for that purpose in my office, which record has been duly signed by the officers and properly sealed.

5. The members of the Council were present at such meeting and voted on the passage of the resolution as set forth in the minutes.

6. All members of the Council were given due and proper notice of the meeting. Pursuant to § 241.020, Nevada Revised Statutes, written notice of the meeting was given not later than 9:00 a.m. on the third working day before the meeting including in the notice the time, place, location, and agenda of the meeting:

(a) By posting a copy of the notice at the principal office of the Council, or if there is no principal office, at the building in which the meeting is to be held, and at least three (3) other separate, prominent places within the jurisdiction of the Council, to wit:

(i) City Hall
City Plaza
Special Outside Posting Bulletin Board
Las Vegas, Nevada

(ii) Senior Citizens Center
Las Vegas, Nevada

(iii) Clark County Government Center
500 South Grand Central Parkway
Las Vegas, Nevada

(iv) Downtown Transportation Center
Las Vegas, Nevada

and

(b) By mailing a copy of the notice to each person, if any, who has requested notice of the meetings of the Council in the same manner in which notice is required to be mailed to a member of the Council. Such notice was delivered to the postal service no later than 9:00 a.m. on the third working day prior to the meeting.

7. Upon request, the Council provides at no charge, at least one copy of the agenda for its public meetings, any proposed ordinance or regulation which will be discussed at the

public meeting, and any other supporting materials provided to the Council for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

8. A copy of such notice so given of the meeting of the Council is attached to this certificate as Exhibit "A".

IN WITNESS WHEREOF, I have hereunto set my hand this December 6, 2000.

Barbara A. Brenner

City Clerk

EXHIBIT A

(Notice of December 6, 2000 Meeting)

City of Las Vegas

CITY COUNCIL AGENDA

DECEMBER 6, 2000
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City of Las Vegas

CITY COUNCIL AGENDA

COUNCIL CHAMBERS • 400 STEWART AVENUE • PHONE 229-6011
CITY OF LAS VEGAS INTERNET ADDRESS: http://www.ci.las-vegas.nv.us
OSCAR B. GOODMAN, MAYOR (At-Large) • COUNCILMAN GARY REESE, MAYOR PRO TEM (Ward 3)
COUNCILMEMBERS: MICHAEL J. McDONALD (Ward 1), LARRY BROWN (Ward 4), LYNETTE BOGGS McDONALD (Ward 2),
LAWRENCE WEEKLY (Ward 5), MICHAEL MACK (Ward 6)

Facilities are provided throughout City Hall for the convenience of persons with disabilities. For meetings held in the Council Chambers, sound equipment is available for persons with hearing impairments. 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.

DECEMBER 6, 2000

Morning Session begins at 9:00 a.m.
Afternoon Session begins at 1:00 p.m.

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

THESE PROCEEDINGS ARE BEING PRESENTED LIVE ON KCLV, CABLE CHANNEL 2. THE PROCEEDINGS WILL BE REBROADCAST ON KCLV CHANNEL 2 THE WEDNESDAY OF THE MEETING AT 8:00 PM AND ARE ALSO REBROADCAST ON FRIDAY AT 4:00 AM, SATURDAY AT 7:00 PM, SUNDAY AT 7:00 AM AND THE FOLLOWING MONDAY AT 10:00 AM.

DUPLICATE AUDIO TAPES ARE AVAILABLE AT A COST OF $5.00 PER TAPE AND DUPLICATE VIDEO TAPES ARE AVAILABLE AT A COST OF $10.00 PER TAPE THROUGH THE CITY CLERK'S OFFICE.

NOTE: CELLULAR PHONES ARE TO BE TURNED OFF DURING COUNCIL MEETING.

CEREMONIAL MATTERS

- CALL TO ORDER
- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW
- INVOCATION - REVEREND TOM UNMACHT, THE LAKES LUTHERAN CHURCH
- PLEDGE OF ALLEGIANCE
- RECOGNITION OF CITIZEN OF THE MONTH
- RECOGNITION OF MISS NEVADA USA & MISS NEVADA TEEN USA
- RECOGNITION OF 2000 CUSTOMER SERVICE AWARD RECIPIENTS
- SPECIAL PRESENTATION TO THE GIRL SCOUTS

BUSINESS ITEMS

1. Any items from the morning session that the Council, staff, and/or the applicant wishes to be stricken or held in abeyance to a future meeting, may be brought forward and acted upon at this time

2. Approval of the Final Minutes by reference of the Regular City Council Meeting of November 1, 2000 and Special City Council Meeting of October 30, 2000

CONSENT AGENDA

MATTERS LISTED ON THE CONSENT AGENDA ARE CONSIDERED TO BE ROUTINE AND HAVE BEEN RECOMMENDED FOR APPROVAL BY THE SUBMITTING DEPARTMENTS. ALL ITEMS ON THE CONSENT AGENDA MAY BE APPROVED IN A SINGLE MOTION. HOWEVER, IF A COUNCIL MEMBER SO REQUESTS, ANY CONSENT ITEM MAY BE MOVED TO THE DISCUSSION PORTION OF THE AGENDA AND OTHER ACTION, INCLUDING POSTPONEMENT OR DENIAL OF THE ITEM MAY TAKE PLACE.

DETENTION & ENFORCEMENT DEPARTMENT - CONSENT

3. Approval of Interlocal Contracts for Mutual Aid in Law Enforcement with the City of Boulder City, City of North Las Vegas, Las Vegas Metropolitan Police Department and the Federal Bureau of Investigation

FIELD OPERATIONS DEPARTMENT - CONSENT

4. Approval of a Professional Services Agreement with Ninyo & Moore for Special Inspections and Material Testing services for the Stewart Avenue Parking Garage located at 4th Street and Stewart Avenue ($175,040 - Capital Project Fund) - Ward 5 (Weekly)

FINANCE & BUSINESS SERVICES DEPARTMENT - CONSENT

5. Approval of Service and Material Checks/Payroll Checks/Wire Transfers/Other Checks and Investments

6. Approval of a new Beer/Wine/Cooler Off-sale Liquor License subject to the provisions of the planning and fire codes and Health Dept. regulations, Citystop V, LLC, dba City Stop, 1200 North Town Center Drive, City Stop, Inc. Mgng Mmbr, 35%, Bruce I. Familian, Dir, Pres, 69%, Rory L. Bedore, Dir, Secy, 18%, Jon M. Athey, Treas, 13% - Ward 2 (L.B. McDonald)

7. Approval of Manager for a Supper Club Liquor License, Red Robin International, Inc., dba Red Robin Grill & Spirits Emporium, 151 North Nellis Blvd., Vikki L. Sollee, Gen Mgr - Ward 3 (Reese)

8. Approval of Manager for a Package Liquor License, Raley's, a California Corporation dba Food Source Store #133, 1570 North Eastern Avenue, Jason M. Sonnenberg, Store Dir - Ward 5 (Weekly)

9. Approval of Change of Ownership and Business Name for a Tavern Liquor License and a new Restricted Gaming License for 15 slots subject to approval by the Nevada Gaming Commission, From: Great White, Inc., dba Las Vegas Bar & Liquor, Ingrid H. Von Magdenko, Dir, Pres, Secy, Treas, 100%, To: Marganna, Inc., dba Las Vegas Bar and Liquors, 1617 East Sahara Ave., Anna Marie Rozen, Dir, Pres, 50%, Margaret Guarini, Dir, Secy, Treas, 50% - Ward 3 (Reese)

10. Approval of Change of Ownership for a Tavern Liquor License and a new Restricted Gaming License for 15 slots subject to the provisions of Health Dept. regulations, From: Parkview Lounge, Inc., Steve D. Pilkington, Dir, Pres, Secy, Treas, 100%, To: K & P Enterprises, Inc., dba Stateside Lounge, 931 Las Vegas Blvd., North, Kenneth W. Bozeman, Dir, Pres, 50%, Phillip A. Bozeman, Dir, Secy, Treas, 50%, Approved by the Nevada Gaming Commission on November 20, 2000 - Ward 5 (Weekly)

11. Approval of Manager for a Tavern Liquor License and a Nonrestricted Gaming License for 20 slots subject to continued compliance with Gaming Control Board filing requirements, Triple Threat Entertainment, dba Smoke Ranch Junction, Robert J. Buist, Gen Mgr - Ward 6 (Mack)

12. Approval of a new Restricted Gaming License for 7 slots, Albert P. Rasho, dba Star Mini Mart, 2339 North Jones Blvd., Albert P. Rasho, 100%, Approved by the Nevada Gaming Commission on September 28, 2000 - Ward 6 (Mack)

FINANCE & BUSINESS SERVICES DEPARTMENT - CONSENT

13. Approval of a new Restricted Gaming License for 5 slots, Chinsuk, Inc., dba 7-Eleven Food Store #13699B, 2409 Tam Drive, ChinSuk Kim, Dir, Pres, Secy, Treas, 100%, Approved by the Nevada Gaming Commission on October 26, 2000 - Ward 3 (Reese)

14. Approval of a Slot Operator Space Lease Location Restricted Gaming License for 7 slots, City Stop Gaming, Inc., db at City Stop, 1200 North Town Center Drive, Approved by the Nevada Gaming Commission on September 28, 2000 - Ward 2 (L.B. McDonald)

15. Approval of a new Slot Operator Space Lease Location Restricted Gaming License for 4 slots subject to approval by the Nevada Gaming Commission, Westronics, Inc., db at Sahara (X) Press Mart, 1518 Scotland Lane - Ward 3 (Reese)

16. Approval of a new Slot Operator Space Lease Location Restricted Gaming License for 15 slots subject to approval by the Nevada Gaming Commission, Southwest Gaming Services, Inc., db at Aristocrat Fine Dining, 840 South Rancho Drive #6 - Ward 1 (M. McDonald)

17. Approval of Manager for a Restricted Gaming License for 15 slots subject to continued compliance with Gaming Control Board filing requirements, Peter Eliades, dba Olympic Garden, 1531 Las Vegas Blvd., South, James A. Lovelace, Mgr - Ward 3 (Reese)

18. Approval of a new Slot Operator Space Lease Location Restricted Gaming License for 10 slots subject to approval by the Nevada Gaming Commission, Westronics, Inc., db at Presutti's Tomatoes, 4760 West Sahara Avenue, Suite 1 - Ward 1 (M. McDonald)

19. Approval of a new Independent Massage Therapist License, Lauran Walker, dba Lauran Walker, 923 South Rainbow Blvd., Lauran Walker, 100% - Ward 1 (M. Mc Donald)

20. Approval of a new Independent Massage Therapist License, Ambre Y. Cooper, dba Ambre Y. Cooper, 6553 Brushwood Lane, Ambre Y. Cooper, 100% - Ward 1 (M. McDonald)

21. Approval of a new Independent Massage Therapist License, Chad Vaccarino, dba Chad Vaccarino, 8909 Clear Blue Drive, Chad M. Vaccarino, 100% - Ward 2 (L.B. McDonald)

22. Approval of a new Independent Massage Therapist License, Angela Sue Hutchins, dba Angela Sue Hutchins, 101 South Rainbow Blvd., Suite 19, Angela S. Hutchins, 100% - Ward 2 (L.B. McDonald)

23. Approval of a new Independent Massage Therapist License, Cheloyn House, dba Cheloyn House, 848 Mantis Way #2, Cheloyn D. House, 100% - Ward 3 (Reese)

24. Approval of a new Independent Massage Therapist License, Charles Sewell, dba Charles Sewell, 5229 Forrest Hills Lane, Charles L. Sewell, 100% - Ward 5 (Weekly)

25. Approval of a new Independent Massage Therapist License, Carrie Hermann, dba Soothing Sensations, 98 South Martin L. King Blvd., Unit 153, Carrie A. Hermann, 100% - Ward 5 (Weekly)

26. Approval of a new Independent Massage Therapist License, Brian C. Schneider, dba The Bodymaster, 5916 Martita Ave., Brian C. Schneider, 100% - Ward 5 (Weekly)

27. Approval of a new Independent Massage Therapist License, Heather Lynn Roberts, dba Heather Lynn Roberts, 6305 Guadalupe Ave., Heather L. Roberts, 100% - Ward 6 (Mack)

28. Approval of a new Independent Massage Therapist License, Jessica Wallace, dba Jessica Wallace, 5680 Campbell Road, Jessica R. Wallace, 100% - (County)

29. Approval of Change of Location for an Independent Massage Therapist License subject to the provisions of the planning and fire codes, Amber Goodall, dba Amber Goodall, From: 2100 South Maryland Pkwy., Suite 7A, To: 2227 South Rainbow Blvd., Amber Goodall, 100% - Ward 1 (M. McDonald)

FINANCE & BUSINESS SERVICES DEPARTMENT - CONSENT

30. Approval of Change of Location for an Independent Massage Therapist License subject to the provisions of the planning and fire codes, Maria T. Papsidero, dba Maria T. Papsidero, From: 10175 Spring Mountain Road, Unit 1116, To: 221 North Rampart Blvd., Maria T. Papsidero, 100% - Ward 2 (L.B. McDonald)

31. Approval of Change of Location for an Independent Massage Therapist License subject to the provisions of the fire codes, Maria McDermitt, dba Family Therapeutic Massage, From: 1640 East Charleston Blvd., To: 1809 South 17th Street, Maria McDermitt, 100% - Ward 3 (Reese)

32. Approval of Change of Location for an Independent Massage Therapist License, Rachel Snow, dba Rachel Snow, From: 3455 Monte Carlo Drive, To: 1420 Ingraham Street, Rachel Snow, 100% - Ward 3 (Reese)

33. Approval of Change of Location for an Independent Massage Therapist License subject to the provisions of the planning and fire codes, JoAnn Bell, dba JoAnn Bell, From: 2100 South Maryland Pkwy., Suite 7A, To: 7310 Smoke Ranch Road, Suite M, JoAnn R. Bell, 100% - Ward 4 (Brown)

34. Approval of Change of Location for an Independent Massage Therapist License, Lindsay Johnson, dba Peaceful Isle Massage, From: 2701 North Rainbow Blvd., Unit 2113, To: 6661 Lucky Strike Way, Lindsay A. Johnson, 100% - Ward 5 (Weekly)

35. Approval of Change of Location for an Independent Massage Therapist License, Elizabeth A. Kimble, dba Elizabeth A. Kimble, From: 2684 Matogroso Lane, To: 3427 East Garden Drive, Elizabeth A. Kimble, 100% - (County)

36. Approval of withdrawal of bid and confirmation of award of Bid Number 01.1739.02-RC, Stewart Avenue Parking Garage including additive item number one; and approve the construction conflicts and contingency reserve set by Finance and Business Services - Department of Public Works - Award Recommended to: KORTE-BELLEW & ASSOCIATES CONSTRUCTION COMPANY ($15,206,298- Capital Projects Fund) - Ward 5 (Weekly)

37. Approval of award of Bid Number 00.1739.14-led, Bunker Park expansion; and approve a construction conflicts and contingency reserve set by Finance and Business Services - Department of Public Works - Award recommended to: RICHARDSON CONSTRUCTION, INC. ($1,475,322 - Capital Projects Fund) - Ward 4 (Brown)

38. Approval of the issuance of a purchase order for the purchase of four (4) 2001 Freightliner Type I Road Rescue Ultramedic rescue units (TG) - Department of Fire Services - Award recommended to: LEADER INDUSTRIES ($614,248-Internal Service Fund)

39. Approval of award of Bid Number 010019-TG, purchase of four (4) 2001 Animal Control trucks - Department of Field Operations - Award recommended to: CHAPMAN'S LAS VEGAS DODGE ($146,676 - Internal Service Fund)

40. Approval of the issuance of a purchase order for the purchase and maintenance of Motorola brand emergency radios, software upgrades and accessories for the Fire Services' Department (JDF) - Department of Fire Services - Award recommended to: MOTOROLA INC. ($89,063 - Capital Projects Fund)

41. Approval of additional funds for recovery services for the City of Las Vegas during a disaster (TB) - Department of Information Technologies - Award recommended to: SUNGARD RECOVERY SERVICES ($82,000 - General Fund)

42. Approval of the issuance of a purchase order for an annual requirements contract for radiological services for Fire Services' personnel (JDF) - Department of Fire Services - Award recommended to: DESERT RADIOLOGISTS (Estimated annual amount of $50,000 - General Fund)

43. Approval of award of Bid Number 010016-led, abatement and removal of lead based paint from the First Baptist Church - Department of Public Works - Award recommended to: A & B ASBESTOS ABATEMENT, INC. ($48,500 - Capital Projects Fund) - Ward 5 (Weekly)

44. Approval of award of Bid Number 010030-TC, furnish and install gymnasium bleachers at Dula gymnasium; and approval of a conflicts contingency reserve set by Finance and Business Services - Department of Field Operations - Award recommended to: HASCO INCORPORATED ($29,184 - General Fund) - Ward 5 (Weekly)

FINANCE & BUSINESS SERVICES DEPARTMENT - CONSENT

45. Approval of the substitution of a subcontractor for Bid Number 99.53541.04-RC, construction of the Northwest Water Resource Center - Department of Public Works - Award recommended to: HARRISON LANDSCAPING - Ward 4 (Brown)

46. Approval of termination for default of an April 27, 1998 vehicle advertisement agreement with Tabletop Enterprises (TTE), a California company, due to non-performance - Department of Finance and Business Services

HUMAN RESOURCES DEPARTMENT - CONSENT

47. Approval to create temporary Office Specialist II position ($44,620 - Enterprise Fund)

NEIGHBORHOOD SERVICES DEPARTMENT - CONSENT

48. Approval of an Agreement to allocate $40,000 to S.V.D.P. Management, Inc., dba MASH Village to be used to provide a temporary winter shelter from the period of December 1, 2000 through February 28, 2001 inclusive, located at 1559 Main Street - Ward 5 (Weekly)

49. Approval of a Deed of Reconveyance and First Amended and Restated HOME Agreement to provide $300,000 in HOME funding to Community Services Agency Development Corporation for the development of Vintage Desert Rose Apartments, located near the Northwest Corner of Vegas and Jones - Ward 5 (Weekly)

PUBLIC WORKS DEPARTMENT - CONSENT

50. Approval of an encroachment request from Noam Schartz on behalf of 8800 West Sahara, LLC, owner (Via Olivero Avenue and Sahara Avenue) - Ward 1 (M. McDonald)

51. Approval of an encroachment request from Peccole Ranch Community Association, owner (northeast and southeast corners of Hualapai Way and Homestretch Drive) - Ward 2 (L.B. McDonald)

52. Approval of access paving on Jones Boulevard (between Severance Lane and Ann Road) - Ward 6 (Mack)

53. Approval of Contract Modification #1 with Capriati Construction for additional work necessary to complete the Carey Roadway Improvements Project ($44,401.90 - Community Development Block Grant and $13,760.76 - Sanitation Fund) - Ward 5 (Weekly)

54. Approval of a Professional Services Agreement with HCA Architects for the design services of the WSC Permit Center located at Ronemus and Peak Drive ($328,300 plus 10% contingency for a total of $361,130 - Capital Improvement Project Fund) - Ward 4 (Brown)

55. Approval of a Professional Services Agreement with Consultant Elim Architecture for Architectural and Engineering design services for the Downtown Community Center ($158,960 plus 10% contingency for a total of $174,856 - Community Development Block Grant) - Ward 5 (Weekly)

56. Approval of a Professional Services Agreement with Consultant WLB Group Inc. for Civil Engineering and Landscape design services for Redwood Oakey Park located at the northwest corner of O'Bannon Drive and Torrey Pines Drive ($142,800 plus 10% contingency for a total of $157,080 - Capital Projects Fund) - Ward 1 (M. McDonald)

57. Approval of a First Amendment to a Professional Services Agreement with H.S.A. Architects for modifications to construction documents regarding Variety Day Home Expansion located at the southeast corner of Jefferson Avenue and "C" Street, ($18,700 - Community Development Block Grant Fund) - Ward 5 (Weekly)

PUBLIC WORKS DEPARTMENT - CONSENT

58. Approval of a Task Oriented Professional Services Agreement for engineering services with Berryman & Henigar, Inc. for annual maintenance of Clark County Regional Flood Control facilities ($500,000 - Clark County Regional Flood Control District) - All Wards

59. Approval of a Supplemental Purchase Order to Southwest Gas in the amount of $20,468.46 for reimbursement of costs incurred for the relocation of a 10" gas main as part of the Craig Road improvement project ($20,468.46 - Regional Transportation Commission) - Ward 4 (Brown) and Ward 6 (Mack)

60. Approval of a Professional Services Agreement with Terracon for geotechnical investigations, construction inspection and material testing for roadway reconstruction projects ($100,000 - Capital Projects Fund - Street Rehab Fund) - (All Wards)

RESOLUTIONS - CONSENT

61. R-123-2000 - Approval of a resolution authorizing reimbursement of prior fire protection project expenditures from bond proceeds and calling a public hearing on the incurrence of medium term obligations not to exceed $25,000,000

62. R-124-2000 - Approval of a resolution concerning the financing of a recreational project; directing the City Clerk to notify the Clark County Debt Management Commission (DMC) of a proposal to issue the City of Las Vegas, Nevada, General Obligation (G.O.) (Limited Tax) Golf Course Bonds (Additionally Secured by Pledged Revenues) in an aggregate principal amount not to exceed $12,000,000 to defray wholly or in part the cost of acquiring, constructing, improving and equipping a recreational project in the City

63. R-125-2000 - Approval of a resolution concerning the financing of a sewer and flood control project; directing the City Clerk to notify the Clark County Debt Management Commission (DMC) of a proposal to issue the City of Las Vegas, Nevada, General Obligation (Limited Tax) Sewer and Flood Control Bonds (Additionally Secured by Pledged Revenues) in the amount of $55,000,000

64. R-126-2000 - Approval of a resolution concerning the financing of improvements; authorizing the City Clerk to notify the Clark County Debt Management Commission (DMC) of a proposal to incur general obligation (G.O.) debt in an aggregate principal amount not exceeding $4,000,000; setting forth the intent of the City to reimburse out of bond proceeds the cost of certain local improvements for Special Improvement District No. 1477 (Tenaya Way and and Azure Drive) (the District) - Ward 6 (Mack)

65. R-127-2000 - Approval of a change in speed limit from 25 mph to 35 mph on Lake North Drive between Lake West Drive and Lake East Drive - Ward 2 (L.B. McDonald)

66. R-128-2000 - Approval of a change in speed limit from 25 mph to 35 mph on Lake West Drive between Lake South Drive and Lake North Drive - Ward 2 (L.B. McDonald)

67. R-129-2000 - Approval of a change in speed limit from 25 mph to 35 mph on Lake South Drive between Lake West Drive and Lake East Drive - Ward 2 (L.B. McDonald)

68. R-130-2000 - Approval of a change in speed limit from 25 mph to 35 mph on Lake East Drive between Lake South Drive and Lake North Drive - Ward 2 (L.B. McDonald)

69. R-131-2000 - Approval of a resolution concerning a City of Las Vegas, Nevada Special Improvement District No. 808 (Summerlin Area) approving the form of the Development and Financing Agreement to issue Developer (the Howard Hughes Corporation) Bonds in the amount of $46,000,000 - Ward 2 (L.B. McDonald)

70. R-132-2000 - Approval of a resolution directing the City Treasurer to give notice of the sale of properties subject to the lien of a delinquent assessment in Special Improvement Districts 404 and 707 (Summerlin Area) - Wards 2 and 4 (L.B. McDonald and Brown)

DISCUSSION / ACTION ITEMS

CITY ATTORNEY - DISCUSSION

71. Discussion and possible action on Appeal of Work Card Denial: Approved December 1, 1999, subject to a one year review. Mr. Billy Ray Finks, 1317 Mezpah, Las Vegas, NV 89106

72. ABEYANCE ITEM - Discussion and possible action on Appeal of Work Card Denial: Held in Abeyance from November 15, 2000. Natalie Veal, 3805 Sunrise Avenue, Las Vegas, Nevada 89110

73. Discussion and possible action on Appeal of Work Card Denial: Kenneth Ray Louis, 5250 Stewart #2158, Las Vegas, Nevada 89110

74. Discussion and possible action on Appeal of Work Card Denial: Marta Colleen Meehan, 3008 Vegas Drive, Las Vegas, Nevada 89106

75. Discussion and possible action on Appeal of Work Card Denial: Frank B. Valencia, 137 S. 15th Street, Las Vegas, Nevada 89101

FINANCE & BUSINESS SERVICES DEPARTMENT - DISCUSSION

76. Presentation and acceptance of the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2000

77. ABEYANCE ITEM - Discussion and possible action regarding a new Beer/Wine/Cooler Off-sale Liquor License, Jamil A. Nessan, dba J & D Mini Market, 900 North Martin L. King Blvd., Jamil A. Nessan, 100% - Ward 5 (Weekly)

78. Discussion and possible action regarding Temporary Approval of a new Beer/Wine/Cooler On-sale Liquor License, Jay Po, Inc., dba Grand China II, 7045 West Ann Road, Suite 110, Min J. Diep, Dir, Pres, Secy, Treas, 40%, Giai Diep, 40%, Yong T. Kang, 20% - Ward 6 (Mack)

RESOLUTIONS - DISCUSSION

79. R-133-2000 - Discussion and possible action to approve a resolution authorizing the creation of a non-profit corporation for the purpose of purchasing and selling property for economic development in the City of Las Vegas ($4,287,000, plus closing costs and filing fees - Special Revenue Fund) - Ward 5 (Weekly)

80. R-134-2000 - Discussion and possible action to approve a resolution authorizing the creation of a non-profit corporation for the purpose of purchasing and selling property for economic development in the City of Las Vegas ($2,000,000 plus closing costs and filing fees - Industrial Development Special Revenue Fund) Ward 5 (Weekly)

BOARDS & COMMISSIONS - DISCUSSION

81. ABEYANCE ITEM - TRAFFIC & PARKING COMMISSION – Vacancy created in Ward 4 due to the passage of Ordinance #5258, Term Expiration – 10/18/2004

82. ABEYANCE ITEM - PARK & RECREATION ADVISORY COMMISSION - Lisa Hemby - Term expires 12-11-2000

83. AUDIT OVERSIGHT COMMITTEE – Bill Martin - Term Expiration 12/7/2000

84. Discussion and possible action on the second amendment to the By-Laws of the Community Development Recommending Board (CDRB)

85. Appointment and Reappointment of Members to the Community Development Recommending Board

REAL ESTATE COMMITTEE REPORTS - DISCUSSION

86. Discussion and possible action on renewing the City's current lease with the Clark County Health District (CCHD) for an 80 square foot Air Monitoring Station located at the East City Service Center - Ward 3 (Reese)

87. Discussion and possible action on authorizing staff to enter into negotiations with Las Vegas Valley Water District (LVVWD) for a Lease Agreement with the City to place a Satellite Facility on City property located at Vegas Valley Drive, East of the Las Vegas Wash - Unincorporated County

88. Discussion and possible action on authorizing staff to enter into negotiations with the Frontier Girl Scout Council for a temporary lease agreement to place a modular trailer at Harris Avenue and Manning Street - Ward 3 (Reese)

89. Discussion and possible action on authorization to market for sale approximately 8.0 acres of vacant land, identified as Parcel Number 140-31-102-002, located on the southwest corner of East Bonanza Road and North Sandhill Road - Ward 3 (Reese)

90. Discussion and possible action on authorization to market for sale approximately 3.75 acres of vacant land, identified as Parcel Number 139-25-405-005, located on the northwest corner of East Bonanza Road and North Mojave Road - Ward 3 (Reese)

91. Discussion and possible action on a Land Use Agreement with Buffalo Westcliff Limited Partnership for the use of land located in the vicinity of Buffalo Drive and Westcliff Drive for parking purposes ($6,500 revenue per year) - Ward 2 (L.B. McDonald)

92. Discussion and possible action on the Donation, Purchase and Sale Agreement (Agreement) between Union Pacific Railroad and the City of Las Vegas for the sale of land known as Parkway Center Lot 4 and Bonanza Street Property ($4,287,000 - Special Revenue Fund) - Ward 5 (Weekly)

93. Discussion and possible action on a Purchase and Sale Agreement between the City of Las Vegas and LVDT Redevelopment, LLC of Las Vegas, for the sale of land known as Parkway Center Lot 4 and Bonanza Street Property (Gain $4,287,000 - Special Revenue Fund) - Ward 5 (Weekly)

RECOMMENDING COMMITTEE REPORTS - DISCUSSION

BILLS ELIGIBLE FOR ADOPTION AT THIS MEETING

94. Bill No. 2000-84 – Ordinance Creating Special Improvement District No. 1477 (Tenaya Way and Azure Drive) Sponsored by: Step Requirement

95. Bill No. 2000-85 – Annexation No. A-0003-00(A) – Property Location: On the southeast corner of Buffalo Drive and Constantinople Avenue; Petitioned By: American Pacific Capital Buffalo Royale; Acreage: Approximately 2.62 acres; Zoned: R-E (County Zoning), R-E (City Equivalent). Sponsored by: Councilman Larry Brown

BILLS ELIGIBLE FOR ADOPTION AT A LATER MEETING

THERE IS NO PUBLIC COMMENT ON THESE ITEMS AND NO ACTION WILL BE TAKEN BY THE COUNCIL AT THIS MEETING. PUBLIC TESTIMONY TAKES PLACE AT THE RECOMMENDING COMMITTEE MEETING HELD FOR THAT PURPOSE.

96. Bill No. 2000-86 – Repeals the Municipal Code provision relating to the reduction of parking fines for early payment. Proposed by: Michael Sheldon, Director of Detention and Enforcement

97. Bill No. 2000-87 – Updates the City's subdivision and land development regulations. Proposed by: Willard Tim Chow, Director of Planning and Development

NEW BILLS

THERE IS NO PUBLIC COMMENT ON THESE ITEMS. NEW BILLS ARE READ INTO THE RECORD AND REFERRED TO RECOMMENDING COMMITTEE FOR A SEPARATE HEARING TO RECEIVE PUBLIC TESTIMONY BEFORE ACTION BY THE COUNCIL AT A LATER MEETING. EXCEPTION: EMERGENCY BILLS.

98. Bill No. 2000-88 – Annexation No. A-0019-99(A) – Property Location: West of Hualapai Way and north of Grand Teton Road; Petitioned By: City of Las Vegas; Acreage: Approximately 661.60 acres; Zoned: R-U (County Zoning), U (PCD) (City Equivalent). Sponsored by: Councilman Michael Mack

99. Bill No. 2000-89 – Annexation No. A-0009-00(A) – Property Location: On the northeast corner of Jones Boulevard and Gilmore Avenue; Petitioned By: Hilda West, et al; Acreage: Approximately 2.40 acres; Zoned: C-1 (County Zoning), C-1 (City Equivalent). Sponsored by: Councilman Michael Mack

100. Bill No. 2000-90 – Annexation No. A-0010-00(A) – Property Location: On the northeast corner of Leon Avenue and El Campo Grande Avenue; Petitioned By: Clark County School District; Acreage: Approximately 20.36 acres; Zoned: P-F (County Zoning), C-V (City Equivalent). Sponsored by: Councilman Michael Mack

101. Bill No. 2000-91 – Adjusts the requirements for the posting of notification signs regarding certain zoning applications. Proposed by: Bob Genzer, Acting Director of Planning and Development

102. Bill No. 2000-92 – Revises the on-premises sign requirements for certain non-residential developments. Sponsored by: Councilman Larry Brown

1:00 P.M. - AFTERNOON SESSION

103. Any items from the afternoon session that the Council, staff, and/or the applicant wishes to be stricken or held in abeyance to a future meeting, may be brought forward and acted upon at this time

PUBLIC HEARINGS - DISCUSSION

104. ABEYANCE ITEM - A hearing to consider the appeal from the Nuisance/Litter Abatement Notice and Order to Comply filed by Shirley Ayo regarding the property located at 1400 Pyramid Drive. PROPERTY OWNER: WILLIE B. JAQUESS, Ward 5 (Weekly)

105. Public hearing to consider the report of expenses to recover costs for abatement of a nuisance/litter located at 1333 Eastwood Drive. PROPERTY OWNER: ANTHONY L. CARLSON ETAL - Ward 3 (Reese)

106. Public hearing to consider the report of expenses to recover costs for abatement of a nuisance/litter located at 2825 Armin Avenue. PROPERTY OWNER: MICHAEL S. DEVILBISS - Ward 3 (Reese)

107. Public hearing to consider the report of expenses to recover costs for abatement of a dangerous building located at 4308 El Cederal Avenue. PROPERTY OWNER: MAX J. AND BETTY GABER - Ward 1 (M. McDonald)

PLANNING & DEVELOPMENT DEPARTMENT

The items listed below, where appropriate, have been reviewed by the various City departments relative to requirements for storm drainage and flood control, connection to sanitary sewer, traffic circulation, and building and fire regulations. Their comments and/or recommendations and requirements have been incorporated into the action.

CONSENT AGENDA

PM SESSION - ALL ITEMS LISTED ON THE CONSENT AGENDA ARE CONSIDERED TO BE ROUTINE AND HAVE BEEN RECOMMENDED FOR APPROVAL. ALL ITEMS ON THE CONSENT AGENDA MAY BE APPROVED IN A SINGLE MOTION. HOWEVER, IF A COUNCIL MEMBER SO REQUESTS, ANY CONSENT ITEM MAY BE MOVED TO THE DISCUSSION PORTION OF THE AGENDA AND OTHER ACTION, INCLUDING POSTPONEMENT OR DENIAL OF THE ITEM MAY TAKE PLACE.

108. EXTENSION OF TIME - Z-0004-99(3) - HARMON/KOVAL, LIMITED LIABILITY COMPANY - Request for a Second Extension of Time on an approved Rezoning from R-E (Residence Estates) Zone under Resolution of Intent to R-PD5 (Residential Planned Development - 5 Units per Acre) on 20.4 Acres on the south side of Severance Lane, approximately 420 feet east of Bradley Road (APN's: 125-13-801-004 and 007), PROPOSED USE: 112 LOT SUBDIVISION, Ward 6 (Mack). The Planning Commission (4-0 vote) and staff recommend APPROVAL

109. EXTENSION OF TIME - SPECIAL USE PERMIT - U-0089-99(1) - UNGAR INVESTMENTS, LIMITED PARTNERSHIP - Request for an Extension of Time for an approved Special Use Permit which allowed the sale of gasoline in conjunction with an existing convenience store at the southeast corner of the intersection of Sahara Avenue and Teddy Drive (APN: 162-08-502-001 and 005), C-1 (Limited Commercial) Zone, Ward 1 (M. McDonald). The Planning Commission (7-0 vote) and staff recommend APPROVAL

DISCUSSION / ACTION ITEMS

110. REVIEW OF CONDITION - Z-0049-98(1) - CARINA CORPORATION - Request for a Review of Condition TO ALLOW A PROPOSED BALCONY 15.68 FEET FROM THE REAR PROPERTY LINE WHERE 20 FEET IS THE MINIMUM SETBACK REQUIRED BY CONDITION at 7460 Real Quiet Drive (APN: 125-15-210-027 and 028), U (Undeveloped) Zone [DR (Desert Rural) General Plan Designation] under Resolution of Intent to R-PD2 (Residential Planned Development - 2 Units Per Acre), Ward 6 (Mack). The Planning Commission (7-0 vote) and staff recommend APPROVAL

111. GENERAL PLAN AMENDMENT - PUBLIC HEARING - GPA-0033-00 - CITY OF LAS VEGAS - Request to Amend a portion of the Southwest Sector of the General Plan FROM: ML (Medium-Low Density Residential) TO: PF (Public Facilities) on 2.5 acres on the northwest corner of the intersection of Torrey Pines Drive and Smoke Ranch Road (APN: 138-14-402-001), Ward 6 (Mack). The Planning Commission (6-0 vote) and staff recommend APPROVAL

112. REZONING RELATED TO GPA-0033-00 - PUBLIC HEARING - Z-0092-00 - CITY OF LAS VEGAS - Request for a Rezoning FROM: R-E (Residence Estates) TO: C-V (Civic) of 2.5 acres at the northwest corner of the intersection of Torrey Pines Drive and Smoke Ranch Road (APN: 138-14-402-001), PROPOSED USE: FIRE STATION, Ward 6 (Mack). The Planning Commission (6-0 vote) and staff recommend APPROVAL

113. TIME CERTAIN - 3:00 P.M. - SPECIAL USE PERMIT - PUBLIC HEARING - U-0170-00 - HOWARD HUGHES PROPERTIES, INC. - Request for a Special Use Permit FOR GASOLINE SALES IN CONJUNCTION WITH A PROPOSED COSTCO WHOLESALE STORE on 16.95 acres at the northwest corner of the intersection of Charleston Boulevard and Pavilion Center Drive (APN: 137-35-811-001), PC (Planned Community) Zone, Ward 2 (L.B. McDonald). The Planning Commission (4-1-2 vote) and staff recommend APPROVAL **NOTE: THIS ITEM WILL NOT BE HEARD 12/6/2000 AND HAS BEEN RESCHEDULED FOR A 1:00 P.M. TIME CERTAIN ON 12/20/2000**

PLANNING & DEVELOPMENT DEPARTMENT - DISCUSSION

114. TIME CERTAIN - 3:00 P.M. - SPECIAL USE PERMIT - PUBLIC HEARING - U-0171-00 - HOWARD HUGHES PROPERTIES, INC. - Request for a Special Use Permit FOR THE SALE OF PACKAGED LIQUOR IN CONJUNCTION WITH A PROPOSED COSTCO WHOLESALE STORE on 16.95 acres at the northwest corner of the intersection of Charleston Boulevard and Pavilion Center Drive (APN: 137-35-811-001), PC (Planned Community) Zone, Ward 2 (L.B. McDonald). The Planning Commission (4-1-2 vote) and staff recommend APPROVAL **NOTE: THIS ITEM WILL NOT BE HEARD 12/6/2000 AND HAS BEEN RESCHEDULED FOR A 1:00 P.M. TIME CERTAIN ON 12/20/2000**

115. TIME CERTAIN - 3:00 P.M. - SPECIAL USE PERMIT - PUBLIC HEARING - U-0172-00 - HOWARD HUGHES PROPERTIES INC. - Request for a Special Use Permit FOR MINOR AUTO REPAIR IN CONJUNCTION WITH A PROPOSED COSTCO WHOLESALE STORE on 16.95 acres at the northwest corner of the intersection of Charleston Boulevard and Pavilion Center Drive (APN: 137-35-811-001), PC (Planned Community) Zone, Ward 2 (L.B. McDonald). The Planning Commission (4-1-2 vote) and staff recommend APPROVAL **NOTE: THIS ITEM WILL NOT BE HEARD 12/6/2000 AND HAS BEEN RESCHEDULED FOR A 1:00 P.M. TIME CERTAIN ON 12/20/2000**

116. SITE DEVELOPMENT PLAN REVIEW - PUBLIC HEARING - Z-0072-00(1) - CITY OF LAS VEGAS ON BEHALF OF THE ANDRE AGASSI FOUNDATION - Request for a Site Development Plan Review for a PROPOSED SCHOOL (ANDRE AGASSI CHARTER SCHOOL) on 7.93 acres on the southwest corner of the intersection of Lake Mead Boulevard and "J" Street (APN: 139-21-702-001 through 005), R-E (Residence Estates) and R-E (Residence Estates) Zones under Resolution of Intent to R-PD18 (Residential Planned Development - 18 Units Per Acre) [PROPOSED: C-V (Civic) Zone], Ward 5 (Weekly). The Planning Commission (5-2 vote) and staff recommend APPROVAL

117. SITE DEVELOPMENT PLAN REVIEW - PUBLIC HEARING - SD-0047-00 - HAROLD GIRON - Request for a Site Development Plan Review FOR A PROPOSED 760 SQUARE FOOT RESTAURANT; AND FOR A WAIVER OF LANDSCAPING REQUIREMENTS on 0.32 acres located at 302 North Maryland Parkway (APN: 139-35-211-107), C-2 (General Commercial), Ward 5 (Weekly). The Planning Commission (5-0 vote) and staff recommend DENIAL

118. SPECIAL USE PERMIT RELATED TO SD-0047-00 - PUBLIC HEARING - U-0174-00 - HAROLD GIRON - Appeal filed by Richard Threlfall from the Denial by the Planning Commission of a request by Harold Giron for a Special Use Permit FOR OPEN AIR VENDING at 302 North Maryland Parkway (APN: 139-35-211-107), C-2 (General Commercial) Zone, Ward 5 (Weekly). The Planning Commission (5-2 vote) and staff recommend DENIAL

119. MAJOR MODIFICATION TO THE LONE MOUNTAIN WEST MASTER DEVELOPMENT PLAN - PUBLIC HEARING - Z-0024-99(11) - ALLEN FOX - Request for a Major Modification to the Lone Mountain West Master Development Plan to change the land use designation FROM: Low Density Residential (up to 6 dwelling units per acre) TO: VC (Village Commercial) on approximately 5.0 acres located on the south side of the Gowan Road alignment approximately 990 feet east of the "Spine" Road alignment (APN: 137-12-301-006), Ward 4 (Brown). The Planning Commission (5-0 vote) and staff recommend DENIAL

120. MAJOR MODIFICATION TO THE LONE MOUNTAIN WEST MASTER DEVELOPMENT PLAN - PUBLIC HEARING - Z-0024-99(5) - WEST GOWAN, LIMITED LIABILITY COMPANY - Request for a Major Modification to the Lone Mountain West Master Development Plan to change the Land Use Map Designation FROM: Low Density Residential (up to 6 Dwelling Units Per Acre) TO: Village Commercial on 4.1 acres on the south side of the Gowan Road alignment and the west side of the Beltway alignment (APN: 137-12-301-007), Ward 4 (Brown). The Planning Commission (5-0 vote) and staff recommend DENIAL

121. SITE DEVELOPMENT PLAN REVIEW RELATED TO Z-0024-99(5) - PUBLIC HEARING - Z-0058-00(1) - WEST GOWAN, LIMITED LIABILITY COMPANY - Request for a Site Development Plan Review FOR A PROPOSED 60,840 SQUARE FOOT OFFICE DEVELOPMENT on 4.1 acres on the south side of the Gowan Road alignment and the west side of the Beltway alignment (APN: 137-12-301-007), U (Undeveloped) Zone [PCD (Planned Community Development) General Plan Designation] [PROPOSED P-D (Planned Development) Zone], Ward 4 (Brown). The Planning Commission (5-0 vote) and staff recommend DENIAL

PLANNING & DEVELOPMENT DEPARTMENT - DISCUSSION

122. VACATION - PUBLIC HEARING - VAC-0030-00 - PALACE STATION HOTEL & CASINO, INC. - Petition to vacate a portion of Kings Way generally located between Teddy Drive and Rancho Drive, and excess right-of-way of Rancho Drive generally located south of Sahara Avenue, Ward 1 (M. McDonald). The Planning Commission (6-0-1 vote) and staff recommend APPROVAL

123. VACATION - PUBLIC HEARING - VAC-0031-00 - CITY OF LAS VEGAS - Petition to vacate Holmby Avenue, Miller Lane, and Del Rey Avenue rights-of-way generally located south of Charleston Boulevard between Warbonnet Way and Buffalo Drive, Ward 1 (M. McDonald). The Planning Commission (6-0-1 vote) and staff recommend APPROVAL

124. ABEYANCE ITEM - VARIANCE - PUBLIC HEARING - V-0068-00 - HOUSING AUTHORITY OF THE CITY OF LAS VEGAS - Request for a Variance TO ALLOW THE EXPANSION OF A NON-CONFORMING USE (ADMINISTRATIVE OFFICES) on the southeast corner of Tenth Street and Linden Avenue (APN: 139-35-110-030), R-2 (Medium-Low Density Residential) Zone, Ward 5 (Weekly). The Planning Commission (4-0-1 vote) and staff recommend APPROVAL

125. ABEYANCE ITEM - SITE DEVELOPMENT PLAN REVIEW RELATED TO V-0068-00 - PUBLIC HEARING - SD-0057-00 - HOUSING AUTHORITY OF THE CITY OF LAS VEGAS - Request for a Site Development Plan Review FOR A PROPOSED 8,896 SQUARE FOOT ADMINISTRATION BUILDING on the southeast corner of Tenth Street and Linden Avenue (APN: 139-35-110-030), R-2 (Medium-Low Density Residential), Ward 5 (Weekly). The Planning Commission (4-0-1 vote) and staff recommend APPROVAL

126. REQUIRED ONE YEAR REVIEW - SPECIAL USE PERMIT - PUBLIC HEARING - U-0072-97(3) - LAULE BECKER II ON BEHALF OF FRANK MELAERTS JEWELERS - Required One Year Review on an approved Special Use Permit which allowed a Class 111A Secondhand Jewelry Store (Frank Melaerts Jewelers) at 443 South Decatur Boulevard (APN: 139-31-202-003), C-2 (General Commercial) Zone, Ward 1 (M. McDonald). Staff recommends APPROVAL

127. REQUIRED FIVE YEAR REVIEW - SPECIAL USE PERMIT - PUBLIC HEARING - U-0107-90(2) - JEANNE LEVY LIVING TRUST ON BEHALF OF DONREY OUTDOOR - Required Five Year Review on an approved Special Use Permit which allowed a 14 foot x 48 foot off-premise advertising (billboard) sign at 2921 West Sahara Avenue, (APN: 162-08-501-001), C-1 (Limited Commercial) Zone, Ward 1 (M. McDonald). Staff recommends DENIAL. The Planning Commission (6-1 vote) recommends APPROVAL

128. REQUIRED FIVE YEAR REVIEW - SPECIAL USE PERMIT - PUBLIC HEARING - U-0136-90(2) - SYUFY ENTERPRISES ON BEHALF OF DONREY OUTDOOR ADVERTISING - Required Five Year Review on an approved Special Use Permit which allowed a 14 foot x 48 foot off-premise advertising (billboard) sign at 5183 West Charleston Boulevard (APN: 163-01-502-008), C-1 (Limited Commercial) Zone, Ward 1 (M. McDonald). The Planning Commission (6-1 vote) and staff recommend APPROVAL

129. REQUIRED FIVE YEAR REVIEW - SPECIAL USE PERMIT - PUBLIC HEARING - U-0101-95(1) - FLETCHER JONES COMPANY ON BEHALF OF LAMAR OUTDOOR ADVERTISING COMPANY - Required Five Year Review on an approved Special Use Permit which allowed one 14 foot x 48 foot off-premise advertising (billboard) sign oriented toward I-15 at a height of 30 feet above the elevated freeway; and a second 14 foot x 48 foot off-premise advertising (billboard) sign oriented toward the Desert Inn Road "Super Arterial" at a height of 55 feet above grade both located at 3200 South Rancho Drive (APN: 162-08-401-004), M (Industrial) Zone, Ward 1 (M. McDonald). The Planning Commission (7-0 vote) and staff recommend APPROVAL

130. REQUIRED FIVE YEAR REVIEW - SPECIAL USE PERMIT - PUBLIC HEARING - U-0103-95(1) - PAULA BELL LIVING TRUST ON BEHALF OF DONREY OUTDOOR ADVERTISING COMPANY - Required Five Year Review on an approved Special Use Permit which allowed a 12 foot x 24 foot off-premise advertising (billboard) sign at 1910 Industrial Road (APN: 162-04-704-006), M (Industrial) Zone, Ward 3 (Reese). The Planning Commission (7-0 vote) and staff recommend APPROVAL

PLANNING & DEVELOPMENT DEPARTMENT - DISCUSSION

131. REQUIRED FIVE YEAR REVIEW - SPECIAL USE PERMIT - PUBLIC HEARING - U-0105-95(1) - WHITTLESEA CAB COMPANY ON BEHALF OF DONREY OUTDOOR ADVERTISING COMPANY - Required Five Year Review on an approved Special Use Permit which allowed a 12 foot x 24 foot off-premise advertising (billboard) sign at 2030 Industrial Road (APN: 162-04-704-008), M (Industrial) Zone, Ward 3 (Reese). The Planning Commission (7-0 vote) and staff recommend APPROVAL

132. REQUIRED FIVE YEAR REVIEW - SPECIAL USE PERMIT - PUBLIC HEARING - U-0106-95(1) - GAUGHAN 1993 TRUST ON BEHALF OF SIGN SYSTEMS - Required Five Year Review on an approved Special Use Permit which allowed a 440 square foot off-premise advertising (billboard) sign at 310 South Main Street (APN: 139-34-201-003), C-M (Industrial) Zone, Ward 5 (Weekly). The Planning Commission (6-0-1 vote) and staff recommend APPROVAL

133. REQUIRED FIVE YEAR REVIEW - SPECIAL USE PERMIT - PUBLIC HEARING - U-0107-95(1) - JOHN SELBY ON BEHALF OF LAMAR OUTDOOR ADVERTISING COMPANY - Appeal filed by Lamar Advertising Company from the Denial by the Planning Commission of a request by John Selby on behalf of Lamar Outdoor Advertising Company of a Required Five Year Review on an approved Special Use Permit which allowed a 14 foot x 48 foot off-premise advertising (billboard) sign at 816 North Rancho Drive (APN: 139-29-704-001), C-1 (Limited Commercial) Zone, Ward 5 (Weekly). The Planning Commission (5-0 vote) and staff recommend DENIAL

134. SPECIAL USE PERMIT - PUBLIC HEARING - U-0121-00 - LODGE ELKS LAS VEGAS BPO #1468 - Request for a Special Use Permit and a Site Development Plan Review FOR A PROPOSED RECREATIONAL VEHICLE PARKING LOT; AND FROM SPECIAL USE PERMIT MINIMUM REQUIREMENT WAIVERS FOR DENSITY, SETBACK FROM VEHICLES TO BUILDINGS AND MINIMUM STREET FRONTAGE at 4130 West Charleston Boulevard (APN: 139-31-801-007), C-1 (Limited Commercial) Zone, Ward 1 (M. McDonald). Staff recommends DENIAL. The Planning Commission (5-2 vote) recommends APPROVAL

135. SPECIAL USE PERMIT - PUBLIC HEARING - U-0153-00 - ADVANCE MANAGEMENT CORPORATION ON BEHALF OF PACIFIC BELL WIRELESS - Appeal filed by WFI from the Denial by the Planning Commission of a request by Advance Management Corporation on behalf of Pacific Bell Wireless for a Special Use Permit FOR A 60 FOOT HIGH WIRELESS COMMUNICATION MONOPOLE on 17.01 acres at 232 North Jones Boulevard (APN: 138-25-404-001), C-1 (Limited Commercial) Zone, Ward 1 (M. McDonald). Staff recommends APPROVAL. The Planning Commission (5-1 vote) recommends DENIAL

136. SPECIAL USE PERMIT - PUBLIC HEARING - U-0167-00 - OXFORD TECHNOLOGIES, INC. ON BEHALF OF AT&T WIRELESS SERVICES - Request for a Special Use Permit FOR A 70-FOOT HIGH WIRELESS COMMUNICATIONS MONOPOLE at 2307 Fairfield Avenue (APN: 162-04-813-068 and 069), R-4 (High Density Residential) Zone under Resolution of Intent to C-2 (General Commercial), Ward 3 (Reese). The Planning Commission (5-0-2 vote) and staff recommend APPROVAL

137. SPECIAL USE PERMIT - PUBLIC HEARING - U-0168-00 - KRAUSE FAMILY TRUST - Request for a Special Use Permit FOR A SECONDHAND DEALER (GLOBE FURNITURE RENTALS) at 1600 South Decatur Boulevard (APN: 163-01-602-003), Ward 1 (M. McDonald). The Planning Commission (7-0 vote) and staff recommend APPROVAL

138. SPECIAL USE PERMIT - PUBLIC HEARING - U-0169-00 - DESERT SHORES GROUP, LIMITED LIABILITY COMPANY - Request for a Special Use Permit FOR A RESTAURANT SERVICE BAR (MARCHE' BACCHUS) at 2620 Regatta Drive, Suite #106 (APN: 138-16-714-001), C-1 (Limited Commercial) Zone, Ward 4 (Brown). Staff recommends DENIAL. The Planning Commission (7-0 vote) recommends APPROVAL

139. REZONING - PUBLIC HEARING - Z-0086-00 - NILA BIEKER AND CAROL WALDMAN - Request for a Rezoning FROM: R-1 (Single Family Residential) TO: P-R (Professional Office and Parking) on 0.24 acres at 224 North Lamb Boulevard (APN: 140-32-310-001), PROPOSED USE: 1,500 SQUARE FOOT OFFICE, Ward 3 (Reese). The Planning Commission (6-0 vote) and staff recommend APPROVAL

PLANNING & DEVELOPMENT DEPARTMENT - DISCUSSION

140. REZONING - PUBLIC HEARING - Z-0091-00 - CITY OF LAS VEGAS - Request for a Rezoning FROM: R-4 (Apartment Residence) TO: C-V (Civic) on 1.17 acres at 302 South 9th Street (APN: 139-34-712-125 and 126), PROPOSED USE: COMMUNITY CENTER, Ward 5 (Weekly). The Planning Commission (5-0-2 vote) and staff recommend APPROVAL

141. REZONING - PUBLIC HEARING - Z-0094-00 - JAN BERNARD REALTY - Request for a Rezoning FROM: U (Undeveloped) Zone [PCD (Planned Community Development) General Plan Designation] TO: PD (Planned Development) on 5.0 acres located on the northeast corner of the intersection of Puli Road and Buckskin Avenue alignments (APN: 137-12-301-009), PROPOSED USE: OFFICE, Ward 4 (Brown). The Planning Commission (5-0 vote) and staff recommend APPROVAL

142. MAJOR MODIFICATION TO THE LONE MOUNTAIN WEST MASTER DEVELOPMENT PLAN RELATED TO Z-0094-00 - PUBLIC HEARING - Z-0024-99(10) - JAN BERNARD REALTY - Request for a Major Modification to the Lone Mountain West Master Development Plan to change the land use designation FROM: Low Density Residential (up to 6 dwelling units per acre) TO: VC (Village Commercial) on 5.0 acres located on the northeast corner of the intersection of the Puli Road and Buckskin Avenue alignments (APN: 137-12-301-009), Ward 4 (Brown). The Planning Commission (5-0 vote) and staff recommend DENIAL

143. SITE DEVELOPMENT PLAN REVIEW RELATED TO Z-0094-00 AND Z-0024-99(10) - PUBLIC HEARING - Z-0094-00(1) - JAN BERNARD REALTY - Request for a Site Development Plan Review FOR A PROPOSED 72,000 SQUARE FOOT OFFICE DEVELOPMENT on 5.0 acres located on the northeast corner of the intersection of the Puli Road and Buckskin Avenue alignments (APN: 137-12-301-009), U (Undeveloped) Zone [PCD (Planned Community Development) General Plan Designation] [PROPOSED: PD (Planned Development) Zone], Ward 4 (Brown). The Planning Commission (5-0 vote) and staff recommend DENIAL

144. ABEYANCE ITEM - GENERAL PLAN AMENDMENT - PUBLIC HEARING - GPA-0026-00 - GIBBS FAMILY TRUST, ET AL ON BEHALF OF THE HELMER COMPANY - Request to amend a portion of the Southeast Sector of the General Plan FROM: ML (Medium-Low Density Residential) TO: M (Medium Density Residential) of 12.84 Acres on the south side of Owens Avenue, approximately 670 feet west of Lamb Boulevard (APN's: 140-30-503-002 and 140-30-520-017 through 033), Ward 3 (Reese). The Planning Commission (5-0 vote) and staff recommend APPROVAL

145. ABEYANCE ITEM - REZONING RELATED TO GPA-0026-00 - PUBLIC HEARING - Z-0080-00 - GIBBS FAMILY TRUST, ET AL ON BEHALF OF THE HELMER COMPANY - Request for a Rezoning FROM: R-E (Residence Estates) and R-E (Residence Estates) under Resolution of Intent to R-PD9 (Residential Planned Development - 9 Units Per Acre) TO: R-3 (Medium Density Residential) of 12.84 Acres on the south side of Owens Avenue, approximately 670 feet west of Lamb Boulevard (APN's: 140-30-503-002 and 140-30-520-017 through 033), Ward 3 (Reese). The Planning Commission (5-0 vote) and staff recommend APPROVAL

146. ABEYANCE ITEM - SITE DEVELOPMENT PLAN REVIEW RELATED TO GPA-0026-00 AND Z-0080-00 - PUBLIC HEARING - Z-0080-00(1) - GIBBS FAMILY TRUST, ET AL ON BEHALF OF THE HELMER COMPANY - Request for a Site Development Plan Review FOR A PROPOSED 288 UNIT APARTMENT COMPLEX on 12.84 acres on the south side of Owens Avenue, approximately 670 feet west of Lamb Boulevard (APN's: 140-30-503-002 and 140-30-520-017 through 033), R-E (Residence Estates) and R-E (Residence Estates) under Resolution of Intent to R-PD9 (Residential Planned Development - 9 Units Per Acre) Zones, proposed R-3 (Medium Density Residential), Ward 3 (Reese). The Planning Commission (5-0 vote) and staff recommend APPROVAL

147. SET DATE ON ANY APPEALS FILED OR REQUIRED PUBLIC HEARINGS FROM THE CITY PLANNING COMMISSION AND HEARINGS OFFICER MEETINGS AND DANGEROUS BUILDINGS OR NUISANCE/LITTER ABATEMENTS

ADDENDUM

CITIZENS PARTICIPATION

Items raised under this portion of the City Council 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 step up to the podium and 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.

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

Downtown Transportation Center, City Clerk's Posting Board
Senior Citizen Center, 450 E. Bonanza Road
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

ACTION TAKEN
not signed
as of
Date 1-22-01

DEVELOPMENT AND FINANCING AGREEMENT

This Development and Financing Agreement (this "Agreement") between the **CITY OF LAS VEGAS, NEVADA** (the "City"), a municipal corporation of the State of Nevada (the "State") and **THE HOWARD HUGHES CORPORATION**, a Delaware corporation (the "Developer") is made as of December 1, 2000.

WHEREAS, pursuant to Nevada Revised Statutes ("NRS") 271.710, the City Council of the City (the "Council") may enter into a written agreement with the owner of all assessable property within a proposed special improvement district containing the provisions stated herein; and

WHEREAS, the Developer represents and warrants that it is the sole legal owner of all of the assessable property located within the proposed City of Las Vegas, Nevada, Special Improvement District No. 808 (Summerlin Area)(the "District") (a legal description of the boundaries of which is attached hereto as Exhibit A) and that there are no liens or encumbrances on that property except those noted on Exhibit B; and

WHEREAS, the Developer has filed a petition with the City to form this District; and

WHEREAS, the Council has authorized City staff to negotiate the form of this Agreement with representatives of the Developer; and

WHEREAS, the Developer proposes to construct and acquire certain improvements and to transfer those improvements to the City or other appropriate governments on the terms and conditions provided herein (a description of which improvements (including a list of the plans and specifications therefor) is attached hereto as Exhibit C (such project, including the land on which it is located and all appurtenances is herein the "Project")); and

WHEREAS, the parties hereto propose to finance the Project pursuant to Chapter 271 of Nevada Revised Statutes ("NRS"), including NRS 271.710 through 271.730; and

WHEREAS, the Developer agrees that the City may create the District, levy the assessments on assessable property, and for all other purposes relating to the District, proceed pursuant to the provisions of NRS 271.710.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND CONDITIONS CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE 1. CONSTRUCTION.

1.1. **Project**.

1. Construction and Transfer of Project. The Developer agrees to construct the Project in accordance with the full and detailed plans and specifications therefor, which are listed on Exhibit C hereto and are on file with the City Clerk, in accordance with the schedule set forth on Exhibit D hereto, which sets forth the anticipated date for the commencement of the construction of each phase of the Project and the estimated cost of the respective phases. The City shall not be required to accept or pay for any phase of the Project unless final construction drawings and specifications for that phase have been submitted to the City and the City, in its sole discretion, has approved such final construction drawings and specifications and any amendments and addenda thereto, and unless that phase is constructed in accordance with such approved final construction drawings and specifications and any approved amendments and addenda thereto. If the City disapproves any final construction drawings and specifications or amendments thereto, it shall provide the reason therefor to the Developer and the City and the Developer will meet to discuss changes which may be necessary to obtain City approval thereof. Within 10 days of the final inspection of and agreement to accept each phase of the Project by the City, the Developer shall transfer to the City or, if directed by the City, to the Las Vegas Valley Water District ("LVVWD"), the Nevada Department of Transportation, or other governmental entity (the "Applicable Government") title in a form reasonably acceptable to the City or the Applicable Government to that phase of the Project, except for those portions of the real property on which that phase of the Project is located which are owned in fee by the City or the Applicable Government.

2. Title. At the time of transfer of title to any phase of the Project, the Developer will warrant that it has title thereto and that such phase of the Project is not subject to any mortgage, security interest, mechanics lien or any other encumbrances, except as shown on a preliminary title report with respect thereto which shall be delivered to the City or the Applicable Government for its review and approval at least 20 days prior to the transfer of title to the City or the Applicable Government. In the event the City or the Applicable Government does not approve the preliminary titlereport, the City or the Applicable Government shall not be obligated to accept title from the Developer and the City shall not be obligated to pay the Developer for such phase of the Project until the Developer has cured all objections to

title to that phase of the Project to the satisfaction of the City or the Applicable Government. The City or the Applicable Government shall be entitled to disapprove the preliminary title report only if it reveals a matter which, in the reasonable judgment of the City or the Applicable Government, could materially affect the City's or the Applicable Government's use and enjoyment of any part of the phase of the Project covered by the preliminary title report. The City or the Applicable Government shall notify the Developer of any objections to the preliminary title report within 20 days of receipt thereof. At the time of transfer of title, the Developer shall provide written lien releases from any contractor, subcontractor or materialman, or any other person who might have the right to file a mechanics lien on the property being transferred. The Developer agrees to defend the City's or the Applicable Government's title to the property being transferred against any claim of encumbrance whatsoever arising by or through the Developer or any of its predecessors in title or which is caused or created by the Developer, including any mechanics liens asserted in connection with the construction of the Project or the Developer's development of its property in the District.

3. Warranty of Workmanship and Materials. The Developer at the time of transfer shall warrant that the improvements have been constructed in accordance with the plans and specifications therefor which are listed on Exhibit C hereof, and all amendments and addenda thereto which have been approved by the City or the Applicable Government and the Developer and the specifications described in Section 1.1.D. below. The Developer agrees to remedy any defects in any phase of the Project and pay for any damage to other work resulting therefrom, which shall appear within 1 year from the date of transfer of title of that phase of the Project to the City or the Applicable Government.

4. Construction Specifications. The construction work performed pursuant to this Agreement is subject to the following additional specifications:

(1) The current edition of the Uniform Standard Specifications for Public Works' Construction Off-Site Improvements, Clark County Area, Nevada, (the "Standard Specifications"), and the Uniform Standard Drawing for Public Works' Construction, Clark County Area, Nevada (the "Standard Drawings"). Standard Specifications and Standard Drawings are on file in the office of the City Engineer at the City Hall, 400 Stewart Avenue, Las Vegas, Nevada and may be examined there without charge. The Standard Specifications may be purchased from the Regional Transportation Commission, 600 South Grand Central Parkway, Suite 350, Las Vegas, Nevada 89101;

(2) Summerlin Improvement Standards, Revised, February, 1993, on file with the City Department of Public Works, and any other revisions, additions or supplements thereto.

(3) The Supplemental General Conditions which are attached hereto as Exhibit E.

(4) The special conditions which are attached as Exhibit F.

5. Prevailing Wages. The requirements of NRS §§ 338.010 through 338.090 apply to all construction work to be performed under this Agreement. A copy of the prevailing wage acts for public works in the State of Nevada for Clark County, Nevada are attached as Exhibit G to this Agreement. The Developer agrees that neither it nor any subcontractor will pay less than the prevailing wage for any work performed under this Agreement. Developer is responsible for providing the State Labor Commission with all information required by NRS §§ 338.010 to 338.090, and otherwise responsible for all compliance requirements of those provisions of NRS.

6. Cost Estimates. At the time of commencement of construction of any phase of the Project as outlined in Exhibit D, the Developer shall furnish the City with an updated estimate of the cost of constructing that phase of the Project, in a form and substance satisfactory to the City. In addition, at the time any contract or change order is executed in connection with the construction of any phase of the Project, if as a result thereof, the estimate of the cost of the phase of the Project previously furnished increases, the Developer shall furnish the City with another updated estimate of such cost, in a form and with substance satisfactory to the City. If the updated estimated cost of that phase exceeds the smaller of (i) the price of that phase as shown on Exhibit D plus any allocation of Bond proceeds available therefor because of a cost underrun on another phase or (ii) the amount of the proceeds of the Bonds available to pay the cost of that phase of the Project, as reasonably determined by the City taking into account any allocation of such Bond proceeds to the Project and to other phases of the Project, the Developer shall furnish to the City a performance bond and payment bond in an amount equal to the amount of such excess at the time of commencement of construction on that phase of the Project. That bond shall remain in effect until acceptance of that phase of the Project by the City or the Applicable Government.

7. Payments for Project. The City shall pay to the Developer for each phase of the Project, the purchase price of that phase as listed in Exhibit D at the time of transfer of title to that phase of the Project to the City or the Applicable Government provided that the City shall be obligated to pay such purchase price solely from the available proceeds of the Bonds to be hereafter issued by the City. At no time shall the aggregate amount paid by the City to the Developer pursuant to this Agreement exceed the reasonable actual costs to the Developer of the portions of the Project theretofore acquired and then being

acquired, as reasonably determined by the City with reference to its prior experience with similar types of construction or otherwise. No payment shall be made for any phase of the Project which includes facilities to be transferred to an Applicable Government until those facilities are accepted by the Applicable Government.

If the reasonable actual costs of a phase of the Project as reasonably approved by the City exceeds the price therefor as listed in Exhibit D, the City shall not be obligated to pay such difference unless and only to the extent that Bond proceeds are available to pay such excess because the aggregate City and Developer Incidental Expenses are less than the aggregate stated in Section 1.4, or the price paid for another phase of the Project that has already been completed and accepted by the City is less than the price listed for that phase of the Project as listed on Exhibit D or any combination of such factors.

8. Failure to Construct. In the event the Developer does not build a phase of the Project in accordance with the approved final construction drawings and specifications and any amendments and addenda thereto mentioned in paragraph B above, or is late in completing a phase of the Project, the City may, at its option, proceed to build, complete, or rebuild as necessary that phase of the Project so that when completed that phase will be constructed in accordance with the approved final construction drawings and specifications and any amendments or addenda thereto. (If not then prepared, the City may proceed to prepare such final construction drawings and specifications in accordance with the plans and specifications listed on Exhibit C hereto.) The City may apply the proceeds of the Bonds and amounts derived from any payment, performance or guarantee bond applicable to that phase of the Project to the costs of such building, completing or rebuilding (and of preparing construction drawings and specifications, if necessary). The price to be paid to the Developer as listed on Exhibit D for any phase of the Project which is built, completed or rebuilt, or for which construction drawings and specifications are prepared, under this subsection shall be reduced by the amount applied by the City to that phase of the Project pursuant to this subsection. If these amounts are insufficient, the City shall make demand on the Developer to pay the amount of the insufficiency and the Developer shall immediately pay the City the amount of the insufficiency. The Developer will be treated as being late in completing any phase of the Project if either (i) that phase of the Project has not been completed within the earlier of twelve months after a lot is sold in the District to a person who intends to use the lot for his or her residence, which lot is dependent for issuance of a certificate of occupancy on the incomplete improvement or eighteen months (or such longer period to which the parties hereto agree in writing) after a final subdivision map is recorded for any property in the District which requires the installation of any of the improvements which are contemplated to be installed in that phase of

the Project, or (ii) that phase of the Project or any portion thereof has not been completed by the date on which completion thereof was required in any permit issued by any governmental agency (including the City) to the Developer or any other owner or developer of property in the District. Notwithstanding the foregoing, Developer shall not be deemed late in completing any phase of the Project under clause (ii) above to the extent that construction thereof is delayed as a result of occurrences beyond the control and without the fault or negligence of Developer, including without limitation, fire, earthquake, floods and other out of the ordinary actions of the elements, enemy invasion, war, insurrection, sabotage, laws or orders of governmental, civil or military authorities, governmental restrictions and moratoria, riot, civil commotion and unavoidable casualty. In the event the Developer is delayed by such occurrences, the time within which the Developer must complete such phase of the Project shall be extended by a reasonableperiod of time not less than the actual number of days that Developer was delayed as a result of such occurrences, provided that the Developer recommences the construction of such phase at the earliest possible date following the cessation of such occurrence and proceeds with due diligence toward the completion thereof.

9. Cost Overruns. The Developer is responsible for the payment of and agrees to pay all costs of construction which exceed the amount available for that purpose from the proceeds of Bonds. It is presently estimated that the Developer will be required to pay $12,400,000 pursuant to this paragraph. When the sum of the amounts paid to the Developer pursuant to Section 1.5 hereof together with the amounts requested to be paid pursuant to Section 1.5 hereof equals or exceeds ninety percent of original principal amount of the Bonds, the Developer shall furnish the City a performance and payment bond or, in the discretion of the Developer, cash in an amount equal to the amount of the excess of the estimated costs of constructing the remaining phases of the Project over the amount of Bond proceeds available for such purpose.

1.2. **Excess Bond Proceeds.**

In the event all of the construction of the Project is complete, accepted and payment therefor has been made in full by the City pursuant to Section 1.1 hereof, and all of the City's and Developer's Incidental Costs have been paid pursuant to Section 1.4 hereof, and there remain unexpended proceeds of the Bonds (including interest earned on such proceeds) which are not needed for any purpose related to the Project, the assessments or the Bonds, as determined by the City, the City and the Developer may, by agreement, amend the Project to include any other subprojects eligible for financing under Chapter 271 of NRS and the City's guidelines that benefit the property assessed in the District and such unexpended Bond

proceeds may be expended on such additional subprojects. If no such amendment is made or if after such an amendment, there still remains unexpended Bond proceeds, these unexpended proceeds shall be applied as soon as is reasonably possible to reduce, pro rata, the next assessment installment payments on each parcel of property in the District with an appropriate cash payment to the owner of any assessed parcel whose assessment has been paid in full.

1.3. **Oversizing.**

1. Water Line Oversizing. The City shall not pay for any oversizing of water lines the cost of which is to be reimbursed to the Developer by LVVWD under any agreements between LVVWD and the Developer. The Developer agrees not to include the costs of any such oversizing in its cost estimates or final costs for any phase of the Project.

2. Sewer Line Oversizing. The City shall not pay under this Agreement for any oversizing of sewer lines, the cost of which is to be reimbursed to the Developer by the City under any other agreement with the Developer or otherwise. The Developer agrees not to include any such costs for oversizing sewer lines in its cost estimates or in final costs for any phase of the Project.

1.4. **Incidental Expenses.**

The Developer and the City shall be entitled to be reimbursed for their incidental expenses ("Incidental Expense") as follows:

1. Developer Incidental Expenses. The Developer shall be entitled to be reimbursed from Bond proceeds for the actual costs of the following estimated Incidental Expenses incurred and paid by the Developer, up to an amount of not exceeding $587,000 (unless additional amounts are available from cost underruns on the Project or the City's Incidental Expenses): engineering expenses (estimated at $90,000); appraisal and absorption study (estimated at $72,000); legal expenses (estimated at $50,000); other non-construction costs associated with the District (estimated at $25,000); and the deposit of $350,000 made by the Developer for City's costs. The City will, upon presentation of evidence of payment of the foregoing expenses by the Developer and approval thereof by the City, pay to the Developer the cost incurred, but only from the available proceeds of the Bonds.

2. City Incidental Expenses. The City shall be entitled to pay the following Incidental Expenses directly from the proceeds of the Bonds and the deposit of $350,000 made by the Developer for City costs, and any other monies provided to the City by the Developer for that purpose: (1) the cost of funding a reserve fund in the amount provided in Ordinance of the City authorizing the Bonds (the

"Bond Ordinance"); (2) the fees and expenses of the assessment engineer and the cost to the City of that firm's services for construction inspection and testing (estimated to be $1,600,000, which will be paid as the acquisition of the Project takes place, based on actual invoices received); (3) the City's cost of issuing the bonds, which is estimated to be $958,000 and which includes the estimated fees and expenses of bond counsel ($60,000) and financial consultant ($30,000), the estimated cost of official statement printing and mailing ($20,000), the other costs listed in the purchase contract for the bonds to be paid by the City including the estimated underwriter's discount ($800,000), and the City's other actual expenses in connection with the issuance of the Bonds ($48,000); (4) the cost of publications and notices ($2,500); (5) the required deposit into the extraordinary maintenance fund ($-0-); and (6) the estimated amount of the City's other costs of creating the District and administrating the acquisition and construction of the Project, including legal expenses ($150,000). If the deposit made by the Developer for City costs and the available Bond proceeds are not sufficient to pay the City's Incidental Expenses, the Developer shall, at the request of the City, pay the amounts needed.

1.5. **Method of Payment**. Payments made to the Developer, whether for the cost of a phase of the project or for reimbursement of Incidental Expenses (as described in § 1.4.A.), shall be made only on execution of a request for such payment signed by the Developer in the form attached as Exhibit L, by check or draft made out to the party designated in and mailed as provided in the form found at Exhibit L. The Developer agrees to not request a payment in an amount of less than $200,000, except for the final payment. The City shall not be obligated to make any payment if after such payment the amount of Bond proceeds remaining is less than ten percent of the original principal amount of the Bonds unless the Developer has complied with Section 1.1.I. hereof.

1.6. **City Authorized to Pay**. The City is authorized to directly pay all expenses listed in § 1.4.B., without further authorization from the Developer, and shall provide to the Developer, at its request, with a copy of any invoice received with respect to those costs, or in the case of internal costs, other evidence of those costs.

1.7. **Appraisal and Absorption Study**. Within sixty days of the execution of this Agreement, the Developer shall deliver to the City an appraisal and absorption study in a form and with a substance and prepared by persons acceptable to the Citty. The absorption study and appraisal shall respectively demonstrate the economic feasibility and the value of each parcel to be assessed, as required by the City's guidelines.

ARTICLE 2. ASSESSMENTS; BONDS.

2.1. **Procedure.**

The Developer agrees that the City may proceed to order that the Project be acquired and improved, issue the Bonds and otherwise finance the cost of the Project and levy assessments without complying with the provisions of NRS §§ 271.305 to 271.320, inclusive, 271.330 to 271.345, inclusive, 271.380 and 271.385 and the provisions of any law requiring public bidding or otherwise imposing requirements on public contracts, projects, works or improvements including without limitation chapter 332, 338 and 339 of NRS except as specifically provided in NRS 271.710. The Developer agrees that the Council may create the District, levy assessments and for all other purposes relating to the District proceed pursuant to the provisions of NRS 271.710.

2.2. **Financing.**

The City agrees to proceed with the financing of the improvements by levying assessments against the assessable property in the District and issuing bonds in the manner described herein, and in the proposed forms of the City documents, all of which are listed on Exhibit H and are on file with the City Treasurer (the "City Documents"). The City has not agreed to pay the Bonds from the sources named in NRS 271.495.

2.3. **Assessment Roll.**

The City will levy assessments against all the property in the District as provided in the assessment ordinance, and the amount of the assessments against each parcel of property in the District will not exceed that listed in the assessment roll attached hereto as Exhibit I. The final amount of the assessment against each parcel shall be determined in the sole discretion of the City based upon the informaton provided by the Developer pursuant to Section 1.7 hereof.

2.4. **Assessment Installments.**

Pursuant to Section 271.405(2), NRS, the Developer hereby elects to pay the assessments against all the property in the District in installments, with interest thereon as provided in the assessment ordinance. There will be not more than forty substantially equal semiannual installments due, which substantially equal semiannual installments will include principal and interest. The Developer waives the right to pay the whole assessment within 30 days after the effective date of the assessment ordinance.

2.5. **Interest Rate.**

The interest rate on the assessments will be a fixed interest rate which will be fixed by the City at a rate that is not greater than one percentage point above the highest interest rate on any of the Bonds. Any interest received that is not used to pay the principal and interest on the Bonds will be used to pay the reasonable administrative and other expenses of the City in connection with the Bonds, the assessments and the Project, and to the extent not so used shall be refunded to the property owners as required by NRS after the Bonds are paid in full. The interest rate on the Bonds shall not exceed by more than three percent the Index of Twenty Bonds which was most recently published before the bids are received or the negotiated offer is accepted.

2.6. **Installment Due Dates.**

Assessment installments shall bear interest at the rate specified as provided in Section 2.5 hereof from the date specified in the assessment ordinance, until paid in full. Forty fully amortized assessment installments of principal and interest will be due on April 1 and October 1 of each year, commencing and ending on the dates set forth in the assessment ordinance to be hereafter adopted. The assessments will otherwise be payable as provided in the assessment ordinance. The payment dates and amounts of the installments may be altered and other terms of payment on the assessment may be changed as is provided in the assessment ordinance in the case of a refunding of the Bonds.

2.7. **Bond Reserve.**

A reserve fund (the "Bond Reserve") in an amount as specified in the Bond Ordinance, to be hereafter adopted, will be created with the proceeds of the Bonds. The Bond Reserve will be used as additional security for the Bonds to pay any principal and interest on the Bonds when due, if the payments of the assessment installments are insufficient for that purpose, and the Bond Reserve and any interest and investment thereon will otherwise be used as provided in the Bond Ordinance. The City may amend the City Documents to provide for other uses of the Bond Reserve in connection with a refunding of the Bonds and the owners of the property assessed in the District have no entitlement to any amounts in the Bond Reserve.

2.8. **Waiver.**

The Developer agrees that all of the property owned by it in the District is benefitted by the improvements proposed to be acquired and constructed in the District by an amount at least equal to the maximum amount proposed to be assessed against those properties listed in the assessment roll attached as Exhibit I, agrees to the City's assessing those properties in the amounts listed in the assessment roll and waives any and all formalities required by the laws of the United States and the State of Nevada in order to

impose such assessments. The Developer consents and agrees to the assessments listed in the assessment roll for the District and agrees that those assessments may be made regardless of whether any or all of the improvements proposed to be acquired and constructed as described herein are in fact acquired and constructed or any provisions of Article 3 hereof are followed and agrees that the City may proceed to collect and enforce the assessments in the manner described herein and in the City Documents regardless of whether it completes the acquisition or construction of the improvements or complies with Article 3 hereof. The Developer waives all powers, privileges, immunities and rights as against the City or the District arising from or following from irregularities or defects, if any, occurring in connection with or ensuing from the actions, proceedings, matters and things heretofore taken or hereafter to be taken had and done by the City, the City Council and the officers of the City (including, without limitation, the proper description of all property which the Developer may own within the District and the giving of proper notices of the proceedings relating to the District) concerning the creation of the Districtand the levying of special assessments to defray the cost and expenses of the improvements in the District. The Developer consents and agrees to be bound and consents and agrees that all property in the District owned by the Developer be bound and be subject to the assessment lien as thoroughly and effectively as if all actions, proceedings, notices, matters and things had been taken and done free from irregularities. The Developer also represents and warrants that in the Developer's reasonable opinion the market value of each parcel owned by it in the District exceeds the amount of the maximum assessment proposed to be made against each such parcel. The Developer agrees that its property is benefitted by at least the amounts listed in the assessment roll by the installation of the Project without regard to the availability of water, sewage treatment capacity, other utilities, or any combination thereof.

ARTICLE 3. MISCELLANEOUS.

3.1. **Federal Tax Covenant.**

The Developer covenants that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the Developer or any facilities financed with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under § 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code"); or (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in § 55(b)(2) of the Tax Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under § 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenant

shall remain in full force and effect until the date on which all obligations of the City in fulfilling the tax covenant contained in the bond ordinance have been met.

3.2. **City Documents; Continuing Disclosure.**

1. The Developer agrees to all provisions of the City Documents listed in Exhibit H in the form on file with the City Clerk with such changes therein as are approved by the City and the Developer. Any City Documents not now on file and changes to or additions to the City Documents must be approved by the City and the Developer. The City may amend the City Documents without obtaining the approval of the Developer whenever the outstanding assessments on property owned by the Developer in the District represent less than 40% of the aggregate outstanding assessments on property in the District, but the City may not increase an assessment against the Developer's property without the Developer's consent.

2. The City and the Developer agree to execute a continuing disclosure agreement or certificate in a mutually acceptable form prior to the issuance of the Bonds obligating each party to make certain disclosures on an ongoing basis as required under Rule 15c2-12 of the United States Securities Exchange Commission. If the parties are unable to agree on a form of agreement or certificate , the Bonds will not be issued unless they qualify for an exemption from Rule 15c2-12.

3.3. **No Guarantee of Water or Sewer Capacity.**

Nothing in this Agreement or any other document involving the District, nor the installation by way of the District of, or the assessment of the property within the District for, the water and sewage facilities shall be taken as a guarantee, promise or representation that water or sewage treatment capacity will be made available to the property in the District.

3.4. **Permits.**

The Developer hereby represents and warrants to the best of its knowledge, after reasonable investigation, that it has all governmental or other permits required to proceed with development of its property and the Project and it has paid all fees relating thereto and any other fees owing with respect to the Project, except as listed in Exhibit J. The Developer covenants that it will obtain those permits it does not now have when needed, promptly upon its obtaining knowledge that such permits are needed, and pay all fees due. There is no impediment, to the Developer's knowledge, to proceeding with the Project to completion and proceeding with the development of the land owned by the Developer in the District.

3.5. **Permitted Investments.** Any funds invested by the City under this Agreement may be invested in any investment that would be lawful for the City under the provisions of Chapter 355 and 356 of NRS.

3.6. **Indemnification and Defense of Suits .**

1. Indemnification. The Developer agrees to protect and indemnify and hold the City, its officers or employees and agents and each of them harmless from and against any and all claims, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees, and court costs which the City, its officers, employees or agents or any combination thereof may suffer or which may be sought against or recovered or obtained from the City, its officers, employees or agents or any combination thereof as a result of or by reason of or arising out of or in consequence of (i) the acquisition, construction or financing of the Project by the City pursuant to this Agreement, (ii) any environmental or hazardous waste conditions (a) which existed on any property which is part of the Project at any time prior to final acceptance of the Project by the City or an Applicable Government or which was caused by the Developer or (b) which existed on any of the property which is assessed at any time while the Developer owned the property or which was caused by the Developer, provided said condition was not caused by the deliberate action of the City; or (iii) any act or omission negligent or otherwise of the Developer or any of its subcontractors, agents or anyone who is directly employed by or acting in concert with the Developer or any of its subcontractors, or agents, in connection with the Project or the District. This Section 3.6 is not intended and shall not be construed to be a warranty of the construction, workmanship or of the materials or equipment incorporated in the Project; it being agreed that the Developer's only warranty of such matters to the City is as stated in Section 1.1. It is further agreed that the indemnity of the Developer to the City shall not extend to any claims that result from acts or omissions of the City, its officers, employees, agents or contractors in connection with the operation, maintenance and repair of the Project.

2. Defense of Suits. The Developer agrees that it shall at its sole cost and expense defend (including, without limitation, by paying the cost of attorneys selected by the City to assist in such defense) the City, its officers, employees and agents and each of them in any suit or action that may be brought against it or any of them by reason of the City's involvement in the Project and the financing thereof or any act or omission negligent or otherwise against the consequences of which the Developer has agreed to indemnify the City, its officers, employees or agents. If the Developer fails to do so, the City shall have the

right but not the obligation to defend the same and charge all of the direct or incidental costs of such defense including any attorneys fees or court costs to and recover the same from the Developer.

3. No Indemnification in Certain Circumstances. No indemnification is required to be paid by the Developer for any claim, loss or expense arising from the willful misconduct or gross negligence of the City or its officers or employees.

4. Survival of Indemnification. The provisions of this section shall survive the termination of this Agreement. It is not intended by the parties hereto that this indemnification provision revive any claim of or extend any statute of limitations which has run against, any third party.

3.7. **Insurance.**

1. Developer shall procure and maintain, during the course of this Agreement, general liability, auto liability, property, and professional insurance as necessary to meet the financial obligations and liability of Developer assumed in this section. Said policies shall include coverage limits of not less than $2,000,000 per occurrence. The City shall be added as an additional insured on all policies and certificates of insurance and endorsements for each insurance policy signed by a person authorized by the insured to bind coverage and shall be provided to the City prior to any work occurring after the execution of this Agreement.

2. Developer shall also procure and maintain workers compensation insurance on each of their employees in accordance with the laws of the State and shall require that all persons with whom they contract to perform any work in connection with the Project also procure and maintain that insurance for each person employed to perform work on or services for the Project.

3. All contracts entered into by Developer for the completion of work or professional services required pursuant to this Agreement shall contain indemnification and insurance clauses to protect the City's interest. Said coverages shall meet or exceed City "Minimum Standards" as required in the design and construction agreements as if contracts were entered into directly with City. A copy of such City "Minimum Standards" may be obtained from the Regional Transportation Commission.

3.8. **No Third Party Beneficiary.** None of the provisions of this Agreement is intended to constitute the owners of property assessed, the general public, or any member thereof, a third party beneficiary hereunder or to authorize anyone who is not a party to this Agreement to maintain any suit for personal injuries or project damage pursuant to this Agreement.

3.9. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the City and the Developer and their respective successors and assigns. No assignment of this Agreement or any right or obligation hereunder by either party hereto shall be valid unless the other party hereto consents to such assignment in writing.

3.10. **Inspection of Books.** The City will permit the Developer to inspect its books and records pertaining to the District, including but not limited to information relating to bond principal outstanding, interest disbursements, administrative costs and fund balances.

3.11. **Entire Agreement.** This Agreement, including the exhibits hereto, constitutes the entire agreement of the parties hereto. This Agreement may be modified by theparties hereto but only by a written instrument signed and acknowledged by each party and recorded with the County Recorder of Clark County.

3.12. **Further Assurances.** The Developer and the City agree to do such further acts and things and to execute and deliver to the other such additional certificates, documents and instruments as the other may reasonably require or deem advisable to carry into effect the purposes of this Agreement or to better assure and confirm unto the other its rights, powers, and remedies hereunder. The Developer shall execute all consents, certificates and other documents which the City or bond underwriter reasonably request in connection with the sale of the bonds.

3.13. **Obligations of Developer; Guarantee.** The obligations of the Developer under Articles 1 and 3 hereof are obligations of the Developer upon which the Developer is personally liable and which are also secured by the guarantee attached hereto as Exhibit M. The obligations to pay assessments in Article 2 pertain only to the land owned by the Developer in the District and are not personal obligations of the Developer.

3.14. **Notices.**

All notices, demands, instructions and other communications required or permitted to be given to or made upon any party hereto shall be in writing and shall be personally delivered or sent by registered or certified mail, postage prepared, addressed as follows:

If to the City:

City of Las Vegas, Nevada
c/o City Manager
400 Stewart Avenue, 10th Floor
Las Vegas, Nevada 89101

If to the Developer:

The Howard Hughes Corporation
c/o Kevin T. Orrock
10,000 West Charleston
Las Vegas, Nevada 89135

If any notice hereunder is given to the City, a copy shall be forwarded by first class mail, postage prepaid, to the City's Director of Public Works, Treasurer, and City Attorney at:

Director of Public Works
City Hall
400 Stewart Avenue
Las Vegas, Nevada 89101

City Treasurer
City Hall
400 Stewart Avenue
Las Vegas, Nevada 89101

and

City Attorney
City Hall
400 Stewart Avenue
Las Vegas, Nevada 89101

If notice hereunder is given to the Developer, a copy should be forwarded by first-class mail, postage prepaid, to the Developer's general counsel at:

The Howard Hughes Corporation
10,000 West Charleston
Las Vegas, Nevada 891135
Attn: General Counsel

3.15. **No Waivers.**

No failure or delay on the part of either party in enforcing any provision shall operate as a waiver thereof, nor shall any single or partial enforcement of any provision hereof preclude any other or further enforcement or the exercise of the same or any other right, power or remedy the either party may have.

3.16. **Attorney Fees.**

If the City incurs attorneys' fees or expenses or any other fees and expenses in connection with the actual or overtly threatened breach by the Developer of any provision hereof or in enforcing the provisions hereof, the City shall be entitled to recover such fees and expenses from the Developer.

3.17. **Severability.**

If any provision of this Agreement is deemed to be invalid or unenforceable, such invalidity or unenforceability shall not affect the remaining provisions hereof that can be given effect without the invalid or unenforceable provision and the City and Developer agree to replace such invalid or unenforceable provision with a valid provision which has, as nearly as possible, the same effect.

3.18. **Construction; Time.**

The language of this Agreement shall be construed as a whole according to its fair meaning and intent and not strictly for or against any party. Both parties were represented by counsel in the negotiation of this Agreement, and this Agreement shall be deemed to have been drafted by both of the parties. Time is of the essence of this Agreement and all terms, provisions, covenants, and conditions hereof.

3.19. **Governing Law.**

This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Nevada.

3.20. **No City Obligation.**

Nothing herein obligates the City to expend any money other than funds derived from the sale of the Bonds and amounts received from the investment thereof and receipts fromthe assessments made against the property in the District. Nothing herein obligates the City to issue the Bonds, however, the obligations of the Developer hereunder (except as provided in the following sentence) are contingent on the issuance of the Bonds by the City. If the Bonds are not issued by June 1, 2001 for any reason, this Agreement may be terminated by either party, but the Developer shall be responsible for payment of all of the costs incurred by Developer and by the City prior to that date. The amount of such costs incurred by the City shall not be contestable or appealable, absent fraud or gross abuse of discretion. The Developer shall pay to the City the costs submitted in the City's statement within thirty (30) days after receiving noticeof the amount of the costs.

3.21. **Term of Agreement.**

Except as otherwise provided in Sections 3.1 and 3.6 hereof, this Agreement shall be in effect from the date and year first mentioned above until the later of (i) the date all of the Bonds (including through

(including through a series of refundings) have been retired or (ii) the date on which all of the assessments against property in the District have been paid in full.

3.22. **Counterparts.**

This Agreement may be executed on one or more counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Agreement.

3.23. **Conveyance Restriction; Recording.**

The Developer agrees not to convey any parcel, lot or real property interest in any of the assessable property in the District to any party until after this Agreement has been recorded in the office of the County Recorder. The City agrees to record this Agreement within 5 days of its execution by all parties. Recording shall have the effect provided in Subsection 2 of NRS 271.720 and shall make Article 2 of this Agreement binding on all persons or entities who acquire any of the property in the District before the assessments and Bonds are paid in full.

3.24. **Disclosure to Transferees.**

The Developer agrees to inform any transferee of property in the District who acquires title from the Developer of the existence of the assessments and to obtain from any such transferee of any property in the District, which can be legally subdivided into smaller parcels, a covenant to give to each homebuyer transferee a disclosure statement in substantially the form attached hereto as Exhibit K, and to use its best efforts to obtain the homebuyer's signature on that statement and return a copy of it to the City.

IN WITNESS WHEREOF the City and the Developer have caused this Development and Financing Agreement to be executed as of the day and year first mentioned above.

CITY OF LAS VEGAS, NEVADA

By _____
Mayor

(SEAL)

APPROVED AS TO FORM:

11/28/00
Date

City Clerk

THE HOWARD HUGHES CORPORATION

By_____
Its_____

18 22.

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on _____ ____, 2000, by Oscar B. Goodman as Mayor of the City of Las Vegas.

(SEAL)

_____
Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on _____ ___, 2000 by Barbara Jo. Ronemus as City Clerk of the City of Las Vegas.

(SEAL)

_____
Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on _____ ___, 2000 by _____, as _____ of The Howard Hughes Corporation.

(SEAL)

_____
Notary Public

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DEVELOPMENT AND FINANCING AGREEMENT

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This Development and Financing Agreement (this "Agreement") between the **CITY OF LAS VEGAS, NEVADA** (the "City"), a municipal corporation of the State of Nevada (the "State") and **THE HOWARD HUGHES CORPORATION**, a Delaware corporation (the "Developer") is made as of December 1, 2000.

WHEREAS, pursuant to Nevada Revised Statutes ("NRS") 271.710, the City Council of the City (the "Council") may enter into a written agreement with the owner of all assessable property within a proposed special improvement district containing the provisions stated herein; and

WHEREAS, the Developer represents and warrants that it is the sole legal owner of all of the assessable property located within the proposed City of Las Vegas, Nevada, Special Improvement District No. 808 (Summerlin Area)(the "District") (a legal description of the boundaries of which is attached hereto as Exhibit A) and that there are no liens or encumbrances on that property except those noted on Exhibit B; and

WHEREAS, the Developer has filed a petition with the City to form this District; and

WHEREAS, the Council has authorized City staff to negotiate the form of this Agreement with representatives of the Developer; and

WHEREAS, the Developer proposes to construct and acquire certain improvements and to transfer those improvements to the City or other appropriate governments on the terms and conditions provided herein (a description of which improvements (including a list of the plans and specifications therefor) is attached hereto as Exhibit C (such project, including the land on which it is located and all appurtenances is herein the "Project")); and

WHEREAS, the parties hereto propose to finance the Project pursuant to Chapter 271 of Nevada Revised Statutes ("NRS"), including NRS 271.710 through 271.730; and

WHEREAS, the Developer agrees that the City may create the District, levy the assessments on assessable property, and for all other purposes relating to the District, proceed pursuant to the provisions of NRS 271.710.

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NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND CONDITIONS CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE 1. CONSTRUCTION.

1.1. **Project.**

A. Construction and Transfer of Project. The Developer agrees to construct the Project in accordance with the full and detailed plans and specifications therefor, which are listed on Exhibit C hereto and are on file with the City Clerk, in accordance with the schedule set forth on Exhibit D hereto, which sets forth the anticipated date for the commencement of the construction of each phase of the Project and the estimated cost of the respective phases. The City shall not be required to accept or pay for any phase of the Project unless final construction drawings and specifications for that phase have been submitted to the City and the City, in its sole discretion, has approved such final construction drawings and specifications and any amendments and addenda thereto, and unless that phase is constructed in accordance with such approved final construction drawings and specifications and any approved amendments and addenda thereto. If the City disapproves any final construction drawings and specifications or amendments thereto, it shall provide the reason therefor to the Developer and the City and the Developer will meet to discuss changes which may be necessary to obtain City approval thereof. Within 10 days of the final inspection of and agreement to accept each phase of the Project by the City, the Developer shall transfer to the City or, if directed by the City, to the Las Vegas Valley Water District ("LVVWD"), the Nevada Department of Transportation, or other governmental entity (the "Applicable Government") title in a form reasonably acceptable to the City or the Applicable Government to that phase of the Project, except for those portions of the real property on which that phase of the Project is located which are owned in fee by the City or the Applicable Government.

B. Title. At the time of transfer of title to any phase of the Project, the Developer will warrant that it has title thereto and that such phase of the Project is not subject to any mortgage, security interest, mechanics lien or any other encumbrances, except as shown on a preliminary title report with respect thereto which shall be delivered to the City or the Applicable

Government for its review and approval at least 20 days prior to the transfer of title to the City or the Applicable Government. In the event the City or the Applicable Government does not approve the preliminary title report, the City or the Applicable Government shall not be obligated to accept title from the Developer and the City shall not be obligated to pay the Developer for such phase of the Project until the Developer has cured all objections to title to that phase of the Project to the satisfaction of the City or the Applicable Government. The City or the Applicable Government shall be entitled to disapprove the preliminary title report only if it reveals a matter which, in the reasonable judgment of the City or the Applicable Government, could materially affect the City's or the Applicable Government's use and enjoyment of any part of the phase of the Project covered by the preliminary title report. The City or the Applicable Government shall notify the Developer of any objections to the preliminary title report within 20 days of receipt thereof. At the time of transfer of title, the Developer shall provide written lien releases from any contractor, subcontractor or materialman, or any other person who might have the right to file a mechanics lien on the property being transferred. The Developer agrees to defend the City's or the Applicable Government's title to the property being transferred against any claim of encumbrance whatsoever arising by or through the Developer or any of its predecessors in title or which is caused or created by the Developer, including any mechanics liens asserted in connection with the construction of the Project or the Developer's development of its property in the District.

C. Warranty of Workmanship and Materials. The Developer at the time of transfer shall warrant that the improvements have been constructed in accordance with the plans and specifications therefor which are listed on Exhibit C hereof, and all amendments and addenda thereto which have been approved by the City or the Applicable Government and the Developer and the specifications described in Section 1.1.D. below. The Developer agrees to remedy any defects in any phase of the Project and pay for any damage to other work resulting therefrom, which shall appear within 1 year from the date of transfer of title of that phase of the Project to the City or the Applicable Government.

D. Construction Specifications. The construction work performed pursuant to this Agreement is subject to the following additional specifications:

(1) The current edition of the Uniform Standard Specifications for Public Works' Construction Off-Site Improvements, Clark County Area, Nevada, (the "Standard Specifications"), and the Uniform Standard Drawing for Public Works' Construction, Clark County Area, Nevada (the "Standard Drawings"). Standard Specifications and Standard Drawings are on file in the office of the City Engineer at the City Hall, 400 Stewart Avenue, Las Vegas, Nevada and may be examined there without charge. The Standard Specifications may be purchased from the Regional Transportation Commission, 600 South Grand Central Parkway, Suite 350, Las Vegas, Nevada 89101;

(2) Summerlin Improvement Standards, Revised, February, 1993, on file with the City Department of Public Works, and any other revisions, additions or supplements thereto.

(3) The Supplemental General Conditions which are attached hereto as Exhibit E.

(4) The special conditions which are attached as Exhibit F.

E. Prevailing Wages. The requirements of NRS §§ 338.010 through 338.090 apply to all construction work to be performed under this Agreement. A copy of the prevailing wage acts for public works in the State of Nevada for Clark County, Nevada are attached as Exhibit G to this Agreement. The Developer agrees that neither it nor any subcontractor will pay less than the prevailing wage for any work performed under this Agreement. Developer is responsible for providing the State Labor Commission with all information required by NRS §§ 338.010 to 338.090, and otherwise responsible for all compliance requirements of those provisions of NRS.

F. Cost Estimates. At the time of commencement of construction of any phase of the Project as outlined in Exhibit D, the Developer shall furnish the City with an updated estimate of the cost of constructing that phase of the Project, in a form and substance satisfactory to the City. In addition, at the time any contract or change order is executed in connection with the construction of any phase of the Project, if as a result thereof, the estimate of the cost of the phase of the Project previously furnished increases, the Developer shall furnish the City with another updated estimate of such cost, in a form and with substance satisfactory to the City. If the updated

estimated cost of that phase exceeds the smaller of (i) the price of that phase as shown on Exhibit D plus any allocation of Bond proceeds available therefor because of a cost underrun on another phase or (ii) the amount of the proceeds of the Bonds available to pay the cost of that phase of the Project, as reasonably determined by the City taking into account any allocation of such Bond proceeds to the Project and to other phases of the Project, the Developer shall furnish to the City a performance bond and payment bond in an amount equal to the amount of such excess at the time of commencement of construction on that phase of the Project. That bond shall remain in effect until acceptance of that phase of the Project by the City or the Applicable Government.

G. Payments for Project. The City shall pay to the Developer for each phase of the Project, the purchase price of that phase as listed in Exhibit D at the time of transfer of title to that phase of the Project to the City or the Applicable Government provided that the City shall be obligated to pay such purchase price solely from the available proceeds of the Bonds to be hereafter issued by the City. At no time shall the aggregate amount paid by the City to the Developer pursuant to this Agreement exceed the reasonable actual costs to the Developer of the portions of the Project theretofore acquired and then being acquired, as reasonably determined by the City with reference to its prior experience with similar types of construction or otherwise. No payment shall be made for any phase of the Project which includes facilities to be transferred to an Applicable Government until those facilities are accepted by the Applicable Government. If the reasonable actual costs of a phase of the Project as reasonably approved by the City exceeds the price therefor as listed in Exhibit D, the City shall not be obligated to pay such difference unless and only to the extent that Bond proceeds are available to pay such excess because the aggregate City and Developer Incidental Expenses are less than the aggregate stated in Section 1.4, or the price paid for another phase of the Project that has already been completed and accepted by the City is less than the price listed for that phase of the Project as listed on Exhibit D or any combination of such factors.

H. Failure to Construct. In the event the Developer does not build a phase of the Project in accordance with the approved final construction drawings and specifications and any amendments and addenda thereto mentioned in paragraph B above, or is late in completing a phase of the Project, the City may, at its option, proceed to build, complete, or rebuild as necessary that

phase of the Project so that when completed that phase will be constructed in accordance with the approved final construction drawings and specifications and any amendments or addenda thereto. (If not then prepared, the City may proceed to prepare such final construction drawings and specifications in accordance with the plans and specifications listed on Exhibit C hereto.) The City may apply the proceeds of the Bonds and amounts derived from any payment, performance or guarantee bond applicable to that phase of the Project to the costs of such building, completing or rebuilding (and of preparing construction drawings and specifications, if necessary). The price to be paid to the Developer as listed on Exhibit D for any phase of the Project which is built, completed or rebuilt, or for which construction drawings and specifications are prepared, under this subsection shall be reduced by the amount applied by the City to that phase of the Project pursuant to this subsection. If these amounts are insufficient, the City shall make demand on the Developer to pay the amount of the insufficiency and the Developer shall immediately pay the City the amount of the insufficiency. The Developer will be treated as being late in completing any phase of the Project if either (i) that phase of the Project has not been completed within the earlier of twelve months after a lot is sold in the District to a person who intends to use the lot for his or her residence, which lot is dependent for issuance of a certificate of occupancy on the incomplete improvement or eighteen months (or such longer period to which the parties hereto agree in writing) after a final subdivision map is recorded for any property in the District which requires the installation of any of the improvements which are contemplated to be installed in that phase of the Project, or (ii) that phase of the Project or any portion thereof has not been completed by the date on which completion thereof was required in any permit issued by any governmental agency (including the City) to the Developer or any other owner or developer of property in the District. Notwithstanding the foregoing, Developer shall not be deemed late in completing any phase of the Project under clause (ii) above to the extent that construction thereof is delayed as a result of occurrences beyond the control and without the fault or negligence of Developer, including without limitation, fire, earthquake, floods and other out of the ordinary actions of the elements, enemy invasion, war, insurrection, sabotage, laws or orders of governmental, civil or military authorities, governmental restrictions and moratoria, riot, civil commotion and unavoidable casualty. In the event the Developer is delayed by such

occurrences, the time within which the Developer must complete such phase of the Project shall be extended by a reasonable period of time not less than the actual number of days that Developer was delayed as a result of such occurrences, provided that the Developer recommences the construction of such phase at the earliest possible date following the cessation of such occurrence and proceeds with due diligence toward the completion thereof.

I. Cost Overruns. The Developer is responsible for the payment of and agrees to pay all costs of construction which exceed the amount available for that purpose from the proceeds of Bonds. It is presently estimated that the Developer will be required to pay $12,400,000 pursuant to this paragraph. When the sum of the amounts paid to the Developer pursuant to Section 1.5 hereof together with the amounts requested to be paid pursuant to Section 1.5 hereof equals or exceeds ninety percent of original principal amount of the Bonds, the Developer shall furnish the City a performance and payment bond or, in the discretion of the Developer, cash in an amount equal to the amount of the excess of the estimated costs of constructing the remaining phases of the Project over the amount of Bond proceeds available for such purpose.

1.2. **Excess Bond Proceeds.**

In the event all of the construction of the Project is complete, accepted and payment therefor has been made in full by the City pursuant to Section 1.1 hereof, and all of the City's and Developer's Incidental Costs have been paid pursuant to Section 1.4 hereof, and there remain unexpended proceeds of the Bonds (including interest earned on such proceeds) which are not needed for any purpose related to the Project, the assessments or the Bonds, as determined by the City, the City and the Developer may, by agreement, amend the Project to include any other subprojects eligible for financing under Chapter 271 of NRS and the City's guidelines that benefit the property assessed in the District and such unexpended Bond proceeds may be expended on such additional subprojects. If no such amendment is made or if after such an amendment, there still remains unexpended Bond proceeds, these unexpended proceeds shall be applied as soon as is reasonably possible to reduce, pro rata, the next assessment installment payments on each parcel of property in the District with an appropriate cash payment to the owner of any assessed parcel whose assessment has been paid in full.

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1.3. **Oversizing.**

A. Water Line Oversizing. The City shall not pay for any oversizing of water lines the cost of which is to be reimbursed to the Developer by LVVWD under any agreements between LVVWD and the Developer. The Developer agrees not to include the costs of any such oversizing in its cost estimates or final costs for any phase of the Project.

B. Sewer Line Oversizing. The City shall not pay under this Agreement for any oversizing of sewer lines, the cost of which is to be reimbursed to the Developer by the City under any other agreement with the Developer or otherwise. The Developer agrees not to include any such costs for oversizing sewer lines in its cost estimates or in final costs for any phase of the Project.

1.4. **Incidental Expenses.**

The Developer and the City shall be entitled to be reimbursed for their incidental expenses ("Incidental Expense") as follows:

A. Developer Incidental Expenses. The Developer shall be entitled to be reimbursed from Bond proceeds for the actual costs of the following estimated Incidental Expenses incurred and paid by the Developer, up to an amount of not exceeding $587,000 (unless additional amounts are available from cost underruns on the Project or the City's Incidental Expenses): engineering expenses (estimated at $90,000); appraisal and absorption study (estimated at $72,000); legal expenses (estimated at $50,000); other non-construction costs associated with the District (estimated at $25,000); and the deposit of $350,000 made by the Developer for City's costs. The City will, upon presentation of evidence of payment of the foregoing expenses by the Developer and approval thereof by the City, pay to the Developer the cost incurred, but only from the available proceeds of the Bonds.

B. City Incidental Expenses. The City shall be entitled to pay the following Incidental Expenses directly from the proceeds of the Bonds and the deposit of $350,000 made by the Developer for City costs, and any other monies provided to the City by the Developer for that purpose: (1) the cost of funding a reserve fund in the amount provided in Ordinance of the City authorizing the Bonds (the "Bond Ordinance"); (2) the fees and expenses of the assessment

engineer and the cost to the City of that firm's services for construction inspection and testing (estimated to be $1,600,000, which will be paid as the acquisition of the Project takes place, based on actual invoices received); (3) the City's cost of issuing the bonds, which is estimated to be $958,000 and which includes the estimated fees and expenses of bond counsel ($60,000) and financial consultant ($30,000), the estimated cost of official statement printing and mailing ($20,000), the other costs listed in the purchase contract for the bonds to be paid by the City including the estimated underwriter's discount ($800,000), and the City's other actual expenses in connection with the issuance of the Bonds ($48,000); (4) the cost of publications and notices ($2,500); (5) the required deposit into the extraordinary maintenance fund ($-0-); and (6) the estimated amount of the City's other costs of creating the District and administrating the acquisition and construction of the Project, including legal expenses ($150,000). If the deposit made by the Developer for City costs and the available Bond proceeds are not sufficient to pay the City's Incidental Expenses, the Developer shall, at the request of the City, pay the amounts needed.

1.5. **Method of Payment**. Payments made to the Developer, whether for the cost of a phase of the project or for reimbursement of Incidental Expenses (as described in § 1.4.A.), shall be made only on execution of a request for such payment signed by the Developer in the form attached as Exhibit L, by check or draft made out to the party designated in and mailed as provided in the form found at Exhibit L. The Developer agrees to not request a payment in an amount of less than $200,000, except for the final payment. The City shall not be obligated to make any payment if after such payment the amount of Bond proceeds remaining is less than ten percent of the original principal amount of the Bonds unless the Developer has complied with Section 1.1.I. hereof.

1.6. **City Authorized to Pay**. The City is authorized to directly pay all expenses listed in § 1.4.B., without further authorization from the Developer, and shall provide to the Developer, at its request, with a copy of any invoice received with respect to those costs, or in the case of internal costs, other evidence of those costs.

1.7. **Appraisal and Absorption Study**. Within sixty days of the execution of this Agreement, the Developer shall deliver to the City an appraisal and absorption study in a form and with a substance and prepared by persons acceptable to the Citty. The absorption study and appraisal

shall respectively demonstrate the economic feasibility and the value of each parcel to be assessed, as required by the City's guidelines.

ARTICLE 2. ASSESSMENTS; BONDS.

2.1. **Procedure.**

The Developer agrees that the City may proceed to order that the Project be acquired and improved, issue the Bonds and otherwise finance the cost of the Project and levy assessments without complying with the provisions of NRS §§ 271.305 to 271.320, inclusive, 271.330 to 271.345, inclusive, 271.380 and 271.385 and the provisions of any law requiring public bidding or otherwise imposing requirements on public contracts, projects, works or improvements including without limitation chapter 332, 338 and 339 of NRS except as specifically provided in NRS 271.710. The Developer agrees that the Council may create the District, levy assessments and for all other purposes relating to the District proceed pursuant to the provisions of NRS 271.710.

2.2. **Financing.**

The City agrees to proceed with the financing of the improvements by levying assessments against the assessable property in the District and issuing bonds in the manner described herein, and in the proposed forms of the City documents, all of which are listed on Exhibit H and are on file with the City Treasurer (the "City Documents"). The City has not agreed to pay the Bonds from the sources named in NRS 271.495.

2.3. **Assessment Roll.**

The City will levy assessments against all the property in the District as provided in the assessment ordinance, and the amount of the assessments against each parcel of property in the District will not exceed that listed in the assessment roll attached hereto as Exhibit I. The final amount of the assessment against each parcel shall be determined in the sole discretion of the City based upon the information provided by the Developer pursuant to Section 1.7 hereof.

2.4. **Assessment Installments.**

Pursuant to Section 271.405(2), NRS, the Developer hereby elects to pay the assessments against all the property in the District in installments, with interest thereon as provided in the assessment ordinance. There will be not more than forty substantially equal semiannual

installments due, which substantially equal semiannual installments will include principal and interest. The Developer waives the right to pay the whole assessment within 30 days after the effective date of the assessment ordinance.

2.5. **Interest Rate.**

The interest rate on the assessments will be a fixed interest rate which will be fixed by the City at a rate that is not greater than one percentage point above the highest interest rate on any of the Bonds. Any interest received that is not used to pay the principal and interest on the Bonds will be used to pay the reasonable administrative and other expenses of the City in connection with the Bonds, the assessments and the Project, and to the extent not so used shall be refunded to the property owners as required by NRS after the Bonds are paid in full. The interest rate on the Bonds shall not exceed by more than three percent the Index of Twenty Bonds which was most recently published before the bids are received or the negotiated offer is accepted.

2.6. **Installment Due Dates.**

Assessment installments shall bear interest at the rate specified as provided in Section 2.5 hereof from the date specified in the assessment ordinance, until paid in full. Forty fully amortized assessment installments of principal and interest will be due on April 1 and October 1 of each year, commencing and ending on the dates set forth in the assessment ordinance to be hereafter adopted. The assessments will otherwise be payable as provided in the assessment ordinance. The payment dates and amounts of the installments may be altered and other terms of payment on the assessment may be changed as is provided in the assessment ordinance in the case of a refunding of the Bonds.

2.7. **Bond Reserve.**

A reserve fund (the "Bond Reserve") in an amount as specified in the Bond Ordinance, to be hereafter adopted, will be created with the proceeds of the Bonds. The Bond Reserve will be used as additional security for the Bonds to pay any principal and interest on the Bonds when due, if the payments of the assessment installments are insufficient for that purpose, and the Bond Reserve and any interest and investment thereon will otherwise be used as provided in the Bond Ordinance. The City may amend the City Documents to provide for other uses of the Bond

Reserve in connection with a refunding of the Bonds and the owners of the property assessed in the District have no entitlement to any amounts in the Bond Reserve.

2.8. **Waiver.**

The Developer agrees that all of the property owned by it in the District is benefitted by the improvements proposed to be acquired and constructed in the District by an amount at least equal to the maximum amount proposed to be assessed against those properties listed in the assessment roll attached as Exhibit I, agrees to the City's assessing those properties in the amounts listed in the assessment roll and waives any and all formalities required by the laws of the United States and the State of Nevada in order to impose such assessments. The Developer consents and agrees to the assessments listed in the assessment roll for the District and agrees that those assessments may be made regardless of whether any or all of the improvements proposed to be acquired and constructed as described herein are in fact acquired and constructed or any provisions of Article 3 hereof are followed and agrees that the City may proceed to collect and enforce the assessments in the manner described herein and in the City Documents regardless of whether it completes the acquisition or construction of the improvements or complies with Article 3 hereof. The Developer waives all powers, privileges, immunities and rights as against the City or the District arising from or following from irregularities or defects, if any, occurring in connection with or ensuing from the actions, proceedings, matters and things heretofore taken or hereafter to be taken had and done by the City, the City Council and the officers of the City (including, without limitation, the proper description of all property which the Developer may own within the District and the giving of proper notices of the proceedings relating to the District) concerning the creation of the District and the levying of special assessments to defray the cost and expenses of the improvements in the District. The Developer consents and agrees to be bound and consents and agrees that all property in the District owned by the Developer be bound and be subject to the assessment lien as thoroughly and effectively as if all actions, proceedings, notices, matters and things had been taken and done free from irregularities. The Developer also represents and warrants that in the Developer's reasonable opinion the market value of each parcel owned by it in the District exceeds the amount of the maximum assessment proposed to be made against each such parcel. The Developer agrees that its

property is benefitted by at least the amounts listed in the assessment roll by the installation of the Project without regard to the availability of water, sewage treatment capacity, other utilities, or any combination thereof.

ARTICLE 3. MISCELLANEOUS.

3.1. **Federal Tax Covenant.**

The Developer covenants that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the Developer or any facilities financed with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under § 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code"); or (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in § 55(b)(2) of the Tax Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under § 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenant shall remain in full force and effect until the date on which all obligations of the City in fulfilling the tax covenant contained in the bond ordinance have been met.

3.2. **City Documents; Continuing Disclosure.**

A. The Developer agrees to all provisions of the City Documents listed in Exhibit H in the form on file with the City Clerk with such changes therein as are approved by the City and the Developer. Any City Documents not now on file and changes to or additions to the City Documents must be approved by the City and the Developer. The City may amend the City Documents without obtaining the approval of the Developer whenever the outstanding assessments on property owned by the Developer in the District represent less than 40% of the aggregate outstanding assessments on property in the District, but the City may not increase an assessment against the Developer's property without the Developer's consent.

B. The City and the Developer agree to execute a continuing disclosure agreement or certificate in a mutually acceptable form prior to the issuance of the Bonds obligating each party to make certain disclosures on an ongoing basis as required under Rule 15c2-12 of the

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United States Securities Exchange Commission. If the parties are unable to agree on a form of agreement or certificate , the Bonds will not be issued unless they qualify for an exemption from Rule 15c2-12.

3.3. **No Guarantee of Water or Sewer Capacity.**

Nothing in this Agreement or any other document involving the District, nor the installation by way of the District of, or the assessment of the property within the District for, the water and sewage facilities shall be taken as a guarantee, promise or representation that water or sewage treatment capacity will be made available to the property in the District.

3.4. **Permits.**

The Developer hereby represents and warrants to the best of its knowledge, after reasonable investigation, that it has all governmental or other permits required to proceed with development of its property and the Project and it has paid all fees relating thereto and any other fees owing with respect to the Project, except as listed in Exhibit J. The Developer covenants that it will obtain those permits it does not now have when needed, promptly upon its obtaining knowledge that such permits are needed, and pay all fees due. There is no impediment, to the Developer's knowledge, to proceeding with the Project to completion and proceeding with the development of the land owned by the Developer in the District.

3.5. **Permitted Investments.** Any funds invested by the City under this Agreement may be invested in any investment that would be lawful for the City under the provisions of Chapter 355 and 356 of NRS.

3.6. **Indemnification and Defense of Suits .**

A. Indemnification. The Developer agrees to protect and indemnify and hold the City, its officers or employees and agents and each of them harmless from and against any and all claims, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees, and court costs which the City, its officers, employees or agents or any combination thereof may suffer or which may be sought against or recovered or obtained from the City, its officers, employees or agents or any combination thereof as a result of or by reason of or arising out of or in consequence of (i) the acquisition, construction or financing of the Project by the City pursuant to this Agreement, (ii) any

environmental or hazardous waste conditions (a) which existed on any property which is part of the Project at any time prior to final acceptance of the Project by the City or an Applicable Government or which was caused by the Developer or (b) which existed on any of the property which is assessed at any time while the Developer owned the property or which was caused by the Developer, provided said condition was not caused by the deliberate action of the City; or (iii) any act or omission negligent or otherwise of the Developer or any of its subcontractors, agents or anyone who is directly employed by or acting in concert with the Developer or any of its subcontractors, or agents, in connection with the Project or the District. This Section 3.6 is not intended and shall not be construed to be a warranty of the construction, workmanship or of the materials or equipment incorporated in the Project; it being agreed that the Developer's only warranty of such matters to the City is as stated in Section 1.1. It is further agreed that the indemnity of the Developer to the City shall not extend to any claims that result from acts or omissions of the City, its officers, employees, agents or contractors in connection with the operation, maintenance and repair of the Project.

B. Defense of Suits. The Developer agrees that it shall at its sole cost and expense defend (including, without limitation, by paying the cost of attorneys selected by the City to assist in such defense) the City, its officers, employees and agents and each of them in any suit or action that may be brought against it or any of them by reason of the City's involvement in the Project and the financing thereof or any act or omission negligent or otherwise against the consequences of which the Developer has agreed to indemnify the City, its officers, employees or agents. If the Developer fails to do so, the City shall have the right but not the obligation to defend the same and charge all of the direct or incidental costs of such defense including any attorneys fees or court costs to and recover the same from the Developer.

C. No Indemnification in Certain Circumstances. No indemnification is required to be paid by the Developer for any claim, loss or expense arising from the willful misconduct or gross negligence of the City or its officers or employees.

D. Survival of Indemnification. The provisions of this section shall survive the termination of this Agreement. It is not intended by the parties hereto that this indemnification

provision revive any claim of or extend any statute of limitations which has run against, any third party.

3.7. **Insurance.**

A. Developer shall procure and maintain, during the course of this Agreement, general liability, auto liability, property, and professional insurance as necessary to meet the financial obligations and liability of Developer assumed in this section. Said policies shall include coverage limits of not less than $2,000,000 per occurrence. The City shall be added as an additional insured on all policies and certificates of insurance and endorsements for each insurance policy signed by a person authorized by the insured to bind coverage and shall be provided to the City prior to any work occurring after the execution of this Agreement.

B. Developer shall also procure and maintain workers compensation insurance on each of their employees in accordance with the laws of the State and shall require that all persons with whom they contract to perform any work in connection with the Project also procure and maintain that insurance for each person employed to perform work on or services for the Project.

C. All contracts entered into by Developer for the completion of work or professional services required pursuant to this Agreement shall contain indemnification and insurance clauses to protect the City's interest. Said coverages shall meet or exceed City "Minimum Standards" as required in the design and construction agreements as if contracts were entered into directly with City. A copy of such City "Minimum Standards" may be obtained from the Regional Transportation Commission.

3.8. **No Third Party Beneficiary.** None of the provisions of this Agreement is intended to constitute the owners of property assessed, the general public, or any member thereof, a third party beneficiary hereunder or to authorize anyone who is not a party to this Agreement to maintain any suit for personal injuries or project damage pursuant to this Agreement.

3.9. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the City and the Developer and their respective successors and assigns. No assignment of this Agreement or any right or obligation hereunder by either party hereto shall be valid unless the other party hereto consents to such assignment in writing.

3.10. **Inspection of Books.** The City will permit the Developer to inspect its books and records pertaining to the District, including but not limited to information relating to bond principal outstanding, interest disbursements, administrative costs and fund balances.

3.11. **Entire Agreement.** This Agreement, including the exhibits hereto, constitutes the entire agreement of the parties hereto. This Agreement may be modified by the parties hereto but only by a written instrument signed and acknowledged by each party and recorded with the County Recorder of Clark County.

3.12. **Further Assurances.** The Developer and the City agree to do such further acts and things and to execute and deliver to the other such additional certificates, documents and instruments as the other may reasonably require or deem advisable to carry into effect the purposes of this Agreement or to better assure and confirm unto the other its rights, powers, and remedies hereunder. The Developer shall execute all consents, certificates and other documents which the City or bond underwriter reasonably request in connection with the sale of the bonds.

3.13. **Obligations of Developer; Guarantee.** The obligations of the Developer under Articles 1 and 3 hereof are obligations of the Developer upon which the Developer is personally liable and which are also secured by the guarantee attached hereto as Exhibit M. The obligations to pay assessments in Article 2 pertain only to the land owned by the Developer in the District and are not personal obligations of the Developer.

3.14. **Notices.**

All notices, demands, instructions and other communications required or permitted to be given to or made upon any party hereto shall be in writing and shall be personally delivered or sent by registered or certified mail, postage prepared, addressed as follows:

If to the City:

City of Las Vegas, Nevada
c/o City Manager
400 Stewart Avenue, 10th Floor
Las Vegas, Nevada 89101

If to the Developer:

The Howard Hughes Corporation

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c/o Kevin T. Orrock
10,000 West Charleston
Las Vegas, Nevada 89135

If any notice hereunder is given to the City, a copy shall be forwarded by first class mail, postage prepaid, to the City's Director of Public Works, Treasurer, and City Attorney at:

Director of Public Works
City Hall
400 Stewart Avenue
Las Vegas, Nevada 89101

City Treasurer
City Hall
400 Stewart Avenue
Las Vegas, Nevada 89101

and

City Attorney
City Hall
400 Stewart Avenue
Las Vegas, Nevada 89101

If notice hereunder is given to the Developer, a copy should be forwarded by first-class mail, postage prepaid, to the Developer's general counsel at:

The Howard Hughes Corporation
10,000 West Charleston
Las Vegas, Nevada 891135
Attn: General Counsel

3.15. **No Waivers.**

No failure or delay on the part of either party in enforcing any provision shall operate as a waiver thereof, nor shall any single or partial enforcement of any provision hereof preclude any other or further enforcement or the exercise of the same or any other right, power or remedy the either party may have.

3.16. **Attorney Fees.**

If the City incurs attorneys' fees or expenses or any other fees and expenses in connection with the actual or overtly threatened breach by the Developer of any provision hereof or in enforcing the provisions hereof, the City shall be entitled to recover such fees and expenses from the Developer.

3.17. **Severability.**

If any provision of this Agreement is deemed to be invalid or unenforceable, such invalidity or unenforceability shall not affect the remaining provisions hereof that can be given effect without the invalid or unenforceable provision and the City and Developer agree to replace such invalid or unenforceable provision with a valid provision which has, as nearly as possible, the same effect.

3.18. **Construction; Time.**

The language of this Agreement shall be construed as a whole according to its fair meaning and intent and not strictly for or against any party. Both parties were represented by counsel in the negotiation of this Agreement, and this Agreement shall be deemed to have been drafted by both of the parties. Time is of the essence of this Agreement and all terms, provisions, covenants, and conditions hereof.

3.19. **Governing Law.**

This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Nevada.

3.20. **No City Obligation.**

Nothing herein obligates the City to expend any money other than funds derived from the sale of the Bonds and amounts received from the investment thereof and receipts from the assessments made against the property in the District. Nothing herein obligates the City to issue the Bonds, however, the obligations of the Developer hereunder (except as provided in the following sentence) are contingent on the issuance of the Bonds by the City. If the Bonds are not issued by June 1, 2001 for any reason, this Agreement may be terminated by either party, but the Developer shall be responsible for payment of all of the costs incurred by Developer and by the City prior to that date. The amount of such costs incurred by the City shall not be contestable or appealable, absent

fraud or gross abuse of discretion. The Developer shall pay to the City the costs submitted in the City's statement within thirty (30) days after receiving notice of the amount of the costs.

3.21. **Term of Agreement.**

Except as otherwise provided in Sections 3.1 and 3.6 hereof, this Agreement shall be in effect from the date and year first mentioned above until the later of (i) the date all of the Bonds (including through a series of refundings) have been retired or (ii) the date on which all of the assessments against property in the District have been paid in full.

3.22. **Counterparts.**

This Agreement may be executed on one or more counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Agreement.

3.23. **Conveyance Restriction; Recording.**

The Developer agrees not to convey any parcel, lot or real property interest in any of the assessable property in the District to any party until after this Agreement has been recorded in the office of the County Recorder. The City agrees to record this Agreement within 5 days of its execution by all parties. Recording shall have the effect provided in Subsection 2 of NRS 271.720 and shall make Article 2 of this Agreement binding on all persons or entities who acquire any of the property in the District before the assessments and Bonds are paid in full.

3.24. **Disclosure to Transferees.**

The Developer agrees to inform any transferee of property in the District who acquires title from the Developer of the existence of the assessments and to obtain from any such transferee of any property in the District, which can be legally subdivided into smaller parcels, a covenant to give to each homebuyer transferee a disclosure statement in substantially the form attached hereto as Exhibit K, and to use its best efforts to obtain the homebuyer's signature on that statement and return a copy of it to the City.

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IN WITNESS WHEREOF the City and the Developer have caused this Development and Financing Agreement to be executed as of the day and year first mentioned above.

CITY OF LAS VEGAS, NEVADA

By _____
Mayor
Oscar B. Goodman

(SEAL)

_____
City Clerk

THE HOWARD HUGHES CORPORATION

By _____
Its KEVIN T. ORROCK
Executive VP and Treasurer

APPROVED AS TO FORM:

_____ 12/8/00
Date

When Recorded Please Return to:

Las VEgas City Clerk
400 Stewart Avenue
Las Vegas, Nevada 89101

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on December 11, 2000, by Oscar B. Goodman as Mayor of the City of Las Vegas.

(SEAL) Notary Public - State of Nevada COUNTY OF CLARK BEVERLY K. BRIDGES My Appointment Expires July 25 2001

Beverly K. Bridges
Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on December 11, 2000 by Barbara Jo Ronemus as City Clerk of the City of Las Vegas.

(SEAL) Notary Public - State of Nevada COUNTY OF CLARK BEVERLY K. BRIDGES My Appointment Expires July 25 2001

Beverly K. Bridges
Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on December 7, 2000 by KEVIN T. ORROCK Kevin T. Orrock, as Executive VP and Treasurer The Howard Hughes Corporation.

(SEAL) Notary Public-State Of Nevada County Of Clark SANDRA L. SCHRAM My Appointment Expires January 27, 2001 No. 93-3296-1

Sandra L Schram
Notary Public

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Exhibit A

District Boundary Description

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Exhibit B

Title Exceptions

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Exhibit C

List of Project Plans

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Exhibit D

Project Phases with Estimated
Commencement and Completion Dates and Costs

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Exhibit E

Supplemental General Conditions - Construction

CONSTRUCTION CONTRACT DOCUMENTS

1. REFERENCE SPECIFICATIONS AND DEFINITIONS

It is understood that Howard Hughes Properties Limited Partnership (the "DEVELOPER") will not be acting as the general contractor for the Project; however the DEVELOPER expressly warrants and acknowledges that all provisions of this Agreement pertaining to the general contractor will be incorporated into any and all contracts executed by the DEVELOPER with the general contractor (the "Contractor Agreements"). The general contractor shall hereafter be referred to as "CONTRACTOR" for purposes of the Agreement, and specifically for Exhibits "E" and "F".

The listed standards and codes are an integral part of the contract and are incorporated herein by reference. The DEVELOPER and the CONTRACTOR are advised to become familiar with the content of the following documents, as they shall govern the construction of this Project. Work on any public utility shall be performed in accordance with the Uniform Standard Specifications and Drawings except where modified by the utilities' own standards.

Uniform Standard Specifications for Public Works Construction Off-Site Improvements, Clark County Area, Nevada, the "STANDARD SPECIFICATIONS"

Uniform Standard Drawings for Public Works Construction, Clark County Area, Nevada, Volume I and Volume II, the "STANDARD DRAWINGS"

Summerlin Area Standard Drawings

Manual of Uniform Traffic Control Devices, the "M.U.T.C.D."

State of Nevada Standard Specifications for Road and Bridge Construction, the "NDOT Standard Specifications" or the "State of Nevada Standard Specifications"

State of Nevada Standard Plans for Road and Bridge Construction, the "NDOT Standard Drawings" or the "State of Nevada Standard Plans"

Nevada Work Zone Traffic Control Handbook, the "Work Zone Handbook"

American Society for Testing and Materials, the "ASTM"

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Uniform Design and Construction Standards for Water Distribution Systems, the "Water District Standards"

Southern Nevada Design and Construction Standards for Wastewater Collection Systems, the "Sewer Specifications"

2. LICENSING OF CONTRACTOR

The DEVELOPER shall insure that the CONTRACTOR is duly licensed for this particular work by the Nevada State Contractor's Board at the time of bid opening. Should the CONTRACTOR intend to sub-let portions of the work, the DEVELOPER shall insure that all subcontractors be licensed in accordance with the Nevada State laws and the City Code.

The award shall be conditional on the CONTRACTOR being properly licensed with the City of Las Vegas within fifteen (15) days from the date of award. Information concerning City license requirements and fees may be obtained from the City of Las Vegas, Department of Finance and Business Services, (702) 229-6281 or visiting the City website at http://arachnid.ci.las-vegas.nv.us/bus-license/.

3. CONTRACT DRAWINGS

The plans used by the CONTRACTOR (the "CONTRACT DRAWINGS") do not purport to show all the detail of the work. They are intended to illustrate the character and extent of the performed desires under the contract. Therefore, they may be supplemented or revised from time to time, as the work progresses, by G.C. Wallace (the "ENGINEER") or by the CONTRACTOR. Drawing revisions and/or additional drawings or sketches will be made and furnished to the CONTRACTOR if they are deemed necessary to adequately illustrate the work. All such supplementary and revised drawings are subject to approval of the City of Las Vegas (the "CITY"), and those that do not change the cost of the contract, automatically become a part of this Agreement. All other changes, which increase or decrease the cost of the contract, must be approved by the CITY, the CONTRACTOR and the DEVELOPER prior to becoming a part of this Agreement.

4. ADDENDA AND INTERPRETATIONS

No interpretation of the meaning of the plans, specifications or other Contract Agreements shall be orally made to the bidder or any subcontractor during the bidding process. Bidders shall take no advantage of any apparent error or omission in the bidding documents. In the event the Bidders discover such an error or omission, they shall immediately notify the ENGINEER.

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Every request for an interpretation should be in writing addressed to the ENGINEER. All such interpretations and any supplemental instructions will be in the form of written addenda to the specifications and must be approved by the CITY and subsequently mailed by certified mail with return receipt requested to the CONTRACTOR with a copy mailed to the CITY. All addenda so issued shall become part of the Contractor Agreements.

5. CONFLICTING CONDITIONS

Any provisions in the CONTRACTOR DRAWINGS which may be in conflict or inconsistent shall be void to the extent of such conflict or inconsistency. The order of precedence of the documents shall be as follows:

ADDENDA
CHANGE ORDERS
SPECIAL CONDITIONS
SUPPLEMENTAL GENERAL CONDITIONS
GENERAL CONDITIONS
STANDARD SPECIFICATIONS
STANDARD DRAWINGS
CONTRACT DRAWINGS

6. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of Chapter 338.010 through 338.090 of N.R.S. and other laws required to be inserted in this Agreement shall be deemed to be inserted herein, and the Agreement shall be read and enforced as though they were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the contract shall be physically amended to make such insertion or correction. Questions involving the Prevailing Wage Rates – Clark County should be referred to the Labor Commissioner, State of Nevada, at (702) 486-2650.

7. INDEMNITY

In the Contractor Agreements, the CONTRACTOR will expressly acknowledge and will agree to protect, indemnify and hold the CITY, its officers, employees, agents, consulting engineers and other retained consultants, harmless from and against any and all claims, damages, losses, suits, actions, decrees judgments, attorney's fees, court costs and other expenses of any kind or character which the CITY, its officers, employees, agents, consulting engineers or other retained consultants may suffer, or which may be sought against, recovered from or obtainable against the CITY, its officers employees, agents, consulting engineers or other retained consultants; (i) as a result of, or by reason of, or arising out of, or on account of, or in consequence of the operations of the CONTRACTOR, its subcontractors or agents, or anyone directly or indirectly employed by

any sub-contractor or agent, in the fulfillment or performance of the terms, conditions or covenants of this agreement, or (ii) as a result of, or by reason, or arising out of or in account of, or in consequence of, any neglect in safeguarding the work; or (iii) through the use of unacceptable materials in construction of the work; or (iv) because of any claim or amount recovered under the Nevada Industrial Insurance Act, or any other law, ordinance, order or decree. In the Contractor Agreements, the DEVELOPER will require the CONTRACTOR to defend, at its own expense, the CITY, its officers, employees, agents, consulting engineers and other retained consultants, against any and all claims, suits or actions which may be brought against them, or any of them, as a result of, or by reason of, or on account of, or in consequences of any act or omission against which the CONTRACTOR has indemnified the CITY. If the CONTRACTOR shall fail to do so pursuant to the Contractor Agreements, the CITY shall have the right, but not the obligation, to defend the same and to charge all direct and incidental costs of such defense to the CONTRACTOR, including attorney's fee and court costs.

The Contractor Agreements will require the CONTRACTOR to guarantee the payment of all just claims for materials, supplies and labor, and all other just claims against it or any subcontractor, in connection with this Agreement.

8. CLARK COUNTY POLLUTION CONTROL

Prior to starting construction, the CONTRACTOR shall obtain a permit from the Clark County District Board of Health, Air Pollution Control Division, and shall pay all costs therefore and conform to all rules and regulations thereof.

The CONTRACTOR shall so perform its work as not to discharge into the atmosphere from any source whatever smoke, dust, or other air contaminants in violation of the laws, rules and regulations of all federal, state and local air and water pollution requirements including but not limited to:

A. Nevada Revised Statute 445: Air Quality Regulation;
B. Registering with the Clark County Health Department, Air Pollution Board, any equipment requiring operating permits by said Board;
C. Adhering to all Clark County Air Pollution Board regulations;
D. No time extensions shall be granted for time lost due to violations of Clark County Pollution Regulations.

9. NATIONAL POLLUTION DISCHARGE PERMIT

If the construction activity will disturb five or more acres of land, a General National Pollutant Discharge Elimination System (NPDES) Permit *may* be required. It will be the DEVELOPER'S responsibility to determine if this permit is required.

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10. **EQUAL EMPLOYMENT OPPORTUNITY**

The Contractor Agreements will contain express acknowledgments by the CONTRACTOR of the following provisions:

A. The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, creed, sex, color, or national origin.

B. The CONTRACTOR will take action to ensure that the applicants are considered for employment, and that employees are treated during employment without regard to their race, sex, creed, color, or national origin. Such action shall include, but not be limited to the following; employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training; including apprenticeship.

C. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this non-discrimination clause.

D. The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, or national origin.

11. **COMPLIANCE WITH COPELAND ANTI-KICKBACK ACT AND REGULATIONS**

The CONTRACTOR shall comply with the Copeland Anti-Kick Back Act (19 U.S.C. 874) as supplemented in the Department of Labor Regulations (29 CFR Part 3). This act provides that each CONTRACTOR or subcontractor shall be prohibited from inducing by any means, any person employed in the construction, completion or repair of public work, to give up any part of the compensation to which he is otherwise entitled.

12. **PROHIBITED INTERESTS**

No official of the CITY, who is authorized in such capacity and on behalf of the CITY to negotiate, make, accept or approve, or take part in negotiating, making, accepting, or approving any architectural, engineering, inspection, construction or material supply contract or any sub-contract in connection with the construction of the Project, shall become directly or indirectly interested personally in this contract or in any part hereof. No officer, employee, architect, attorney, engineer or inspector of or for the CITY to exercise any legislative, executive, supervisory or other similar functions in connection with the construction of the Project, shall become directly or indirectly interested personally in this contract or in any part hereof, any

material supply contract sub-contract, insurance contract, or any other contract pertaining to the project.

13. GENERAL GUARANTY

Neither the final certificate of payment nor any provision in the Contractor Agreements, nor partial or entire occupancy of the premises by the CITY, shall constitute an acceptance of work not done in accordance with the Contractor Agreements, or relieve the CONTRACTOR of liability in respect to any express warranties, or responsibility for faulty materials or workmanship. The Contractor Agreements will require the CONTRACTOR to remedy any defects in the work and pay for any damage to other work resulting therefrom which shall appear within a period of one (1) year from the date of final acceptance of the work by the CITY unless a longer period is specified. The CITY will give notice to the developer of observed defects with reasonable promptness.

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14. PROSECUTION AND PROGRESS

In the Contractor Agreements, the DEVELOPER will include provisions stating that the CONTRACTOR shall be as fully responsible to the CITY for the acts and omissions of his subcontractors, and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by him.

The Contractor Agreements will also require the CONTRACTOR to insert appropriate provisions in all subcontractor agreements relative to the work, to bind subcontractors and the CONTRACTOR by the terms of the General Conditions and other Contractor Agreements insofar as applicable to the work of subcontractors and to give the CONTRACTOR the same power as regards to terminating any subcontract that the CITY may exercise over the DEVELOPER under any provisions of the Contractor Agreements.

15. CITY'S RIGHT TO WITHHOLD APPROVAL

The Contractor Agreements shall contain provisions that (i) the CONTRACTOR agrees to indemnify and save the CITY harmless from all claims growing out of the lawful demands of subcontractors, laborers, workmen, mechanics, material men, and furnishes of machinery and parts thereof, equipment, power tools and all supplies, including commissary, incurred in the furtherance of the performance of the CONTRACTOR, (ii) the DEVELOPER shall, at the CITY's request, furnish satisfactory evidence that all obligations of the nature hereinabove designated have been paid, discharged, or waived, and (iii) if the DEVELOPER fails to perform, the construction project will not be approved for acquisition until the DEVELOPER furnished satisfactory evidence that all obligations have been discharged.

16. WARRANTIES

The Contractor Agreements shall provide that warranties for equipment, products, material and supplies required by the STANDARD SPECIFICATIONS, STANDARD DRAWINGS, and CONTRACT DRAWINGS shall commence at the date of filing of the Notice of Completion.

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Exhibit F

List of Special Conditions and Specifications

The acquisition process for Special Improvement District 808 (the "DISTRICT") will be administered by the City of Las Vegas (the "CITY"), in accordance with the Engineers Report and the articles outlined in the Development and Financing Agreement. This Exhibit and Exhibit "E" constitute the entire set of requirements that the Howard Hughes Properties Limited Partnership (the "DEVELOPER") must adhere to in order for the City to systematically acquire the construction projects. Exhibit "E" establishes additional criteria that will be required to provide an orderly and systematic method for the Developer to construct the project and for the City to acquire the project. Where this Exhibit contradicts any item in the Contractor Agreements, the methodology set forth in this Exhibit shall be used to change, amend, alter or modify the contractor agreements, as required, to provide for the completion and acquisition of the project.

1. DEVELOPER DRIVEN SPECIAL IMPROVEMENT DISTRICT DEFINITIONS

A special improvement district is a legal device by which the City can permit a developer to utilize the state laws pertaining to assessment districts (NRS 271) in a format that permits the City to use municipal bond fund proceeds to acquire the infrastructure improvements necessary for the DISTRICT. The municipal bond fund proceeds are used to acquire those infrastructure improvements the district needs to accomplish its intended purpose. The DISTRICT is a residential community, which contains a worship site, schools, a park and commercial property. The infrastructure improvements are those public improvements required to provide necessary services normally provided by the CITY to projects of similar scope.

As a developer-driven special improvement district, the DEVELOPER will build the project and the CITY will acquire portions of the completed project on behalf of the future property owners using the bond fund proceeds. The future property owners will be assessed on a benefits basis for the amount of the bond proceeds. It is understood that the DEVELOPER will not construct the project with its own forces but rather will contract with a general contractor. The procedures for this contracting arrangement are normal and usual for the industry. In order to permit this to occur and simultaneously adhere to the requirements of NRS 338.010 through 338.090 inclusive, the following items are hereby made a part of the Development and Financing Agreement.

A. **Project and Construction Projects Defined** – As specified in the Agreement the infrastructure improvements that will be built with the proceeds of the sale of municipal bonds are in aggregate referred to as the "PROJECT". The Engineers Report has identified 33 construction projects (the "CONSTRUCTION PROJECTS") that involve street construction and are subdivided into portions of the CONSTRUCTION PROJECTS designated with suffixes A, B and C for grading and road improvements; street lights; and final pavement overlay, striping and signage, respectively (the "SUBPROJECTS").

B. **Bidding and Award of Construction Projects** – The general conditions establish the requirements that are applicable to the bidding and award of the CONSTRUCTION PROJECTS. The general conditions are modified by these special conditions to provide

for the special nature of the DEVELOPER-driven special improvement district. The modifications include the requirements as follows:

A. **Bidding** – The requirement to publicly notice the bid is waived in order to provide the DEVELOPER the latitude to work with qualified contractors that understand the unique nature of the land development business and will work with the DEVELOPER to achieve his goals.

B. **Bid Review** – There will be an opening of all bids, if bidding is selected to obtain the most cost effective contractor. A meeting will be held to discuss the method of award of the CONSTRUCTION PROJECT at which the CITY or its designated representative may be present. The bid review will include a determination of the acceptability of the bids. A non-collusion affidavit along with the bid documents must be submitted to the CITY or its designated representative at that time. If the bid review determines that the bids have not met the bid requirements then the bids will be rejected and a new bid process undertaken. If bidding is not the original form of award and the CITY does not agree with the method of award, the CONSTRUCTION PROJECT will be bid to a minimum of three pre-approved bidders from the DEVELOPER'S list of approved contractors.

C. **Award** – The CITY will have three working days after the meeting to review the bids and object to the proposed award of the CONSTRUCTION PROJECT. The CITY or its designated representative will send either a letter of no objection or a letter of objection by fax to the DEVELOPER with the original by mail. If a letter of objection is not received during that period, then the DEVELOPER may proceed to award the PROJECT on the fourth day.

D. **Bid Tabulations** – If the PROJECT is bid, bid tabulations will be prepared by the DEVELOPER listing the contractors and their price breakdown for each of the bid items. Where alternate bid items have been permitted the tabulation shall reflect the alternate bid as well.

C. **Combining of Construction Projects** – If the DEVELOPER awards a CONSTRUCTION PROJECT containing two or more CONSTRUCTION PROJECTS, the payment items in the construction contract will clearly define the pay items associated with each separate CONSTRUCTION PROJECT. If this is not possible then the combined PROJECTS will be acquired at the same time.

D. **Notices** – The DEVELOPER shall provide copies of the following immediately to the CITY for each CONSTRUCTION PROJECT:

Notice of Award
Notice to Proceed
Notice of Substantial Completion
Notice of Completion

2. SUBMISSION FOR AUDIT/ACQUISITION OF EACH CONSTRUCTION PROJECT

The following includes a series of documents necessary to have a formal acquisition reviewed. These documents will be submitted along with a statement attesting to their authenticity signed by the DEVELOPER. The DEVELOPER will submit the CONSTRUCTION PROJECT for acquisition after receipt of written acceptance by the CITY. A description or explanation of each item to be included with the payment request is as follows:

A. **Cost Tabulation** – Provide an itemized breakdown of all costs associated with the acquisition. It will include, in a summary format, construction costs certified by the ENGINEER including the determination of the final pay quantities, surveying costs, geotechnical costs, engineering costs, fees and other applicable costs provided for in the Development and Finance Agreement to be considered as part of the payment request.

B. **Contract** – The construction agreement with the CONTRACTOR must accompany the payment request for each CONSTRUCTION PROJECT and SUBPROJECT.

C. **Subcontracts** – In the event that the CONTRACTOR enters into a contract with a subcontractor or the DEVELOPER enters into a contract with a subcontractor the construction agreement is to be included in the documentation.

D. **Invoices** – Depending upon the nature of the construction contract between the DEVELOPER and the general contractor, it is assumed that on a monthly basis the CONTRACTOR will submit to the DEVELOPER with his progress payment request a statement of work completed and an invoice for payment of services. This and any subcontractor's requests for payment are to be submitted.

E. **Disbursement Records** – Disbursement records including copies of canceled checks both front and back must be kept and accompany any payment request for DEVELOPER funds which are used to pay for each CONSTRUCTION PROJECT and SUBPROJECT and other costs as provided in "A" above.

F. **Certified Payroll** – A copy of the certified payroll for the CONTRACTOR and any subcontractors must be submitted with each and every payment request. Provide a copy of the letter to the State of Nevada Labor Commission and their response.

G. **Change Orders** – In the event a change order is required in order to have the CONTRACTOR complete items beyond the scope of the CONTRACTOR AGREEMENT, the change order documents must accompany the request. The actual procedure for having a change order approved and authorized is established during the startup of any construction activity. Change orders will be reviewed at the time they occur and in the period for which payment is necessary. Change orders will not be paid to the DEVELOPER until the final PROJECT acquisition is

reviewed and only if the PROJECT contains excess funds and the change order is determined to be legitimate.

H. **Discrepancies/Resolutions** In the event there are contractual items between the DEVELOPER and the CONTRACTOR that bear upon the payment request, these items must be submitted, in writing, as part of the request. The CITY will review the documents and determine if they have any bearing upon the payment request.

I. **Prevailing Wage Information** – All CONSTRUCTION PROJECTS are required to have the employees of the CONTRACTOR compensated with the then prevailing wage. A copy of the currently applicable schedule is to accompany the submittal.

J. **Testing Results** – Should any of the items submitted for acquisition require testing by a third party, copies of the test results and any letters of evaluation of the results must be submitted. For CONSTRUCTION PROJECTS provide evidence of acceptance from Las Vegas Valley Water District.

K. **Inspection Certificates** – Provide copies of all Inspection Certificates in the event that items included require an acceptance prior to acquisition, copies of any documents must accompany the submittal.

L. **Permitting Information** – It is understood that construction permits will be obtained from several agencies in order for the CONSTRUCTION PROJECT to move forward. Copies of the permits and any payments made to obtain said permits must be submitted for each PROJECT.

M. **Liens** – Preliminary Notices and Final Lien Releases will be submitted for all subcontractors and suppliers involved with the CONSTRUCTION PROJECTS and SUBPROJECTS.

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Exhibit G

Prevailing Wages

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Exhibit H

List of City Documents

1. Petition Resolution adopted by the City Council on November 15, 2000.
2. Preliminary Resolution to be adopted.
3. Full and detailed plans resolution to be adopted.
4. Necessity Resolution to be adopted.
5. Sale Authorization Resolution to be adopted.
6. Final Assessment Roll Resolution to be adopted.
7. Creation Ordinance to be adopted.
8. Assessment Ordinance to be adopted.
9. Bond Ordinance to be adopted.
10. Interest Rate Resolution to be adopted.
11. Purchase Contract between City of Las Vegas, Nevada and Stone and Youngberg, LLC and Merrill Lynch & Co., to be executed.

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Exhibit I

Assessment Roll

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Exhibit J

Permits Required

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Exhibit K

City of Las Vegas
Special Improvement District #808 Information Form

Dear Property Owner,

You are about to purchase a property in Special Improvement District #808 of the City of Las Vegas. Below are some commonly asked questions regarding Special Improvement Districts. Please take the time to read through all of the information. After reading information, please sign, date, and mail the form.

Why was the Improvement District Created?
In April of 2001, the City of Las Vegas issued $46,000,000 in bonds to fund the acquisition and construction of certain street, water, sewer and drainage improvements specifically benefiting property located in the City's Special Improvement District #808.

What are my assessment installment payments used for?
To repay the principal and interest on the bonds issued to finance the cost of the street, water, sewer and drainage improvements.

Who is responsible for payment?
Each assessment constitutes a lien on the property similar to property tax and must be paid by the property owner.

How often are assessments installments billed?
Assessment installments are billed semi-annually. Assessment payments are due April 1 and October 1 of each year until _____, 2021. **Late Penalties for delinquent installments can be substantial.** To avoid late penalties and potential sale and foreclosure proceedings, please pay the minimum amount due prior to the Due Date. Late penalties accrue at the first of each month if payment is not received on or before the Due Date.

Can the assessment be paid in advance?
Yes. The assessment may be paid in full at any time. The current Payoff Amount is indicated on the front of the assessment bill you will receive. This amount is valid only if received on, or prior to, the Due Date. Assessments can also be partially pre-paid. Partial prepayments must be indicated on the payment coupon.

Is there a premium charged for prepaying my assessment?
Yes. The prepayment premium is 3 % of the outstanding principal balance.

What happens if I sell my home?
The remaining assessment is transferred to the new owner at the time of sale.

Are there penalties for failure to pay/underpayment of assessment installments?
Yes, if an assessment payment is not received by the Due Date indicated on the bill, a late penalty of 2% of the total outstanding assessment will be imposed per month. In addition, failure to pay an assessment installment when due may cause the whole amount of the outstanding assessment to become due and payable immediately as a result of the commencement of sale or foreclosure proceedings.

What about Overpayments?
If an overpayment is received, the amount of the overpayment will be credited in the manner indicated on the payment coupon. If no selection is indicated, the overpayment will be applied in accordance with policy established by the City.

Is my assessment limited to the property I own?
Yes. The assessment levied on any property owner's parcel is limited to that individual piece of property. As a property owner, you will never be liable for any other owners' assessments.

Where can I get further information about the Improvement District or my bill? Call (702)-796-0082.

PLEASE SIGN BELOW.

Buyer:_____ Date:_____ Principal Amount Assumed: $_____

Title Company:_____ Date:_____

Please mail original signed copy to:
City of Las Vegas-Summerlin, Treasurer's Office, 400 Stewart Ave., Las Vegas, NV 89101

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Exhibit L

Developer Payment Request Form

Date:_____

To: Department of Public Works
Attn: Michael Thompson
400 Stewart Avenue
Las Vegas, NV 89101

Dear Mr. Thompson:

Attached please find documentation [including lien releases] evidencing a payment request in the total amount of $_____. The payment request is as contemplated by described in the Financing Agreement for the expenses and costs heretofore paid by the Developer and listed in the attached itemized statement, as contemplated by the Financing Agreement between us and the City of Las Vegas dated December 1, 2000: (itemize and detail expenses or costs on an attached sheet(s))

Please remit payment to the following party and address:

_____
_____
_____
_____

Thank you.

THE HOWARD HUGHES CORPORATION

By:_____
Title:_____

Approved for payment:

_____
[Engineering Representative of City]
Date:_____

_____
[Finance Representative of City]
Date:_____

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Exhibit M

Form of Rouse Guaranty

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Exhibit A

District Boundary Description

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CITY COUNCIL MEETING OF DECEMBER 6, 2000 Pg. 660

AREA "A" (SUMMERLIN VILLAGE 20)

METES AND BOUNDS DESCRIPTION OF AREA "A"

THAT PORTION OF PARCEL 1 AS SHOWN BY MAP THEREOF ON FILE IN FILE 91, PAGE 28 OF PARCEL MAPS IN THE CLARK COUNTY RECORDERS OFFICE, CLARK COUNTY, NEVADA, LYING WITHIN SECTIONS 26, 27, 34 AND 35, TOWNSHIP 20 SOUTH, RANGE 59 EAST, CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 34; THENCE ALONG THE SOUTH LINE OF SAID SECTION 34, NORTH 89°52'23" WEST, 529.16 FEET; THENCE DEPARTING SAID SOUTH LINE OF SECTION 34, NORTH 02°40'58" WEST, 71.57 FEET TO AN INTERSECTION WITH THE NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD AS DEDICATED TO NEVADA DEPARTMENT OF TRANSPORTATION BY INSTRUMENT RECORDED DECEMBER 06, 1988 IN BOOK 880606 AS INSTRUMENT NO. 00481 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA; THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD (OR:880606:00481), CONTINUING NORTH 02°40'58" WEST, 1024.32 FEET; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 3500.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 15°46'02", AN ARC LENGTH OF 963.16 FEET; THENCE NORTH 18°27'00" WEST, 2003.70 FEET; THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 3750.00 FOOT RADIUS CURVE, CONCAVE EASTERLY, THROUGH A CENTRAL ANGLE OF 34°45'30", AN ARC LENGTH OF 2274.93 FEET; THENCE NORTH 16°18'30" EAST, 1310.50 FEET; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 3000.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 03°48'48", AN ARC LENGTH OF 199.67 FEET; THENCE NORTH 12°29'42" EAST, 681.58 FEET; THENCE SOUTH 77°30'18" EAST, 38.00 FEET; THENCE FROM A TANGENT BEARING SOUTH 12°29'42" WEST, CURVING TO THE LEFT ALONG THE ARC OF A 30.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 92°00'00", AN ARC LENGTH OF 48.17 FEET; THENCE SOUTH 79°30'18" EAST, 200.00 FEET; THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 300.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 10°59'17", AN ARC LENGTH OF 57.53 FEET TO A POINT OF REVERSE CURVATURE THROUGH WHICH A RADIAL LINE BEARS NORTH 21°28'59" EAST; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 300.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 10°59'17", AN ARC LENGTH OF 57.53 FEET; THENCE SOUTH 79°30'18" EAST, 996.66 FEET; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 4370.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 06°41'43", AN ARC LENGTH OF 510.65 FEET TO A POINT OF COMPOUND CURVATURE TO WHICH A RADIAL LINE BEARS SOUTH 03°47'59" WEST; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 2952.33 FOOT RADIUS CURVE, CONCAVE NORTHERLY, THROUGH A CENTRAL ANGLE OF 05°44'46", AN ARC LENGTH OF 296.08 FEET TO A POINT OF COMPOUND CURVATURE TO WHICH A RADIAL LINE BEARS SOUTH 01°56'47" EAST; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 30.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 95°21'53", AN ARC LENGTH OF 49.93 FEET TO A POINT OF COMPOUND CURVATURE TO WHICH A RADIAL LINE BEARS NORTH 82°41'20" EAST; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 1162.00 FOOT RADIUS CURVE, CONCAVE WESTERLY, THROUGH A CENTRAL ANGLE OF 01°03'53", AN ARC LENGTH OF 1.31 FEET TO A POINT TO WHICH A RADIAL LINE BEARS NORTH 82°37'27" EAST; THENCE ALONG THE PROLONGATION OF SAID RADIAL LINE, NORTH 82°37'27" EAST, 76.00 FEET; THENCE NORTH 75°15'47" EAST, 84.24 FEET TO AN INTERSECTION WITH THE SOUTHERLY LINE OF PARCEL 4 AS SHOWN BY MAP THEREOF ON FILE IN FILE 91, PAGE 28 OF PARCEL MAPS IN THE CLARK COUNTY RECORDERS OFFICE, CLARK COUNTY, NEVADA; THENCE ALONG SAID SOUTHERLY LINE OF PARCEL 4 THE FOLLOWING SEVEN (7) COURSES: 1) FROM A TANGENT BEARING NORTH 84°20'03" EAST, CURVING TO THE LEFT ALONG THE ARC OF A 2898.33 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 02°13'29", AN ARC LENGTH OF 112.54 FEET TO A POINT TO WHICH A RADIAL LINE BEARS SOUTH 07°53'26" EAST; 2) THENCE SOUTH 66°55'03" EAST, 46.12 FEET; 3) THENCE FROM A TANGENT BEARING NORTH 81°20'03" EAST, CURVING TO THE LEFT ALONG THE ARC OF A 2922.33 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 01°47'16", AN ARC LENGTH OF 91.18 FEET TO A POINT OF REVERSE CURVATURE THROUGH WHICH A RADIAL LINE BEARS SOUTH 10°27'13" EAST; 4) THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 319.00 FOOT RADIUS CURVE, CONCAVE SOUTHERLY, THROUGH A CENTRAL ANGLE OF 09°56'00", AN ARC LENGTH OF 55.30 FEET TO A POINT OF REVERSE CURVATURE THROUGH WHICH A RADIAL LINE BEARS NORTH 00°31'13" WEST; 5) THENCE CURVING TO THE LEFT ALONG THE ARC OF A 281.00 FOOT RADIUS CURVE, CONCAVE NORTHERLY, THROUGH A CENTRAL ANGLE OF 12°05'26", AN ARC LENGTH OF 59.30 FEET TO A POINT OF COMPOUND CURVATURE TO WHICH A RADIAL LINE BEARS SOUTH 12°36'39" EAST; 6) THENCE CURVING TO THE LEFT ALONG THE ARC OF A 3489.33 FOOT RADIUS CURVE, CONCAVE

Area "A" Continued

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NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 04°56'25", AN ARC LENGTH OF 300.86 FEET TO A POINT TO WHICH A RADIAL LINE BEARS SOUTH 17°33'04" EAST; 7) THENCE NORTH 66°53'24" EAST, 93.57 FEET; THENCE DEPARTING THE SOUTHERLY LINE OF SAID PARCEL 4, NORTH 83°39'09" EAST, 15.93 FEET TO AN INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY OF LINE OF THE WESTERN BELTWAY AS DEDICATED TO CLARK COUNTY BY "GRANT, BARGAIN, SALE DEED" RECORDED APRIL 05, 2000 IN BOOK 20000405 AS INSTRUMENT NO. 00608 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA; THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF WESTERN BELTWAY THE FOLLOWING SEVENTEEN (17) COURSES: 1) SOUTH 19°55'20" EAST, 66.12 FEET; 2) THENCE SOUTH 70°04'40" WEST, 38.47 FEET; 3) THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 3000.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 03°37'28", AN ARC LENGTH OF 189.78 FEET TO A POINT TO WHICH A RADIAL LINE BEARS SOUTH 16°17'52" EAST; 4) THENCE ALONG THE PROLONGATION OF SAID RADIAL LINE, SOUTH 16°17'52" EAST, 40.55 FEET; 5) FROM A TANGENT BEARING NORTH 74°11'42" EAST, CURVING TO THE LEFT ALONG THE ARC OF A 3179.67 FEET, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 01°49'47", AN ARC LENGTH OF 101.54 FEET TO A POINT OF REVERSE CURVATURE THROUGH WHICH A RADIAL LINE BEARS SOUTH 17°38'05" EAST; 6) THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 150.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 15°41'39", AN ARC LENGTH OF 41.09 FEET TO A POINT OF REVERSE CURVATURE THROUGH WHICH A RADIAL LINE BEARS NORTH 01°56'26" WEST; 7) THENCE CURVING TO THE LEFT ALONG THE ARC OF A 150.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 17°58'54", AN ARC LENGTH OF 47.08 FEET; 8) THENCE NORTH 70°04'40" EAST, 117.39 FEET; 9) THENCE SOUTH 57°22'20" EAST, 137.42 FEET; 10) THENCE SOUTH 19°55'20" EAST, 8.88 FEET; 11) THENCE CURVING TO THE LEFT ALONG THE ARC OF A 2028.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 05°25'00", AN ARC LENGTH OF 191.72 FEET; 12) THENCE SOUTH 25°20'20" EAST, 430.19 FEET; 13) THENCE SOUTH 33°39'13" EAST, 57.66 FEET; 14) THENCE SOUTH 25°01'29" EAST, 484.96 FEET; 15) THENCE SOUTH 19°55'20" EAST, 572.50 FEET; 16) THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 6325.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 17°56'51", AN ARC LENGTH OF 1981.26 FEET;

17) THENCE SOUTH 01°58'29" EAST, 397.25 FEET TO THE NORTHWESTERLY CORNER OF THAT PORTION OF THE WESTERN BELTWAY AS DEDICATED TO CLARK COUNTY BY "GRANT, BARGAIN, SALE DEED" RECORDED DECEMBER 10, 1999 IN BOOK 991210 AS INSTRUMENT NO. 01049 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA; THENCE CONTINUING ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF WESTERN BELTWAY (OR: 991210:01049) THE FOLLOWING NINE (9) COURSES 1) CONTINUING SOUTH 01°58'29" EAST, 2926.37 FEET; 2) THENCE FROM A TANGENT BEARING SOUTH 06°58'35" WEST, CURVING TO THE RIGHT ALONG THE ARC OF A 1718.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 07°54'41", AN ARC LENGTH OF 237.22 FEET; 3) THENCE SOUTH 14°53'16" WEST, 183.62 FEET; 4) THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 230.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 14°27'16", AN ARC LENGTH OF 58.02 FEET TO A POINT OF REVERSE CURVATURE THROUGH WHICH A RADIAL LINE BEARS SOUTH 60°39'28" EAST; 5) THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 270.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 15°23'50", AN ARC LENGTH OF 72.56 FEET TO A POINT OF COMPOUND CURVATURE TO WHICH A RADIAL LINE BEARS NORTH 76°03'18" WEST; 6) THENCE CURVING TO THE LEFT ALONG THE ARC OF A 1548.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 14°08'14", AN ARC LENGTH OF 381.96 FEET; 7) THENCE SOUTH 00°11'32" EAST, 77.02 FEET; 8) THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 30.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 89°46'07", AN ARC LENGTH OF 47.00 FEET; 9) THENCE SOUTH 00°11'32" EAST, 16.98 FEET TO AN INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF THE AFOREMENTIONED CHARLESTON BOULEVARD (OR: 880606: 00481); THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD, CONTINUING SOUTH 00°11'32" EAST, 73.70 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF THE AFOREMENTIONED SECTION 35; THENCE ALONG SAID SOUTH LINE OF SECTION 35 THE FOLLOWING TWO (2) COURSES: 1) SOUTH 89°54'38" WEST, 739.46 FEET; 2) THENCE SOUTH 89°45'47" WEST, 2673.18 FEET TO THE POINT OF BEGINNING.

CONTAINING 822.67 ACRES.

Area "A" Continued

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CITY COUNCIL MEETING OF DECEMBER 6, 2000 Pg. 662

EXCEPTING THEREFROM PARCEL 2 AS SHOWN BY MAP THEREOF ON FILE IN FILE 82, PAGE 01 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA;

CONTAINING 14.55 ACRES

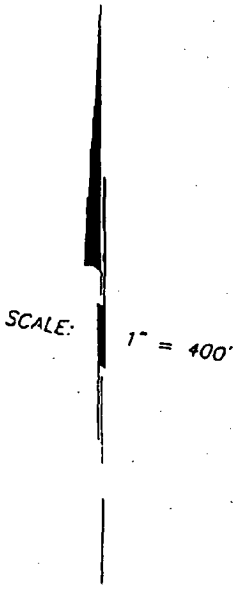
FURTHER EXCEPTING THEREFROM PARCEL 2 AS SHOWN BY MAP THEREOF ON FILE IN FILE 84, PAGE 71 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

CONTAINING 17.08 ACRES.

TOTAL EXCEPTION AREA = 31.63 ACRES.

TOTAL AREA = 791.04 ACRES.

AREAS OF NON-ASSESSMENT DESIGNATION	NET/NET AREA
"CB-1"	6.63 ACRES
"CP-1"	22.95 ACRES
"NP-1"	5.16 ACRES
"NP-2"	5.10 ACRES
"ES-1"	10.50 ACRES
"DC-1"	2.42 ACRES
"DC-2"	6.91 ACRES
"DC-3"	13.95 ACRES
TOTAL AREA OF NON-ASSESSMENT	73.62 ACRES
TOTAL REMAINING "GROSS" AREA OF ASSESSMENT	717.42 ACRES



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CITY COUNCIL MEETING OF DECEMBER 6, 2000 Pg. 663

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AREA "B" (SUMMERLIN VILLAGE 23A)

METES AND BOUNDS DESCRIPTION OF AREA "B"

THAT PORTION OF PARCEL 1 AS SHOWN BY MAP THEREOF ON FILE IN FILE 91, PAGE 28 OF PARCEL MAPS IN THE CLARK COUNTY RECORDERS OFFICE, CLARK COUNTY, NEVADA, LYING WITHIN SECTION 34, TOWNSHIP 20 SOUTH, RANGE 59 EAST, AND SECTION 3, TOWNSHIP 21 SOUTH, RANGE 59 EAST, CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 34;

THENCE ALONG THE SOUTH LINE OF SAID SECTION 34,
NORTH 89°52'23" WEST, 529.16 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID SOUTH LINE OF SECTION 34,
NORTH 89°52'23" WEST, 1460.82 FEET;

THENCE DEPARTING SAID SOUTH LINE OF SECTION 34, FROM A TANGENT BEARING SOUTH 89°48'28" WEST, CURVING TO THE LEFT ALONG THE ARC OF A 1511.64 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 47°52'00", AN ARC LENGTH OF 1262.87 FEET TO A POINT TO WHICH A RADIAL LINE BEARS NORTH 48°03'32" WEST;

THENCE NORTH 48°04'23" WEST, 63.36 FEET TO AN INTERSECTION WITH THE NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD AS DEDICATED TO NEVADA DEPARTMENT OF TRANSPORTATION BY INSTRUMENT RECORDED DECEMBER 06, 1988 IN BOOK 880606 AS INSTRUMENT NO. 00481 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA;

THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD (OR: 880606: 00481), CONTINUING NORTH 48°04'23" WEST, 586.16 FEET;

THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 5000.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 37°26'08", AN ARC LENGTH OF 3256.87 FEET;

THENCE NORTH 10°38'15" WEST, 843.70 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "A";

THENCE NORTH 75°35'40" EAST, 3907.90 FEET;

THENCE FROM A TANGENT BEARING SOUTH 09°04'41" EAST, CURVING TO THE LEFT ALONG THE ARC OF A 3750.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 09°22'19", AN ARC LENGTH OF 613.39 FEET;

THENCE SOUTH 18°27'00" EAST, 2003.70 FEET;

THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 3500.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 15°46'02", AN ARC LENGTH OF 963.16 FEET;

THENCE SOUTH 02°40'58" EAST, 1024.32 FEET TO AN INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF THE AFOREMENTIONED CHARLESTON BOULEVARD (OR: 880606: 00481);

THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD, CONTINUING SOUTH 02°40'58" EAST, 71.57 FEET TO THE POINT OF BEGINNING.

CONTAINING 377.37 ACRES.

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AREA "C" (SUMMERLIN VILLAGE 24)

METES AND BOUNDS DESCRIPTION OF AREA "C"

THAT PORTION OF PARCEL 1 AS SHOWN BY MAP THEREOF ON FILE IN FILE 91, PAGE 28 OF PARCEL MAPS IN THE CLARK COUNTY RECORDERS OFFICE, CLARK COUNTY, NEVADA, LYING WITHIN SECTIONS 27, 28, AND 34, TOWNSHIP 20 SOUTH, RANGE 59 EAST, CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE AFOREMENTIONED POINT "A";

THENCE NORTH 10°38'15" WEST, 886.67 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "B";

THENCE CONTINUING NORTH 10°38'15" WEST, 2004.21 FEET;

THENCE NORTH 13°36'33" WEST, 293.23 FEET;

THENCE CURVING TO THE LEFT ALONG THE ARC OF A 2500.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 22°33'27", AN ARC LENGTH OF 984.26 FEET;

THENCE NORTH 36°10'00" WEST, 775.61 FEET;

THENCE NORTH 58°50'00" EAST, 348.37 FEET;

THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 2400.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 25°40'00", AN ARC LENGTH OF 1075.12 FEET;

THENCE NORTH 84°30'00" EAST, 970.42 FEET;

THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 2000.00 FOOT RADIUS CURVE, CONCAVE SOUTHERLY, THROUGH A CENTRAL ANGLE OF 15°59'42", AN ARC LENGTH OF 558.33 FEET;

THENCE SOUTH 79°30'18" EAST, 3128.60 FEET;

THENCE SOUTH 12°29'42" WEST, 600.16 FEET;

THENCE CURVING TO TE RIGHT ALONG THE ARC OF A 3000.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, THROUGH A CENTRAL ANGLE OF 03°48'48", AN ARC LENGTH OF 199.67 FEET;

THENCE SOUTH 16°18'30" WEST, 1310.50 FEET;

THENCE CURVING TO THE LEFT ALONG THE ARC OF A 3750.00 FOOT RADIUS CURVE, CONCAVE EASTERLY, THROUGH A CENTRAL ANGLE OF 25°23'11", AN ARC LENGTH OF 1661.54 FEET TO A POINT TO WHICH A RADIAL LINE BEARS SOUTH 80°55'19" WEST;

THENCE SOUTH 75°35'40" WEST, 3907.90 FEET TO THE POINT OF BEGINNING.

CONTAINING 484.54 ACRES.

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CITY COUNCIL MEETING OF DECEMBER 6, 2000 Pg. 665

AREA "D" (DETENTION BASIN No. 5)

METES AND BOUNDS DESCRIPTION OF AREA "D"

THAT PORTION OF PARCEL 1 AS SHOWN BY MAP THEREOF ON FILE IN FILE 91, PAGE 28 OF PARCEL MAPS IN THE CLARK COUNTY RECORDERS OFFICE, CLARK COUNTY, NEVADA, LYING WITHIN SECTIONS 27, 28, 33 AND 34, TOWNSHIP 20 SOUTH, RANGE 59 EAST, CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE AFOREMENTIONED POINT "B";

THENCE SOUTH 79°21'45" WEST, 75.00 FEET;

THENCE NORTH 48°14'13" WEST, 316.92 FEET;

THENCE NORTH 85°50'10" WEST, 2091.62 FEET;

THENCE NORTH 23°21'00" EAST, 181.77 FEET;

THENCE NORTH 80°23'57" EAST, 67.28 FEET;

THENCE NORTH 23°21'00" EAST, 2178.88 FEET;

THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 125.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 89°05'09", AN ARC LENGTH 194.36 FEET;

THENCE SOUTH 67°33'51" EAST, 242.46 FEET;

THENCE NORTH 65°50'50" EAST, 460.32 FEET;

THENCE FROM A TANGENT BEARING SOUTH 24°09'10" EAST, CURVING TO THE RIGHT ALONG THE ARC OF A 2500.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 10°32'37", AN ARC LENGTH OF 460.05 FEET;

THENCE SOUTH 13°36'33" EAST, 293.23 FEET;

THENCE SOUTH 10°38'15" EAST, 2004.21 FEET TO THE POINT OF BEGINNING.

CONTAINING 86.23 ACRES.

AREAS OF NON-ASSESSMENT DESIGNATION	NET/NET AREA
"CB-2"	4.13 ACRES
TOTAL AREA OF NON-ASSESSMENT	4.13 ACRES
TOTAL REMAINING "GROSS" AREA OF ASSESSMENT	373.24 ACRES

Exhibit B

Title Exceptions

20001213
.00364

FIRST AMERICAN TITLE COMPANY OF NEVADA
3760 PECOS MCLEOD INTERCONNECT, SUITE #7
LAS VEGAS, NEVADA 89121-4253
(702) 731-4131
http://www.fatcolv.com

NOVEMBER 7, 2000

OUR ORDER NO.: LV-885288-CD/CAROL DVORAK, ESCROW OFFICER
FORM OF POLICY COVERAGE REQUESTED: STANDARD COVERAGE POLICY FORM - 1990

PROPERTY ADDRESS: VILLAGE 23A

IN RESPONSE TO THE ABOVE REFERENCED APPLICATION FOR A POLICY OF TITLE INSURANCE, THIS COMPANY HEREBY REPORTS THAT IT IS PREPARED TO ISSUE, OR CAUSE TO BE ISSUED, AS OF THE DATE HEREOF, A POLICY OF TITLE INSURANCE (THROUGH FIRST AMERICAN TITLE INSURANCE COMPANY, A CALIFORNIA CORPORATION) IN THE FORM SPECIFIED ABOVE, DESCRIBING THE LAND AND THE ESTATE OR INTEREST THEREIN HEREINAFTER SET FORTH, INSURING AGAINST LOSS WHICH MAY BE SUSTAINED BY REASON OF ANY DEFECT, LIEN OR ENCUMBRANCE NOT SHOWN OR REFERRED TO AS AN EXCEPTION BELOW OR NOT EXCLUDED FROM COVERAGE PURSUANT TO THE PRINTED SCHEDULES, CONDITIONS AND STIPULATIONS OF SAID POLICY FORM.

THIS REPORT (AND ANY SUPPLEMENTS OR AMENDMENTS THERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE, A BINDER OR COMMITMENT SHOULD BE REQUESTED.

DATED AS OF NOVEMBER 2, 2000, AT 7:30 A.M.

JULIE SKINNER, TITLE OFFICER

TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

THE HOWARD HUGHES CORPORATION, A DELAWARE CORPORATION

THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

FEE

CITY COUNCIL MEETING OF DECEMBER 6, 2000 Pg. 667

CITY COUNCIL MEETING OF DECEMBER 6, 2000 Pg. 668

AT THE DATE HEREOF EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS CONTAINED IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT SHOWN BY THE PUBLIC RECORDS.

2. ANY TAXES THAT MAY BE DUE, BUT NOT ASSESSED, FOR NEW CONSTRUCTION WHICH CAN BE ASSESSED ON THE UNSECURED PROPERTY ROLLS, IN THE OFFICE OF THE CLARK COUNTY ASSESSOR, PER NEVADA REVISED STATUTE 361.260.

3. THOSE TAXES FOR THE FISCAL YEAR JULY 1, 2000 THROUGH JUNE 30, 2001, INCLUDING ANY SECURED PERSONAL PROPERTY TAXES COLLECTED BY THE CLARK COUNTY TREASURER.
APN (200) 137-34-000-001

1ST INSTALLMENT	$30,311.60 PAID
2ND INSTALLMENT	$30,310.00 PAID
3RD INSTALLMENT	$30,310.00
4TH INSTALLMENT	$30,310.00
TOTAL	$121,241.60

NOTE:
SAID TAXES BECOME A LIEN ON JULY 1, 2000, EACH INSTALLMENT WILL BECOME DUE AND PAYABLE ON THE FOLLOWING DATES:

1ST INSTALLMENT IS DUE ON THE 3RD MONDAY OF AUGUST, 2000.
2ND INSTALLMENT IS DUE ON THE 1ST MONDAY OF OCTOBER, 2000.
3RD INSTALLMENT IS DUE ON THE 1ST MONDAY OF JANUARY, 2001.
4TH INSTALLMENT IS DUE ON THE 1ST MONDAY OF MARCH, 2001.

EACH INSTALLMENT WILL BECOME DELINQUENT TEN (10) DAYS AFTER DUE.

(WITH OTHER LAND)

("CONTINUED ON NEXT PAGE")

4. THOSE TAXES FOR THE FISCAL YEAR JULY 1, 2000 THROUGH JUNE 30, 2001, INCLUDING ANY SECURED PERSONAL PROPERTY TAXES COLLECTED BY THE CLARK COUNTY TREASURER.
APN (200) 164-03-000-001

1ST INSTALLMENT	$3,825.95 PAID
2ND INSTALLMENT	$3,823.00 PAID
3RD INSTALLMENT	$3,158.17
4TH INSTALLMENT	$3,158.17
TOTAL	$13,965.30

NOTE:
SAID TAXES BECOME A LIEN ON JULY 1, 2000, EACH INSTALLMENT WILL BECOME DUE AND PAYABLE ON THE FOLLOWING DATES:

1ST INSTALLMENT IS DUE ON THE 3RD MONDAY OF AUGUST, 2000.
2ND INSTALLMENT IS DUE ON THE 1ST MONDAY OF OCTOBER, 2000.
3RD INSTALLMENT IS DUE ON THE 1ST MONDAY OF JANUARY, 2001.
4TH INSTALLMENT IS DUE ON THE 1ST MONDAY OF MARCH, 2001.

EACH INSTALLMENT WILL BECOME DELINQUENT TEN (10) DAYS AFTER DUE.

(WITH OTHER LAND)

5. RESERVATIONS AND PROVISIONS AS CONTAINED IN PATENT FROM THE UNITED STATES OF AMERICA, RECORDED SEPTEMBER 15, 1955, IN BOOK 67 OF OFFICIAL RECORDS, AS DOCUMENT NO. 56941 AND RECORDED MARCH 27, 1956 IN BOOK 88 OF OFFICIAL RECORDS, AS DOCUMENT NO. 73768, CLARK COUNTY, NEVADA RECORDS.

6. LIMITATIONS, COVENANTS, CONDITIONS AND RESTRICTIONS, RESERVATIONS, EASEMENTS, EXCEPTIONS, TERMS, ASSESSMENTS, LIENS AND CHARGES IN AN INSTRUMENT RECORDED DECEMBER 31, 1991 IN BOOK 911231 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 01517...BUT DELETING ANY COVENANT, CONDITION OR RESTRICTION INDICATING A PREFERENCE, LIMITATION OR DISCRIMINATION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN TO THE EXTENT SUCH COVENANTS, CONDITIONS OR RESTRICTIONS VIOLATE 42 USC 3604(c).

. WHICH PROVIDE THAT A VIOLATION THEREOF SHALL NOT DEFEAT OR RENDER INVALID THE LIEN OF ANY MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

. THE RIGHT TO LEVY CERTAIN CHARGES OR ASSESSMENTS AGAINST THE LAND WHICH SHALL BECOME A LIEN IF NOT PAID AS SET FORTH IN THE ABOVE DECLARATION OF RESTRICTIONS, AND IS CONFERRED UPON SUMMERLIN SOUTH COMMUNITY ASSOCIATION.

("CONTINUED ON NEXT PAGE")

AN INSTRUMENT DECLARING A MODIFICATION OF SAID COVENANTS, CONDITIONS AND RESTRICTIONS WAS RECORDED SEPTEMBER 26, 1997 IN BOOK 970926 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00091.

7. COVENANTS, CONDITIONS AND RESTRICTIONS IN A RESTRICTIVE COVENANT RUNNING WITH THE LAND RECORDED DECEMBER 8, 1994, IN BOOK 941208 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00601.

8. A DEVELOPMENT AGREEMENT DATED (NOT SET OUT), EXECUTED BY AND BETWEEN HOWARD HUGHES PROPERTIES, LIMITED PARTNERSHIP AND THE CITY OF LAS VEGAS, RECORDED NOVEMBER 21, 1997 IN BOOK 971121 OF OFFICIAL RECORDS, CLARK COUNTY NEVADA, AS DOCUMENT NO. 00839.

9. PROVISIONS, RECITED ON THE DEDICATION STATEMENT ON THE PARCEL MAP RECORDED MARCH 20, 1998 IN BOOK 980320, OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 01419, IN FILE 91, PAGE 28 OF PARCEL MAPS.

10. COVENANTS, CONDITIONS AND RESTRICTIONS IN A RESTRICTIVE COVENANT RUNNING WITH THE LAND RECORDED DECEMBER 30, 1999 RECORDED DECEMBER 30, 1999, IN BOOK 991230 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 03307.

11. COVENANTS, CONDITIONS AND RESTRICTIONS IN A DECLARATION OF SPECIAL LAND USE RESTRICTIONS RECORDED JUNE 15, 2000, IN BOOK 20000615 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00714.

12. AN EASEMENT FOR TEMPORARY CONSTRUCTION EASEMENT AND INCIDENTAL PURPOSES, AS CONVEYED TO COUNTY OF CLARK, BY AN INSTRUMENT RECORDED AUGUST 15, 2000, IN BOOK 20000815 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00913, OVER A PORTION OF THE LAND.

13. AN EASEMENT FOR TEMPORARY EASEMENT AND RIGHTS-OF-WAY AND INCIDENTAL PURPOSES, AS CONVEYED TO LAS VEGAS VALLEY WATER DISTRICT, BY AN INSTRUMENT RECORDED SEPTEMBER 12, 2000, IN BOOK 20000912 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00916, OVER A PORTION OF THE LAND.

("CONTINUED ON NEXT PAGE")

14. AN EASEMENT AND RIGHT-OF-WAY FOR THE CONSTRUCTION, OPERATION, MAINTENANCE, REPAIR, RENEWAL, RECONSTRUCTION, AND REMOVAL OF PIPELINES FOR CONDUCTING WATER WITH THE RIGHT OF INGRESS AND EGRESS, AS CONVEYED TO LAS VEGAS VALLEY WATER DISTRICT, A QUASI-MUNICIPAL CORPORATION, BY AN INSTRUMENT RECORDED SEPTEMBER 12, 2000, IN BOOK 20000912 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00917, OVER A PORTION OF THE LAND.

15. ANY VIOLATIONS OF THE SUBDIVISION OR PARCEL MAP ACTS PURSUANT TO THE NEVADA REVISED STATUTES AS DEFINED UNDER CODE SECTION 278.010-278.630.

16. PRIOR TO THE CLOSE OF ESCROW OR THE ISSUANCE OF ANY POLICY OF TITLE INSURANCE, WE WILL REQUIRE THAT A COPY OF THE CORPORATE RESOLUTIONS FOR THE HOWARD HUGHES CORPORATION, A DELAWARE CORPORATION BE SUBMITTED TO THE TITLE DEPARTMENT FOR EXAMINATION.

17. RIGHTS OF PARTIES IN POSSESSION OF THE LAND BY REASON OF UNRECORDED LEASES, IF ANY, THAT WOULD BE DISCLOSED FROM AN INQUIRY OF THE PARTIES, OR BY AN INSPECTION OF THE LAND.

PRIOR TO THE ISSUANCE OF ANY ALTA EXTENDED COVERAGE POLICY OF TITLE INSURANCE, THIS COMPANY WILL REQUIRE COPIES OF ALL UNRECORDED LEASES AND A CERTIFIED RENT ROLL.

18. ANY FACTS, RIGHTS, INTEREST, OR CLAIMS WHICH ARE NOT SHOWN BY THOSE PUBLIC RECORDS IN THE COUNTY IN WHICH THE LAND IS SITUATED WHICH IMPART CONSTRUCTIVE NOTICE OF MATTERS RELATING TO SUCH LAND, BUT WHICH COULD BE ASCERTAINED BY AN INSPECTION OF THE LAND, OR BY MAKING INQUIRY OF PERSONS IN POSSESSION THEREOF, OR BY A CORRECT SURVEY.

PRIOR TO THE CLOSE OF ESCROW OR THE ISSUANCE OF ANY POLICY OF TITLE INSURANCE, THIS COMPANY WILL REQUIRE THAT A CORRECT ALTA/ACSM SURVEY OF THE LAND, SATISFACTORY TO THIS COMPANY, BE SUBMITTED FOR EXAMINATION. FURTHER REQUIREMENTS OR EXCEPTIONS MAY BE MADE AFTER SUCH EXAMINATION.

("CONTINUED ON NEXT PAGE")

LV-885288-CD

DESCRIPTION

ALL THAT REAL PROPERTY SITUATED IN THE COUNTY OF CLARK, STATE OF NEVADA, BOUNDED AND DESCRIBED AS FOLLOWS:

THAT PORTION OF PARCEL ONE (1) AS SHOWN BY MAP THEREOF ON FILE IN FILE 91 OF PARCEL MAPS, PAGE 28, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA, LYING WITHIN SECTIONS 34, TOWNSHIP 20 SOUTH, RANGE 59 EAST, AND SECTION 3, TOWNSHIP 21 SOUTH, RANGE 59 EAST, CITY OF LAS VEGAS, CLARK COUNTY, NEVADA DESCRIBED AS FOLLOWS:

("CONTINUED ON NEXT PAGE")

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 34; THENCE ALONG THE SOUTH LINE OF SAID SECTION 34, NORTH 89°52'23" WEST, 529.16 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID SOUTH LINE OF SECTION 34, NORTH 89°52'23" WEST, 1460.82 FEET; THENCE DEPARTING SAID SOUTH LINE OF SECTION 34, FROM A TANGENT BEARING OF SOUTH 89°48'28" WEST, CURVING TO THE LEFT ALONG THE ARC OF A 1511.64 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 47°52'00", AN ARC LENGTH OF 1262.87 FEET TO A POINT TO WHICH A RADIAL LINE BEARS NORTH 48°03'32" WEST; THENCE NORTH 48°04'23" WEST, 63.36 FEET TO AN INTERSECTION WITH THE NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD AS DEDICATED TO NEVADA DEPARTMENT OF TRANSPORTATION BY INSTRUMENT RECORDED DECEMBER 6, 1988 IN BOOK 880606 AS INSTRUMENT NO. 00481 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA; THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD (OR:880606:00481), CONTINUING NORTH 48°04'23" WEST, 585.16 FEET; THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 5000.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 37°26'08" AN ARC LENGTH OF 3266.87 FEET; THENCE NORTH 10°38'15" WEST, 843.70 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "A"; THENCE NORTH 75°35'40" EAST, 3907.90 FEET; THENCE FROM A TANGENT BEARING SOUTH 09°04'41" EAST, CURVING TO THE LEFT ALONG THE ARC OF A 3750.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 09°22'19" AN ARC LENGTH OF 613.39 FEET; THENCE SOUTH 18°27'00" EAST, 2003.70 FEET; THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 3500.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 15°46'02", AN ARC LENGTH OF 963.16 FEET; THENCE SOUTH 02°40'58" EAST, 1024.32 FEET TO AN INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF THE AFOREMENTIONED CHARLESTON BOULEVARD (OR:880606:00481); THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD, CONTINUING SOUTH 02°40'58" EAST, 71.57 FEET TO THE POINT OF BEGINNING.

* * * * * * * * * * *

586.16

JAS

200012 13
.00364

FIRST AMERICAN TITLE COMPANY OF NEVADA
3760 PECOS MCLEOD INTERCONNECT, SUITE #7
LAS VEGAS, NEVADA 89121-4253
(702) 731-4131
http://www.fatcolv.com

NOVEMBER 7, 2000

OUR ORDER NO.: LV-885289-CD/CAROL DVORAK, ESCROW OFFICER
FORM OF POLICY COVERAGE REQUESTED: STANDARD COVERAGE POLICY FORM - 1990

PROPERTY ADDRESS: VILLAGE 24

IN RESPONSE TO THE ABOVE REFERENCED APPLICATION FOR A POLICY OF TITLE INSURANCE, THIS COMPANY HEREBY REPORTS THAT IT IS PREPARED TO ISSUE, OR CAUSE TO BE ISSUED, AS OF THE DATE HEREOF, A POLICY OF TITLE INSURANCE (THROUGH FIRST AMERICAN TITLE INSURANCE COMPANY, A CALIFORNIA CORPORATION) IN THE FORM SPECIFIED ABOVE, DESCRIBING THE LAND AND THE ESTATE OR INTEREST THEREIN HEREINAFTER SET FORTH, INSURING AGAINST LOSS WHICH MAY BE SUSTAINED BY REASON OF ANY DEFECT, LIEN OR ENCUMBRANCE NOT SHOWN OR REFERRED TO AS AN EXCEPTION BELOW OR NOT EXCLUDED FROM COVERAGE PURSUANT TO THE PRINTED SCHEDULES, CONDITIONS AND STIPULATIONS OF SAID POLICY FORM.

THIS REPORT (AND ANY SUPPLEMENTS OR AMENDMENTS THERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE, A BINDER OR COMMITMENT SHOULD BE REQUESTED.

DATED AS OF NOVEMBER 2, 2000, AT 7:30 A.M.

JULIE SKINNER, TITLE OFFICER

TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

THE HOWARD HUGHES CORPORATION, A DELAWARE CORPORATION

THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

FEE

AT THE DATE HEREOF EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS CONTAINED IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT SHOWN BY THE PUBLIC RECORDS.

2. ANY TAXES THAT MAY BE DUE, BUT NOT ASSESSED, FOR NEW CONSTRUCTION WHICH CAN BE ASSESSED ON THE UNSECURED PROPERTY ROLLS, IN THE OFFICE OF THE CLARK COUNTY ASSESSOR, PER NEVADA REVISED STATUTE 361.260.

3. THOSE TAXES FOR THE FISCAL YEAR JULY 1, 2000 THROUGH JUNE 30, 2001, INCLUDING ANY SECURED PERSONAL PROPERTY TAXES COLLECTED BY THE CLARK COUNTY TREASURER.
APN (200) 137-34-000-001

1ST INSTALLMENT	$30,311.60 PAID
2ND INSTALLMENT	$30,310.00 PAID
3RD INSTALLMENT	$30,310.00
4TH INSTALLMENT	$30,310.00
TOTAL	$121,241.60

NOTE:
SAID TAXES BECOME A LIEN ON JULY 1, 2000, EACH INSTALLMENT WILL BECOME DUE AND PAYABLE ON THE FOLLOWING DATES:

1ST INSTALLMENT IS DUE ON THE 3RD MONDAY OF AUGUST, 2000.
2ND INSTALLMENT IS DUE ON THE 1ST MONDAY OF OCTOBER, 2000.
3RD INSTALLMENT IS DUE ON THE 1ST MONDAY OF JANUARY, 2001.
4TH INSTALLMENT IS DUE ON THE 1ST MONDAY OF MARCH, 2001.

EACH INSTALLMENT WILL BECOME DELINQUENT TEN (10) DAYS AFTER DUE.

(WITH OTHER LAND)

("CONTINUED ON NEXT PAGE")

4. THOSE TAXES FOR THE FISCAL YEAR JULY 1, 2000 THROUGH JUNE 30, 2001, INCLUDING ANY SECURED PERSONAL PROPERTY TAXES COLLECTED BY THE CLARK COUNTY TREASURER.
APN (210) 137-28-000-001

1ST INSTALLMENT	$27,946.89 PAID
2ND INSTALLMENT	$27,944.00 PAID
3RD INSTALLMENT	$27,798.10
4TH INSTALLMENT	$27,797.00
TOTAL	$111,485.99

NOTE:
SAID TAXES BECOME A LIEN ON JULY 1, 2000, EACH INSTALLMENT WILL BECOME DUE AND PAYABLE ON THE FOLLOWING DATES:

1ST INSTALLMENT IS DUE ON THE 3RD MONDAY OF AUGUST, 2000.
2ND INSTALLMENT IS DUE ON THE 1ST MONDAY OF OCTOBER, 2000.
3RD INSTALLMENT IS DUE ON THE 1ST MONDAY OF JANUARY, 2001.
4TH INSTALLMENT IS DUE ON THE 1ST MONDAY OF MARCH, 2001.

EACH INSTALLMENT WILL BECOME DELINQUENT TEN (10) DAYS AFTER DUE.

(WITH OTHER LAND)

5. THOSE TAXES FOR THE FISCAL YEAR JULY 1, 2000 THROUGH JUNE 30, 2001, INCLUDING ANY SECURED PERSONAL PROPERTY TAXES COLLECTED BY THE CLARK COUNTY TREASURER.
APN (200) 137-33-000-001

1ST INSTALLMENT	$30,483.55 PAID
2ND INSTALLMENT	$30,481.00 PAID
3RD INSTALLMENT	$30,481.00
4TH INSTALLMENT	$30.481.00
TOTAL	$121,926.55

("CONTINUED ON NEXT PAGE")

LV-885289-CD

NOTE:
SAID TAXES BECOME A LIEN ON JULY 1, 2000, EACH INSTALLMENT WILL BECOME DUE AND PAYABLE ON THE FOLLOWING DATES:

1ST INSTALLMENT IS DUE ON THE 3RD MONDAY OF AUGUST, 2000.
2ND INSTALLMENT IS DUE ON THE 1ST MONDAY OF OCTOBER, 2000.
3RD INSTALLMENT IS DUE ON THE 1ST MONDAY OF JANUARY, 2001.
4TH INSTALLMENT IS DUE ON THE 1ST MONDAY OF MARCH, 2001.

EACH INSTALLMENT WILL BECOME DELINQUENT TEN (10) DAYS AFTER DUE.

(WITH OTHER LAND)

6. RESERVATIONS AND PROVISIONS AS CONTAINED IN PATENT FROM THE UNITED STATES OF AMERICA, RECORDED SEPTEMBER 15, 1955, IN BOOK 67 OF OFFICIAL RECORDS, AS DOCUMENT NO. 56941 AND RECORDED MARCH 27, 1956 IN BOOK 88 OF OFFICIAL RECORDS, AS DOCUMENT NO. 73768, CLARK COUNTY, NEVADA RECORDS.

7. LIMITATIONS, COVENANTS, CONDITIONS AND RESTRICTIONS, RESERVATIONS, EASEMENTS, EXCEPTIONS, TERMS, ASSESSMENTS, LIENS AND CHARGES IN AN INSTRUMENT RECORDED DECEMBER 31, 1991 IN BOOK 911231 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 01517...BUT DELETING ANY COVENANT, CONDITION OR RESTRICTION INDICATING A PREFERENCE, LIMITATION OR DISCRIMINATION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN TO THE EXTENT SUCH COVENANTS, CONDITIONS OR RESTRICTIONS VIOLATE 42 USC 3604(c).

. WHICH PROVIDE THAT A VIOLATION THEREOF SHALL NOT DEFEAT OR RENDER INVALID THE LIEN OF ANY MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

. THE RIGHT TO LEVY CERTAIN CHARGES OR ASSESSMENTS AGAINST THE LAND WHICH SHALL BECOME A LIEN IF NOT PAID AS SET FORTH IN THE ABOVE DECLARATION OF RESTRICTIONS, AND IS CONFERRED UPON SUMMERLIN SOUTH COMMUNITY ASSOCIATION.

. AN INSTRUMENT DECLARING A MODIFICATION OF SAID COVENANTS, CONDITIONS AND RESTRICTIONS WAS RECORDED SEPTEMBER 26, 1997 IN BOOK 970926 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00091.

8. COVENANTS, CONDITIONS AND RESTRICTIONS IN A RESTRICTIVE COVENANT RUNNING WITH THE LAND RECORDED DECEMBER 8, 1994, IN BOOK 941208 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00601.

("CONTINUED ON NEXT PAGE")

20001213
00364

LV-885289-CD

9. A DEVELOPMENT AGREEMENT DATED (NOT SET OUT), EXECUTED BY AND BETWEEN HOWARD HUGHES PROPERTIES, LIMITED PARTNERSHIP AND THE CITY OF LAS VEGAS, RECORDED NOVEMBER 21, 1997 IN BOOK 971121 OF OFFICIAL RECORDS, CLARK COUNTY NEVADA, AS DOCUMENT NO. 00839.

10. PROVISIONS, RECITED ON THE DEDICATION STATEMENT ON THE PARCEL MAP RECORDED MARCH 20, 1998 IN BOOK 980320, OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 01419, IN FILE 91, PAGE 28 OF PARCEL MAPS.

11. COVENANTS, CONDITIONS AND RESTRICTIONS IN A RESTRICTIVE COVENANT RUNNING WITH THE LAND RECORDED DECEMBER 30, 1999 RECORDED DECEMBER 30, 1999, IN BOOK 991230 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 03307.

12. COVENANTS, CONDITIONS AND RESTRICTIONS IN A DECLARATION OF SPECIAL LAND USE RESTRICTIONS RECORDED JUNE 15, 2000, IN BOOK 20000615 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00714.

13. AN EASEMENT FOR TEMPORARY EASEMENT AND RIGHTS-OF-WAY AND INCIDENTAL PURPOSES, AS CONVEYED TO LAS VEGAS VALLEY WATER DISTRICT, BY AN INSTRUMENT RECORDED SEPTEMBER 12, 2000, IN BOOK 20000912 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00916, OVER A PORTION OF THE LAND.

14. AN EASEMENT AND RIGHT-OF-WAY FOR THE CONSTRUCTION, OPERATION, MAINTENANCE, REPAIR, RENEWAL, RECONSTRUCTION, AND REMOVAL OF PIPELINES FOR CONDUCTING WATER WITH THE RIGHT OF INGRESS AND EGRESS, AS CONVEYED TO LAS VEGAS VALLEY WATER DISTRICT, A QUASI-MUNICIPAL CORPORATION, BY AN INSTRUMENT RECORDED SEPTEMBER 12, 2000, IN BOOK 20000912 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA RECORDS, AS DOCUMENT NO. 00917, OVER A PORTION OF THE LAND.

ANY VIOLATIONS OF THE SUBDIVISION OR PARCEL MAP ACTS PURSUANT TO THE NEVADA REVISED STATUTES AS DEFINED UNDER CODE SECTION 278.010-278.630.

16. PRIOR TO THE CLOSE OF ESCROW OR THE ISSUANCE OF ANY POLICY OF TITLE INSURANCE, WE WILL REQUIRE THAT A COPY OF THE CORPORATE RESOLUTIONS FOR THE HOWARD HUGHES CORPORATION, A DELAWARE CORPORATION BE SUBMITTED TO THE TITLE DEPARTMENT FOR EXAMINATION.

17. RIGHTS OF PARTIES IN POSSESSION OF THE LAND BY REASON OF UNRECORDED LEASES, IF ANY, THAT WOULD BE DISCLOSED FROM AN INQUIRY OF THE PARTIES, OR BY AN INSPECTION OF THE LAND.

("CONTINUED ON NEXT PAGE")

. PRIOR TO THE ISSUANCE OF ANY ALTA EXTENDED COVERAGE POLICY OF TITLE INSURANCE, THIS COMPANY WILL REQUIRE COPIES OF ALL UNRECORDED LEASES AND A CERTIFIED RENT ROLL.

18. ANY FACTS, RIGHTS, INTEREST, OR CLAIMS WHICH ARE NOT SHOWN BY THOSE PUBLIC RECORDS IN THE COUNTY IN WHICH THE LAND IS SITUATED WHICH IMPART CONSTRUCTIVE NOTICE OF MATTERS RELATING TO SUCH LAND, BUT WHICH COULD BE ASCERTAINED BY AN INSPECTION OF THE LAND, OR BY MAKING INQUIRY OF PERSONS IN POSSESSION THEREOF, OR BY A CORRECT SURVEY.

. PRIOR TO THE CLOSE OF ESCROW OR THE ISSUANCE OF ANY POLICY OF TITLE INSURANCE, THIS COMPANY WILL REQUIRE THAT A CORRECT ALTA/ACSM SURVEY OF THE LAND, SATISFACTORY TO THIS COMPANY, BE SUBMITTED FOR EXAMINATION. FURTHER REQUIREMENTS OR EXCEPTIONS MAY BE MADE AFTER SUCH EXAMINATION.

("CONTINUED ON NEXT PAGE")