R-0116-1983

RESOLUTION

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF A CITY OF LAS VEGAS, NEVADA, ECONOMIC DEVELOPMENT REVENUE BOND (CALIFORNIA HOTEL AND CASINO PROJECT) SERIES 1983, IN THE PRINCIPAL AMOUNT OF $1,000,000 AND THE EXECUTION AND DELIVERY OF AN ECONOMIC DEVELOPMENT FINANCING AGREEMENT BETWEEN SAID CITY AND CALIFORNIA HOTEL AND CASINO, A TRUST INDENTURE FROM SAID CITY TO FIRST INTERSTATE BANK OF NEVADA, N.A., AND A BOND PURCHASE AGREEMENT AMONG SAID CITY, FIRST INTERSTATE BANK OF NEVADA, N.A., CALIFORNIA HOTEL AND CASINO, MR. AND MRS. SAM A. BOYD AND WILLIAM S. BOYD; MAKING CERTAIN DETERMINATIONS WITH RESPECT THERETO; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF SUCH BOND; PROVIDING FOR THE PRINCIPAL AMOUNT THEREOF AND THE METHOD FOR DETERMINING THE RATE OF INTEREST THEREON; SETTING FORTH THE PROVISIONS RELATIVE TO THE REDEMPTION OF AND THE PAYMENTS OF INSTALLMENTS OF PRINCIPAL OF, AND INTEREST ON, SUCH BOND; REQUESTING THE TRUSTEE TO AUTHENTICATE SUCH BOND; AUTHORIZING INVESTMENTS BY THE TRUSTEE; AUTHORIZING INCIDENTAL ACTION; AND REPEALING INCONSISTENT RESOLUTIONS.

WHEREAS, the City of Las Vegas, Nevada (the "City" herein), by resolution duly adopted on August 18, 1982, approved a project for the California Hotel and Casino (the "Company" herein) pursuant to the City Economic Development Revenue Bond Law (the "Act" herein), constituting NRS 268.512 to 268.568, inclusive; and

WHEREAS, the City has been requested to enter into an Economic Development Financing Agreement dated as of the date of its delivery (the "Agreement" herein) with the Company and to finance a project consisting of real and personal property appropriate for addition to the Company's existing hotel and casino, known as the California Hotel and Casino, to protect the existing hotel and casino and its occupants from fire (the "Project" herein) and the costs related to the Project through the issuance of $1,000,000 in principal amount of an economic development revenue bond to be known as the City of Las Vegas, Nevada, Economic Development Revenue Bond (California Hotel and Casino Project), Series 1983 (the "Bond" herein), to be issued pursuant to a Trust Indenture dated as of the date of its delivery (the "Indenture" herein) to First Interstate Bank of Nevada, N.A., as trustee (the

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"Trustee" herein); and

WHEREAS, the Trustee has offered, pursuant to the terms of a commitment letter dated September 28, 1982, and accepted by the Company on October 6, 1982, to purchase the Bond at a price of one hundred percent (100%) of its principal amount with an origination fee to be paid to the Bank of $2,500 and proposes to enter into a Bond Purchase Agreement dated the date hereof (the "Bond Purchase Agreement" herein), relating thereto and implementing the terms of the commitment letter, with the City, the Company and the Guarantor; and

WHEREAS, in order to consummate the aforesaid financing, the City must agree to enter into the Agreement, the Bond Purchase Agreement and the Indenture (these documents being hereinafter collectively referred to as the "Issuer's Documents");

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF LAS VEGAS, NEVADA, AS FOLLOWS:

Section 1. APPROVAL OF ISSUER'S DOCUMENTS. The form of the Issuer's Documents (a copy of each of which shall be filed with the records of the City) are hereby approved, and the Mayor, or, in his absence, the Mayor Pro Tempore, is hereby authorized to execute or accept and deliver, and, where appropriate, the City Clerk is hereby authorized to affix the corporate seal of the City to, and attest, said documents in substantially such forms and upon the terms and conditions therein set forth, with such changes therein as such officers shall approve, such approval to be evidenced by their execution thereof.

Section 2. CERTAIN DETERMINATIONS. The City hereby makes the following determinations in accordance with the Act:

(a) The maximum amount necessary in each year to pay the principal of and interest on the Bond is as follows:

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Year	Principal Due	Interest Due	*Principal and Interest Due
1983	$	$145,891	$145,891
1984	50,000	244,128	294,128
1985	60,000	229,735	289,735
1986	70,000	213,822	283,822
1987	80,000	195,082	275,082
1988	90,000	174,066	264,066
1989	100,000	149,879	249,879
1990	110,000	123,863	233,863
1991	125,000	94,503	219,503
1992	145,000	60,833	205,833
1993	170,000	21,366	191,366
TOTALS	$1,000,000	$1,653,168	$2,653,168

*Assumes a maximum interest rate of 25% per annum and interest commencing on January 1, 1983.

The Company is contractually obligated under the Agreement to make payments to the City of revenues sufficient to pay the principal of and interest on the Bond when due.

(b) No amount shall be required to be paid into any reserve fund in connection with retirement of the Bond and the maintenance of the Project.

(c) The Company is contractually obligated under the Agreement to pay the entire cost of maintaining the Project and keeping it properly insured.

Section 3. CONFIRMATION OF PRIOR RESOLUTION; ACKNOWLEDGEMENT OF APPROVAL OF STATE BOARD OF FINANCE. The City hereby confirms and ratifies its resolution which was adopted on August 18, 1982, and which shall remain in full force and effect. The City has received and filed in its records the approval by the Nevada State Board of Finance of the financing of the Project by the City, as required by the August 18, 1982 resolution and by the Act. The Company and Sam A. Boyd, ___________Boyd and William S. Boyd (the "Guarantors" herein) have sufficient financial resources to place the Project in operation and to continue its operation, meeting the obligations of the Agreement. The City hereby determines that there are provided in the Issuer's Documents sufficient safeguards to assure that all of the money which will be provided by the City through the issuance of the Bond will be expended solely for the purposes of the Project.

Section 4. ISSUANCE OF BOND. The issuance of the Bond is hereby authorized. The form of the Bond which is set forth in the Indenture is hereby approved. The Bond shall be executed with the manual signatures of the Mayor and the Treasurer of the City on the face of the Bond in substantially such form, with appropriate insertions and variations, and the corporate seal of the City is authorized to be affixed thereon and to be attested by the manual signature of the City Clerk. The Mayor or the Mayor Pro Tempore is hereby authorized and directed to deliver the Bond in typewritten form to the Trustee for authentication under the Indenture and, when the Bond has been duly authenticated, to deliver it pursuant to the Bond Purchase Agreement against the receipt by the Trustee of the purchase price plus any accrued interest due, and to deposit the amount so received with the Trustee as provided in the Indenture.

Section 5. TERMS OF BOND. The Bond shall be in the principal amount of $1,000,000, shall be dated the date of its delivery to the Trustee and shall be issued as a typewritten fully registered bond without coupons. The Bond shall be payable in annual installments of principal, with interest on the outstanding balance, as hereinafter provided:

Installment Date (January 1)	Amount
1984	$ 50,000
1985	60,000
1986	70,000
1987	80,000
1988	90,000
1989	100,000
1990	110,000
1991	125,000
1992	145,000
1993	170,000

The Bond shall bear interest from the date of its delivery to the Trustee payable January 1 and July 1 of each year, commencing on

July 1, 1983. Interest on the Bond shall be calculated and paid at the variable rate per annum of seventy-five percent (75%) of the prime rate of First Interstate Bank of Nevada, N.A., as specified in the Bond, such rate to be adjusted as of the effective date of each change in such prime rate; provided, however, that such interest rate shall not be less than six percent (6%) per annum nor more than twenty-five percent (25%) per annum on any given day; and provided further that such interest rate shall automatically be increased to the prime rate plus two percent, or 200 basis points (2.00%), if it is finally determined, in accordance with the provisions which are contained in the Bond form and the Indenture, that interest thereon is subject to Federal income tax. The Bond shall be secured by a pledge of the Company's note which will be issued under the Agreement and secured by the Company's deed of trust and security agreement dated as of the date of its delivery, to be delivered to the Trustee. The terms and provisions for the redemption of the Bond, the privileges of exchangeability, the medium and place of payment, the priorities in revenues of the City and the provisions for the payment, redemption, default, notice and grace periods shall be as set forth in the aforesaid form of such Bond and in the form of Indenture which was hereinbefore approved.

Section 6. AUTHENTICATION OF BOND. The Trustee is hereby requested to authenticate the Bond and to deliver it upon the order of the Mayor or the Mayor Pro Tempore.

Section 7. INVESTMENT OF FUNDS. The Trustee shall be, by virtue of this Resolution and without further authorization from the City, directed and requested to invest and reinvest all of the money which is available therefor and which is held by it pursuant to the Indenture, and which, by the terms of the Indenture, may be invested, or to deposit and redeposit such monies in such accounts as may be permitted by the Indenture, all subject to the terms and limitations which are contained in the Indenture.

Section 8. LIMITED OBLIGATIONS. As required by the Act, the Bond shall be a special, limited obligation of the City, payable solely from the revenues which are derived from the financing of the Project, and shall never constitute the debt or indebtedness of the City or of the State of Nevada, or of any political subdivision thereof, within the meaning of any provision or limitation of the Constitution or statutes of the State of Nevada, and shall not constitute nor give rise to any pecuniary liability on the part of the City or a charge against its general credit or taxing powers.

Section 9. COMPLIANCE WITH OPEN MEETING REQUIREMENTS. It is hereby found and determined that all formal actions of the City concerning and relating to the adoption of this Resolution were adopted, and that all deliberations of the Board of Commissioners and of any of its committees which resulted in such formal action were carried out, in meetings which were open to the public, in compliance with all legal requirements of the State of Nevada, including those which are required by the Act.

Section 10. INCIDENTAL ACTION. The appropriate officers of the City are hereby further authorized and directed to execute and deliver such other documents, including acceptances and conveyances of property in trust, and to take such other actions as may be necessary or appropriate in order to effectuate the execution and delivery of the Issuer's Documents, the performance of the City's obligations thereunder and the issuance and sale of the Bond, all in accordance with the foregoing Sections hereof.

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Section 11. EFFECTIVE DATE; REPEAL. This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof which are inconsistent herewith are hereby repealed.

PASSED, ADOPTED and APPROVED this 19th day of January, 1983.

William H. Briare

WILLIAM H. BRIARE, MAYOR

ATTEST:

Carol A. Hawley

Carol Ann Hawley, City Clerk