City of Las Vegas

Agenda Item No.:
<ITEM_OUTLINE>

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 1, 2023

DEPARTMENT: ECONOMIC AND URBAN DEVELOPMENT
DIRECTOR: RYAN SMITH

SUBJECT:
RA-XX-2023 - Discussion for possible action regarding a Resolution finding the project proposed by the Multifamily Residential Unit Improvement Program (MFR-UIP) Agreement between the City of Las Vegas Redevelopment Agency (RDA) and KLA Capital Series, LLC, Series 5 and BK Nevada Investments, LLC (Owner), located at 324 South Maryland Parkway (APN 139-34-712-120), to be in compliance with and in furtherance of the goals and objectives of the Redevelopment Plan and authorizing the execution of the MFR-UIP Agreement by the RDA (Not-to-Exceed $50,000 - RDA Special Revenue Fund) - Redevelopment Area - Ward 3 (Diaz) [NOTE: This item is related to Council Item XX (R-XX-2023)]

Fiscal Impact

☐ **No Impact** ☐ **Augmentation Required**
☒ **Budget Funds Available**
Amount: $50,000
Funding Source: RDA Special Revenue Fund
Dept./Division: Economic and Urban Development/RDA

PURPOSE/BACKGROUND:
KLA Capital Series, LLC, Series 5 and BK Nevada Investments, LLC, will undertake interior improvements to the property located at 324 South Maryland Parkway (APN 139-34-712-120) that include full renovations of the interiors of the units, including new bathrooms, kitchens, drywall, paint, countertops and cabinets. This MFR-UIP Agreement will assist with the cost of improvements. Approval will adopt findings that the MFR-UIP Agreement is in compliance with and furtherance of the goals and objectives of the RDA and the Redevelopment Plan.

RECOMMENDATION:
Staff recommends approval and to authorize the Chairman of the RDA to execute all related documents as required, following approval as to form by the City Attorney.

BACKUP DOCUMENTATION:
1. Resolution No. RA-XX-2023
2. Public Purpose - Impact Analysis Report
3. Site Map

RESOLUTION NO. _____

RESOLUTION FINDING THE PROJECT PROPOSED BY THE MULTIFAMILY RESIDENTIAL UNIT IMPROVEMENT PROGRAM AGREEMENT BETWEEN THE CITY OF LAS VEGAS REDEVELOPMENT AGENCY AND KLA CAPITAL SERIES, LLC, SERIES 5 & BK NEVADA INVESTMENTS, LLC (AS OWNER) TO BE IN COMPLIANCE WITH AND IN FURTHERANCE OF THE GOALS AND OBJECTIVES OF THE REDEVELOPMENT PLAN AND AUTHORIZING THE EXECUTION OF THE MFR-UIP BY THE AGENCY

WHEREAS, the City of Las Vegas Redevelopment Agency (the "Agency") adopted on March 5, 1986, that plan of redevelopment entitled, to-wit: the Redevelopment Plan for the Downtown Las Vegas Redevelopment Area pursuant to Ordinance 3218, which Redevelopment Plan has been subsequently amended on February 3, 1988, by Ordinance 3339; April 11, 1992, by Ordinance 3637, on November 4, 1996, by Ordinance 4036, on December 17, 2003, by Ordinance 5652 and on May 17, 2006, by Ordinance 5830, and on December 16, 2015, by Ordinance 6448 (the "Redevelopment Plan"); and

WHEREAS, the Redevelopment Plan identifies and designates an area within the corporate boundaries of the City of Las Vegas (the “Redevelopment Area”) as in need of redevelopment in order to eliminate the environmental deficiencies and blight existing therein; and

WHEREAS, the Agency approved on November 1, 2017 the Multifamily Residential Unit Improvement Program (the “MFR-UIP”) in order to provide funding to owners of multifamily residential properties located within the Redevelopment Area for the purpose of making improvements to the interior of the units of such multifamily residential properties; and

WHEREAS, the Agency approved on January 3, 2018 the form of agreement for the Multifamily Residential Unit Improvement Program (the “MFR-UIP Agreement”); and

WHEREAS, KLA Capital Series, LLC, Series 5 & BK Nevada Investments, LLC (the "MFR-UIP PARTICIPANT") is the owner of the real property located at 324 S. Maryland Pkwy., Las Vegas, NV 89101 (the "Property") and is undertaking certain interior improvements to the Property in accordance with the MFR-UIP ; and

WHEREAS, the Governing Board of the Agency has considered the findings that the development of said improvements to the Property are of benefit to the Redevelopment Area and/or the immediate neighborhood in which the Property is located; and

WHEREAS, the Governing Body of the Agency has considered the findings that no other reasonable means of financing the improvements to the building, facilities, structures, residences or other improvements on the Property are available; and

WHEREAS, the Governing Body of the Agency has been determined that the MFR-UIP Agreement (the "Agreement" and attached hereto as Exhibit A), which provides for the contribution of funds to MFR-UIP PARTICIPANT for making physical, interior improvements to the building(s) on the Property, all as more fully set forth in the Agreement, is in compliance with and in furtherance of the goals and objectives of the Redevelopment Plan; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Governing Board of the Agency hereby finds and determines that the development of said improvements are of benefit to the Redevelopment Area and/or the immediate neighborhood in which the Redevelopment Area is located; and

RESOLVED FURTHER, that the Governing Board of the Agency hereby finds and determines there are no reasonable means of financing said improvements to the Property, and

RESOLVED FURTHER, that Governing Board of the Agency hereby approves the Agreement and determines the Agreement to be in compliance with and in furtherance of the goals and objectives of NRS 279 and the Redevelopment Plan, and the Chairperson of the Governing Board of the Agency is hereby authorized and directed to execute the Agreement for and on behalf of the Agency, and to execute any and all additional documents (including any Attachments to the Agreement) and to perform any additional acts necessary to carry out the intent and purpose of the Agreement.

THE FOREGOING RESOLUTION and AGREEMENT was passed, adopted and approved this ____ day of _____, 2023.

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY

By: _____
CAROLYN G. GOODMAN, Chair

ATTEST:

_____

SECRETARY

APPROVED AS TO FORM:

M. Niarchos 1-12-23
_____
Date

EXHIBIT A
MFRUIP AGREEENT

CITY OF LAS VEGAS REDEVELOPMENT AGENCY
MULTIFAMILY RESIDENTIAL UNIT IMPROVEMENT INCENTIVE AGREEMENT
(Owner)

THIS MULTIFAMILY RESIDENTIAL UNIT IMPROVEMENT INCENTIVE AGREEMENT (the "Agreement") is entered into this _____ day of _____, 2023, by and between the CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a public body organized and existing under the community development laws of the State of Nevada (hereinafter referred to as the "Agency") and KLA Capital Series, LLC, Series 5, a Nevada series limited liability company, and BK Nevada Investments, LLC, a Nevada limited liability company (hereinafter referred to as the "Owner").

Recitals

WHEREAS, the Agency administers funds of the Agency for the purposes of assisting business owners and landlords to attract or maintain businesses in the Agency redevelopment area and to support investment into existing commercial and residential structures in the Agency redevelopment area and to attract to or maintain housing in such redevelopment area; and

WHEREAS, in furtherance of the Redevelopment Plan (the "Redevelopment Plan") for the City of Las Vegas Redevelopment Area 1 and 2 (the "Redevelopment Area"), the Agency has approved a Multifamily Residential Unit Improvement Program (the "MFR-UIP") for the purpose of assisting property owners with undertaking the rehabilitation and renovation of multifamily residential properties, upgrades to multifamily properties that have changed ownership, and the conversion of offices/retail/industrial properties to multifamily residential; and

WHEREAS, Owner has agreed to construct the Project Improvements (defined below); and

WHEREAS, the Agency shall reimburse the Owner for any pre-approved qualified interior unit improvements ("Unit Improvements"), which the Agency has determined are significant in character, up to a maximum of Fifty Thousand Dollars and 00/100 ($50,000.00) (the "Agency Funds"),; and

WHEREAS, the Owner desires to participate in the MFR-UIP pursuant to the terms and provisions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Agency and Owner do hereby agree as follows:

SECTION 1: SCOPE OF AGREEMENT. The purpose of this Agreement is to effectuate the Redevelopment Plan by contributing funds for Unit Improvements to that certain multifamily project described in Attachment "1", attached and incorporated herein by reference ("Project"). Implementation of this Agreement will further the goals and objectives of the Redevelopment Plan. This Agreement is subject to the provisions of the Redevelopment Plan which the City Council of the City of Las Vegas adopted on March 5, 1986, by Ordinance No. 3218, as amended. Said Redevelopment Plan, as it now exists and as it may be subsequently amended, is incorporated herein by reference and made a part hereof as though fully set forth herein.

SECTION 2: PARTIES TO THE AGREEMENT. Agency is a public body, corporate and politic, exercising governmental functions and powers, and organized and existing under the Community Redevelopment Law of the State of Nevada (NRS 279.382, et seq.). The principal office of the Agency is located at 495 S. Main Street, Las Vegas, Nevada, 89101. "Agency", as used in this Agreement, includes the City of Las Vegas Redevelopment Agency and any assignee of or successor to its rights, powers and responsibilities.

Owner is KLA Capital Series, LLC, Series 5, a Nevada series limited liability company, and BK Nevada Investments, LLC, a Nevada limited liability company. Owner's principal office is located at 1818 Industrial Road #101, Las Vegas, NV 89102. The Owner hereby warrants that it is the owner of the building where the Project is located as of the Effective Date of this Agreement (as defined hereinafter). Such ownership is demonstrated by Attachment "2", "Proof of Ownership", which is attached hereto and is incorporated herein by reference.

SECTION 3: IMPROVEMENTS TO THE UNITS AND PROJECT BUDGET. Owner shall complete the Unit Improvements according to the Scope of Work and Tentative Schedule of Unit Improvements, which is attached hereto as Attachment "4" and by this reference is made a part hereof. The Scope of Work and Tentative Schedule of Unit Improvements shall provide a line item budget, acceptable to the Agency, for all work to be performed. Within thirty (30) days of execution of this Agreement by the Agency, Owner agrees to commence, or cause the commencement of the Unit Improvements, pursuant to the plans and other documents submitted by Owner and approved by Agency in accordance with the MFR-UIP Guidelines. The Unit Improvements shall be completed within one hundred eighty (180) days of commencement of work. Additional time may be given for completion of the Unit Improvements upon approval of the Agency, which approval shall be at the sole and absolute discretion of Agency. The Unit Improvements also shall be referred to as the "Project" hereinafter. The Agency during construction of the Unit Improvements shall maintain a right of access to the Project in order to determine the status of the construction of the Unit Improvements and compliance with this Agreement, provided that the Agency gives the Owner a minimum of twenty-four (24) hours written, advance notice prior to entering the office building. Owner acknowledges and agrees that Agency has agreed to enter into this Agreement in reliance upon Owner's strict agreement to commence and complete the Unit Improvements by the required dates and any failure of Owner to commence and complete the Unit Improvements by the required dates will be a material default of Owner under this Agreement giving Agency the right to immediately terminate this Agreement.

Owner hereby acknowledges and agrees that (i) Agency is not involved in any way with the design and construction of the Unit Improvements, (ii) Agency does not warrant in any manner the suitability or construction of the Unit Improvements, (ii) except for the payment of the Agency Funds pursuant to the terms of this Agreement, Agency is not in any way or manner obligated or liable for the payment of the cost of the Unit Improvements, (iii) Owner hereby releases and waives any and all claims and causes of action against Agency in any way related to the design, construction and payment for the Unit Improvements except for the payment of the Agency Funds pursuant to the terms of this Agreement and (iv) Owner hereby agrees to indemnify and hold harmless Agency from any from and against any and all liens, demands, liabilities, causes of action, judgments, costs, claims, damages, suits, losses and expenses, or any combination thereof, including attorneys' fees, of any nature, kind or description, relating in any way to the Unit Improvements.

SECTION 4: CONTRACTOR SELECTION REQUIREMENTS. If the Project exceeds $10,000, then the Owner in compliance with NRS 279.498 must obtain three (3) or more competitive bids from properly licensed contractors. If Owner is unable to obtain three (3) or more competitive bids, Owner shall provide the Agency, upon request, with documentation detailing when and which licensed contractor(s) were contacted.

SECTION 5: DISBURSEMENT OF AGENCY FUNDS. Disbursement of the Agency Funds shall be made to as directed in writing by Owner upon completion of all of the following conditions for the benefit of Agency:

1. Agency has completed an inspection and review of the Property and determined that all the Unit Improvements have been fully completed pursuant to the plans and other documents submitted by Owner and approved by Agency in accordance with the MFR-UIP Guidelines. Owner agrees to facilitate and cooperate with Agency in conducting such review and inspection of the Property. Owner shall provide Agency with such other documentation as reasonably required by Agency in connection with such inspection and review.
2. A Certificate of Completion of Construction, in the form of Attachment "5", has been issued.

Upon receipt of the above, Agency shall disburse the Agency Funds within thirty (30) days to Owner.

SECTION 6: COMPLIANCE WITH APPLICABLE LAWS, RULES AND/OR REGULATIONS. Owner must comply with all development standards applicable to the Scope of Work, including but not limited to, the Zoning Code of the City of Las Vegas, the Building Code of the City of Las Vegas, and the Fire Code of the City of Las Vegas and all other applicable laws, rules and/or regulations.

SECTION 7: RESERVED

SECTION 8: UNRELATED IMPROVEMENTS. Nothing herein is intended to limit, restrict or prohibit the Owner from undertaking any other work in or about the subject premises which is unrelated to MFR-UIP provided for in this Agreement.

SECTION 9: COMPLIANCE WITH THE REDEVELOPMENT PLAN AND EMPLOYMENT PLAN. The Agency finds that the Project as contemplated by this Agreement complies with the MFR-UIP Guidelines and therefore would be deemed a substantial benefit to the Redevelopment Area. The Agency finds that the Project, upon completion, would achieve one or more of the following:

1. Encourage new commercial development;
2. Create or retain jobs for nearby residents;
3. Increase local revenues from private revenue sources;
4. Increase levels of human activity in the Redevelopment Area;
5. Possess attributes that are unique, either as to type of use or level of quality and design;
6. Require for their construction, installation or operation the use of qualified and trained labor; or
7. Demonstrate greater social or financial benefits to the community that would a similar set of buildings, facilities, structures or other improvements not paid for by the Agency.

The Agency has also considered the opinions of persons who reside in the Redevelopment Area or the immediate vicinity of the Redevelopment Area. In addition, the Agency has compared the level of spending proposed by the Agency and the projections of future revenue made on the buildings, facilities, structures or other improvements.

Owner has declared that no other reasonable means of financing are available to undertake the Unit Improvements because the return on investment is not reasonable and the improvements are being financed through cash on hand and/or debt financing through a private lender. Furthermore Owner would not undertake the Unit Improvements contemplated in the Agreement through resources reasonably available to Owner pursuant to the Participant Affidavit and Employment Plan, attached hereto as Attachment "7" and by this reference made a part hereof.

Owner has also declared and provided the Agency with an Employment Plan, which is attached hereto as Attachment "7" and by this reference is made a part hereof. Owner, for Owner and its successors and assigns, represent that in the construction of Unit Improvements, Owner shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, ancestry or national origin.

SECTION 10: CONFLICTS OF INTEREST AND DISCLOSURE REQUIREMENTS. No member, official or employee of the Agency shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested. Owner warrants to Agency that it not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement. No member, official or employee of the Agency shall be personally liable to the Owner in the event of any default or breach by the Agency or for any amount which may become due to the Owner or on any obligations under the terms of this Agreement. Pursuant to Resolution RA-4-99 adopted by the governing board of the Agency effective October 1, 1999, Owner warrant that they have disclosed, on the Disclosure of Principals form attached hereto as Attachment "6" and incorporated herein by reference, all persons and entities holding more than 1% (one percent) interest in Owner or any principal member of Owner. Until such time as the Agency Funds are disbursed, Owner shall notify Agency in writing of any material change in the above disclosure within fifteen (15) days of any such change.

SECTION 11: DEFAULTS AND REMEDIES. Failure or delay by either party to perform any term or provision of this Agreement constitutes a default under this Agreement ("Event of Default"). In connection with any default of Owner or Agency under this Agreement, the non-defaulting party shall have the right to terminate immediately this Agreement upon written notice to the defaulting party without any cure right for the benefit of the defaulting party. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to recover damages for any default or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the District Court, County of Clark State of Nevada, in any other appropriate court in that county, or in the Federal District Court in the appropriate district of Nevada. The non-defaulting party may also, at its option, cure the breach and sue in any court of proper jurisdiction to collect the reasonable costs incurred by virtue of curing or correcting the defaulting party's breach. Further, the non-defaulting party may file

legal action to require the defaulting party to specifically perform the terms and conditions of this Agreement. Upon occurrence of an Event of Default by either the Owner or the Agency during the existence of this Agreement, the non-defaulting party, at its option, may institute an action for specific performance of the terms and obligations (including the payment of any monetary obligation) of this Agreement. During the existence of this Agreement and upon the occurrence of an Owner Event of Default, the Agency shall have the right to terminate, and this Agreement shall so terminate, on the date specified in the written notice. In the event of termination of this Agreement by the Agency, then any obligation of Agency to disburse the Agency Funds shall terminate and be null and void and (ii) Owner agrees to return any and all Agency Funds heretofore paid shall be returned to Agency pursuant to the provisions of this Agreement within ten (10) calendar days after the termination date. Failure to return any and all Agency Funds paid to the Owner shall entitle the Agency to pursue any of the Agency's remedies, legal and equitable, as permitted by law.

SECTION 12: SUBSEQUENT AGENCY APPROVALS. Any approvals of the Agency required and permitted by the terms of this Agreement may be given by the Executive Director of the Agency or such other person that the Executive Director designates in writing.

SECTION 13: TERM. Unless sooner terminated pursuant to the terms of this Agreement, the term of this Agreement shall expire at the earlier of (i) disbursement of the Agency Funds by Agency and (ii) 180 days after the Effective Date.

SECTION 14: SEVERABILITY. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision shall be invalidated, it shall be deemed to be severed from this Agreement and the remaining provisions shall remain in full force and effect.

SECTION 15: GOVERNING LAW. The interpretation and enforcement of this Agreement shall be governed in all respects by the laws of the State of Nevada.

SECTION 16: NOTICES. Notices shall be in writing and shall be given by personal delivery, by deposit in the United States mail, certified mail, return receipt requested, postage prepaid, or by express delivery service, freight prepaid, in each case by delivery to the Owner and the Agency at the addresses set forth in this Agreement or at such other address as a party may designate in writing. The date notice given shall be the date on which the notice is delivered, if notice is given by personal delivery, or five (5) calendar days after the date of deposit in the United States mail ail or with an express delivery service.

If to the Agency:	City of Las Vegas Redevelopment Agency 495 S. Main Street, 6th Floor Las Vegas, NV 89101
If to the Owner:	KLA Capital Series, LLC, Series 5 & BK Nevada Investments, LLC Atten: Adam Fouladbakhsh 1818 Industrial Road #101 Las Vegas, NV 89102

SECTION 17: CAPTIONS. The captions contained in this Agreement are for the convenience of the parties and shall not be construed so as to alter the meaning of the provisions of the Agreement.

SECTION 18: ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS. THIRD PARTY RIGHTS. This Agreement is executed in three duplicate originals, each of which is deemed to be an original. This includes Attachment "1" through Attachment "7" inclusive, attached hereto and incorporated herein by reference, all of which constitute the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of Agency and Owner and no waiver of one provision shall be construed as a waiver of that provision in the future or as a waiver of any other provision. All amendments hereto must be in writing and signed by the appropriate authorities of Agency, and Owner. Nothing in this Agreement shall confer upon any other third party of any type or sort other than the Owner and Agency any rights or remedies under or by reason of this Agreement, including, without limitation, any parties providing and/or supplying labor and/or materials to the Project and any claims or causes of action that any third party may have related to payment for labor and/or materials provided and/or supplied to the Project.

SECTION 19: COUNTERPARTS; ELECTRONIC DELIVERY. This Agreement may be executed in counterparts, all such counterparts will constitute the same contract and the signature of any party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by facsimile or e-mail and upon receipt will be deemed originals and binding upon the parties hereto, regardless of whether originals are delivered thereafter.

SECTION 20: TIME FOR AGENCY TO ACCEPT AGREEMENT. This Agreement has been approved on _____, 2023 by the City of Las Vegas Redevelopment Agency. The effective date of this Agreement shall be the date when this Agreement has been signed by the Agency ("Effective Date").

EXECUTION BLOCKS ON NEXT PAGE

Date of Agency Approval:

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

_____, 2023

By: _____
CAROLYN G. GOODMAN, CHAIR
"Agency

ATTEST:

_____
LUANN D. HOLMES, MMC
Secretary

KLA Capital Series, LLC, Series 5

By: _____
Adam Fouladbakhsh, Manager
"Owner"

BK Nevada Investments, LLC

By: _____
Farzin Khalkhali, Manager
"Owner"

APPROVED AS TO FORM:

M. Niarchos 1-12-23

_____
Counsel to the Agency Date

LIST OF ATTACHMENTS

ATTACHMENT “1“	DESCRIPTION OF PROJECT
ATTACHMENT “2”	PROOF OF OWNERSHIP
ATTACHMENT “3”	FORM OF BUILDING MAINTENANCE AGREEMENT
ATTACHMENT “4”	SCOPE OF WORK AND TENTATIVE SCHEDULE OF IMPROVEMENTS
ATTACHMENT “5”	CERTIFICATE OF COMPLETION OF CONSTRUCTION
ATTACHMENT “6“	DISCLOSURE OF PRINCIPALS – PROPERTY OWNER
ATTACHMENT “7“	PARTICIPANT AFFIDAVIT & EMPLOYMENT PLAN

ATTACHMENT “1”

DESCRIPTION OF PROJECT

The subject property consist of 2, two story buildings that were constructed in the mid 1950’s. One building has 4 units made up of 1 bedroom 1 bathroom units and a second building has 8 units made up of 1 bedroom 1 bathroom units for a total of 12 units.

ATTACHMENT "2"

Proof of Ownership

Inst #: 20211215-0002111
Fees: $42.00
RPTT: $2295.00 Ex #:
12/15/2021 12:33:34 PM
Receipt #: 4818676
Requestor:
Security 1st Title of Nev
Recorded By: DECHO Pgs: 4
Debbie Conway
CLARK COUNTY RECORDER
Src: ERECORD
Ofc: ERECORD

A.P.N.: #139-34-712-098 & 139-34-712-099 &
139-34-712-101 & 139-34-712-117 &
139-34-712-120
R.P.T.T.:$2,295.00

WHEN RECORDED MAIL TO and:
MAIL TAX STATEMENTS TO:
KLA Capital Series 5 LLC and
BK Nevada Investments, LLC
7980 Castle Pines Avenue
Las Vegas, NV 89113

Order #101412-MR

ASSESSOR'S COPY

GRANT, BARGAIN, SALE DEED

THE INDENTURE WITNESSETH: THAT

KLA Capital Series LLC, Series 5 a.k.a. KLA Capital Series 5 LLC, a Nevada Series Limited Liability Company, (hereinafter referred to as "Grantor")

in valuable consideration, the receipt of which is hereby acknowledged, do hereby GRANT, BARGAIN and SELL and CONVEY to

BK Nevada Investments, LLC, a Nevada Limited Liability Company, (hereinafter referred to as "Grantee")

all that real property situated in the County of **Clark**, State of **Nevada**, bounded and described as follows:

See Exhibit "A" attached hereto and made a part hereof for complete legal description.

SUBJECT TO: Taxes for the current fiscal year, not due or delinquent
Rights of way, reservations, restrictions, easements and conditions of record.
Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

In Witness Whereof the said, Grantor, hereunto set by hands and seals this 9th day of December, 2021.

KLA Capital Series LLC, Series 5 a.k.a. KLA Capital Series 5 LLC, a Nevada Series Limited Liability Company

By: _____

Adam Fouladbakhsh, Manager

STATE OF NEVADA

COUNTY OF CLARK

This instrument was acknowledged before me on this 9th day of December, 2021, by Adam Fouladbakhsh, Manager of KLA Capital Series LLC, Series 5 a.k.a. KLA Capital Series 5 LLC, a Nevada Series Limited Liability Company.

_____
Signature of notarial officer

MICHELLE ROBBINS
Notary Public
State of Nevada
Appt. No. 02-78996-1
My Appt. Expires May 10, 2024

My Commission Expires: 5/10/24

Unofficial Document

EXHIBIT A

AS TO AN UNDIVIDED 10% INTEREST

Parcel 1:

Lots Seventeen (17) through Twenty (20) in Block Fifteen (15) of Pioneer Heights Addition to Las Vegas, as shown by map thereof on file in Book 1 of Plats, Page 35, in the Office of the County Recorder of Clark County, Nevada.

APN: 139-34-712-098

Parcel 2:

Lots Thirteen (13) through Sixteen (16) in Block Ten (10) of Pioneer Heights Addition to Las Vegas, as shown by map thereof on file in Book 1 of Plats, Page 35, in the Office of the County Recorder of Clark County, Nevada.

APN: 139-34-712-099

Parcel 3:

Lots Nine (9) and Ten (10) in Block Ten (10) of Pioneer Heights Addition to Las Vegas, as shown by map thereof on file in Book 1 of Plats, Page 35, in the Office of the County Recorder of Clark County, Nevada.

APN: 139-34-712-101

Parcel 4:

Lots Twenty-One (21) and Twenty-Two (22) in Block Ten (10) of Pioneer Heights Addition to Las Vegas, as shown by map thereof on file in Book 1 of Plats, Page 35, in the Office of the County Recorder of Clark County, Nevada.

APN: 139-34-712-117

Parcel 5:

Lots Twenty-Eight (28) through Thirty-Two (32) in Block Ten (10) of Pioneer Heights Addition to Las Vegas, as shown by map thereof on file in Book 1 of Plats, Page 35, in the Office of the County Recorder of Clark County, Nevada.

APN: 139-34-712-120

ASSESSOR'S COPY

ATTACHMENT "3"
FORM OF BUILDING MAINTENANCE AGREEMENT

APN: 139-34-712-120

RECORDING REQUESTED BY

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY

AND WHEN RECORDED RETURN TO:

City of Las Vegas Redevelopment Agency
495 South Main Street, 6th Floor
Las Vegas, NV 89101
ATTN: Operations Officer

BUILDING MAINTENANCE AGREEMENT

THIS AGREEMENT is made this ____ day of _____, 2023, between KLA Capital Series, LLC, Series 5, a Nevada series limited liability company, and BK Nevada Investments, LLC, a Nevada limited liability company hereinafter referred to as "Owner" and the CITY of LAS VEGAS REDEVELOPMENT AGENCY, a public body, corporate and politic, hereinafter referred to as "Agency" with reference to the following facts:

WHEREAS, Owner is the owner of that real property ("the Property") in the City of Las Vegas, County of Clark, State of Nevada, legally described in Exhibit " A " attached hereto by this reference, commonly known as 324 S. Maryland Pkwy., Las Vegas, NV 89101, Las Vegas, Nevada and currently designated as Assessor's Parcel No. 139-34-712-120; and

WHEREAS, the Property is located within the City of Las Vegas Redevelopment Area (the "Redevelopment Area"), and in furtherance of the Redevelopment Plan for the Redevelopment Area, the Agency approved a Multifamily Residential Unit Improvement Program (the "MFR-UIP") for the purpose of revitalization and elimination of blighting influences in the Redevelopment Area; and;

WHEREAS, Owner has installed certain improvements to the Property pursuant to that certain Multifamily Residential Unit Improvement Incentive Agreement entered into between agency and Owner ("MFR-UIP Agreement") whereby Agency provided partial funding for the construction and/or installation of improvements and upgrades to the residential building located on the Property; and

WHEREAS, Owner has completed the work to the Property described in the MFR_UIP Agreement; and

WHEREAS, by the terms of the MFR-UIP Agreement, Owner is required to enter into an agreement for a period of five (5) years giving the Agency authority to lien the Property to ensure that the improvements described in Exhibit "B" attached hereto (the "Unit Improvement Area"), will be diligently maintained and that violations will be corrected promptly; and

WHEREAS, this agreement is entered into to ensure that the Property is maintained because both parties recognize that diligent maintenance is an integral part of preservation of the Property and one of the considerations for Agency's Maintenance Agreement.

NOW, THEREFORE, IT IS AGREED BETWEEN THE PARTIES AS FOLLOWS:

1. Purpose. The purpose of this agreement is to ensure diligent maintenance of Unit Improvement Area, in accordance with the plans approved by the City of Las Vegas Office of Redevelopment Agency and any other City of Las Vegas department that may have issued approvals and/or permits as of the date of this Agreement, or as may be otherwise approved by City during the term of this Agreement. Copies of the plans for the Unit Improvement Area required to be maintained under this Agreement and which are incorporated herein by this reference, are on file with the City of Redevelopment Agency, c/o Economic and Urban Development, 495 S. Main Street, Las Vegas, NV 89101.

2. Duty to Maintain Property. Owner covenants and agrees, for itself, its lessees, successors and assigns during the term of this Agreement to diligently maintain and care for the Unit Improvement Area in accordance with the plans approved by Agency and to generally maintain the Property. "Diligent maintenance" is persistent upkeep which employs the standard of care necessary to meet all requirements of applicable local ordinances and regulations and standards of workmanship in accordance with the generally accepted standards for maintenance observed by comparable uses located within the City of Las Vegas. In particular, Owner covenants that:

    a) All interior building improvements shall be maintained, repaired, or used in accordance with the City of Las Vegas Building Code and the plans approved by, any and all, appropriate City of Las Vegas department(s) as of the date of this Agreement, or as may be otherwise approved by Agency during the term of this Agreement.

    b) The exterior of the buildings and structures shall have effective weatherproofing and waterproofing, including non-deteriorated paint, uncracked or unbroken plaster, sound siding, sealing of doors and windows and adequate and approved roof covering.

    c) All exterior doors, door hardware, handles, locksets and latchets shall be in safe and operable condition, free of cracks, splits, holes, inadequate fastening and warpage.

    d) All windows shall be secure, well-sealed, unbroken, and with undamaged frames. No window bars, grills or grates of any kind shall be installed without the express approval of the City of Las Vegas Department of Building and Safety.

e) All exterior lighting, including but not limited to security, carport, stairway or balcony, and building lighting, must be operable at all times as required by the City of Las Vegas Building Code.

f) Landscaping will be kept watered, trimmed, repaired to keep a consistence appearance as to when first installed.

g) All interior cabinets, flooring, plumbing, lighting, fixtures, sinks, tubs/showers, faucets, and other unit improvements be maintained and repaired in accordance with the City of Las Vegas Building Code as well as the standard for market rate multifamily residential units less normal wear.

h) Fire alarms, fire extinguishers, smoke alarms and other fire notification and suppression systems are to be operable and maintained in accordance with the City of Las Vegas Fire Code at all times.

3. Agency's Right to Cure Owner's Default. Owner shall be in default of this Agreement if Owner breaches any of the Owner's obligations under Paragraph 2 above, and the breach is not cured within thirty (30) days (or such longer period as may be specified in the Notice of Breach) after the Agency gives notice ("Notice of Breach") to the Owner of the failure to perform, which Notice of Breach shall specify in reasonable detail the conditions constituting the breach. The Agency's Executive Director ("Director") (or, if that position no longer exists, an Agency official with comparable duties) or the Director's designee may impose conditions on any extension of time to cure the breach, which conditions may include but are not limited to (i) requiring Owner to post a cash deposit or surety bond in the amount of the estimated cost of curing the breach or default, and (ii) requiring that Owner commence curing the breach or default by a specified date and thereafter diligently and in good faith continue to cure the breach until completion of the cure.

In the event of default, in addition to any other remedies available to Agency at law or in equity, Agency in its sole and absolute discretion may enter the Property and cure the default at Owner's cost at any time after giving not less than thirty (30) days' notice ("Notice of Default") to Owner, which Notice of Default shall state the Agency's intent to enter the Property and shall specify in reasonable detail the work or correction the Agency intends to perform. Upon such notice, Owner agrees to facilitate Agency's access to the overall Property and to specific Units in order to cure such default and correct such default. Owner agrees to reimburse Agency for all costs incurred by Agency in the work and/or correction.

In the event Agency elects not to cure the default, Agency shall have the right to demand in writing reimbursement from Owner of all funds advanced to Owner under the MFR-UIP Agreement. Upon such demand, Owner shall reimburse Agency of all funds advanced to Owner under the MFR-UIP Agreement within thirty (30) days of such written demand.

Owner hereby grants to Agency a lien on the Property to secure the payment of any amounts owned to Agency by Owner under this Agreement not paid when due as well as costs of collection, including, without limitation, attorneys' fees and court costs. Agency may execute and record a document setting forth the amount of delinquent sums due to Agency and the fact that a lien exists to secure the repayment thereof.

4. Hold Harmless. Owner shall waive any and all claims for damage or loss as a result of Agency's entry onto the Property. Owner shall defend, indemnify and hold harmless Agency, its employees, officers, agents and contractors from and against any and all liability, loss, expense, including reasonable attorney's fees or claims for injury or damage caused by or as a result of the Agency, its employees, officers, agents or contractors entry onto the Property. Notwithstanding the foregoing, the above waiver and indemnity shall not apply with respect to any negligent acts or omissions or willful misconduct by the Agency, its employees, officers, agents and/or contractors.

5. Agency's Cost of Cure. If Agency, acting through its own employees or through its contractors, enters the Property and cures the breach or default, Agency shall perform the work in a reasonably efficient, cost effective and competitively priced manner. The cost of curing the default shall be due and payable within ten (10) days after delivery of an invoice to Owner, and if paid at a later date shall bear interest at the rate of 10% per annum from the date of the invoice until Agency is reimbursed by Owner. Any warranties provided by Agency's contractors shall be assigned to Owner upon Owner's payment in full of the amounts due hereunder.

6. Additional Remedies. The Agency, in addition to the collection procedure set forth above in paragraph 4, may make the cost incurred in maintaining the Property a lien upon the Property by recording a notice with the Clark County Recorder. The lien may also include any and all costs incurred in recording the lien. The notice shall state that the Agency has incurred maintenance costs under the terms of this agreement and shall state the amount, together with a statement that it is unpaid. Such lien shall be immediately released upon Owner's payment of said costs.

7. Notices. Notices required or permitted to be given under the terms of this agreement shall be served personally, or by certified mail, return receipt requested, or by overnight courier, addressed as follows:

AGENCY: CITY OF LAS VEGAS REDEVELOPMENT AGENCY
c/o Economic And Urban Development
495 S. Main Street, 6th Floor
Las Vegas, NV 89101
Attn: Operations Officer

OWNER: KLA Capital Series, LLC, Series 5 & BK Nevada Investments, LLC
Atten.: Adam Fouladbakhsh
1818 Industrial Road #101
Las Vegas, NV 89102

and, in the event that Owner hereafter conveys Property, to each successive Owner as shown on the tax rolls for Clark County.

8. Property Owner. If Owner conveys, grants or transfers the Property or a portion thereof to another, such grantee or transferee shall be responsible for complying with the terms and conditions of this agreement as to the Property or as to that portion thereof so conveyed and Owner shall have no

further obligation hereunder as to said Property or that portion thereof. If Owner leases the Property or any portion thereof to another, the lease shall provide for Owner's right of entry to perform Owner's obligations under this agreement. The lease also shall provide for Agency's right of entry to inspect the Property for compliance with this Agreement and in the event of breach to perform required maintenance in accordance with the procedure set forth in Paragraph 3. Owner shall advise the Executive Director of the Agency in writing of any changes in address of Owner and of the names and addresses of any subsequent owners of the property or any portion thereof.

9. Miscellaneous Terms and Provisions.

   a) If any provision of this agreement is adjudged invalid, the remaining provisions of it are not affected.

   b) Notice to Agency or Owner shall be considered to have been given when sent in the manner and to the addresses stated in Paragraph 6 above.

   c) This writing contains a full, final and exclusive statement of the agreement of the parties.

   d) By executing this Agreement Owner, on its behalf and on behalf of any successor in interest, authorizes and grants to Agency or to Agency's agent, permission with forty-eight (48) hours advance notice to enter upon the Property subject to this Agreement to perform inspections of the improvements or to perform any work authorized by this Agreement in the event of breach by Owner of any covenant set forth in Paragraphs 2 above. However, the Agency shall coordinate the time of such inspections with the Owner in order to minimize the disruption of business or inconvenience to the Owner's customers.

10. Recordation: Covenant Running With the Land for Five Years. Upon execution of this Agreement by both parties, the Agency shall record this Agreement with the Clark County Recorder's Office. Agency shall provide Owner a copy of the Agreement showing the Recorder's stamp.

    This Agreement pertains to that area of the Property covered by the Unit Improvement Area, and shall run with the land for a period of five (5) years from the date of recordation, including a period of time after the expiration of this agreement. This agreement binds the successors in interest of each of the parties to it.

11. Priority of Mortgage Lien. No breach of the covenants, conditions or restrictions of this Agreement shall defeat or render invalid the lien or charge or any first mortgage or deed of trust made in good faith and for value encumbering the Property, but all of said covenants, conditions and restrictions shall be binding upon and effective against any successor to the Owner whose title is derived through foreclosure or trustee’s sale, or otherwise, with respect to the Property.

12. Attorneys' Fees. If any party to this Agreement resorts to a legal action to enforce any provision of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to any other relief to which it may be entitled. This provision applies to the entire Agreement.

13. Estoppel Certificate. Upon written request by Owner or a subsequent owner, Agency shall promptly execute and deliver an estoppel certificate, in a form reasonably approved by the Agency,

addressed as indicated in the request, stating that the property is in compliance with this Agreement, or not, and stating the amount of any outstanding fees or charge

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year set forth above.

KLA Capital Series, LLC, Series 5, a Nevada series limited liability company

By: _____ Date: _____
Name: Adam Fouladbakhsh
Title: OWNER

BK Nevada Investments, LLC, a Nevada limited liability company

By: _____ Date: _____
Name: Farzin Khalkhali
Title: OWNER

CITY OF LAS VEGAS REDEVELOPMENT AGENCY,
a public body, corporate and politic

By: _____ Date: _____
CAROLYN G. GOODMAN
CHAIR

ATTEST:

_____
LUANN D. HOLMES, MMC
Secretary

APPROVED AS TO FORM:

_____
Counsel to the Agency Date

ACKNOWLEDGMENTS

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on the ____ day of _____, 2023 by Adam Fouladbakhsh as Owner of KLA Capital Series, LLC, Series 5, a Nevada series limited liability company

_____
Notary Public in and for said County and State

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on the ____ day of _____, 2023 by Farzin Khalkhali as Owner of BK Nevada, LLC, a Nevada limited liability company

_____
Notary Public in and for said County and State

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on the ____ day of _____, 2023 by CAROLYN G. GOODMAN as Chair of the City of Las Vegas Redevelopment Agency.

_____
Notary Public in and for said County and State

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Lots Twenty-eight (28) through Thirty-Two (32) in Block Ten (10) of Pioneer Heights Addition to Las Vegas, as shown by map thereof on file in Book 1 of Plats, Page 35, in the Office of the County Recorder of Clark County, Nevada.

EXHIBIT B

DESCRIPTION OF THE UNIT IMPROVEMENT AREA

Unit Improvement Area: The area consisting of the building, which Property faces the west side of Maryland Pkwy., & north side of Lewis Ave., as described in *"Attachment 1 – Legal Description of the Property"* and other public areas, including all interior improvements described in the MFR-UIP Agreement as well as exterior wall planes, window, doors, fascias, awnings, parking area, and other architectural projections.

The Maintenance Agreement granted herein shall terminate five (5) years from the date of execution of the recordation of this Agreement without further action upon the City of Las Vegas Redevelopment Agency.

ATTACHMENT "4"

SCOPE OF WORK AND TENTATIVE SCHEDULE OF UNIT IMPROVEMENTS

324 S. Maryland Parkway
MFR-UIP Costs Analysis
Original Budget

EB 12/22

		Original Budget
	$	
Plumbing		55,019
Electrical		60,694
HVAC		24,909
Flooring, Concrete, Tile etc.		69,822
Cabinets & Kitchen Backsplash		65,091
Countertops		24,826
Drywall, Install, Tape & Texture		73,083
Insulation		17,419
Tub/Shower		53,163
Bathroom Mirrors, Other		14,368
Waterproofing, Hardibacker, Millwork, Molding, Doors		67,390
Paint, Interior		16,694
Misc.		
Total	$	542,476
MFRUIP Grant	$	50,000
Per Unit Costs, UIP, @ 12 Units	$	45,206
Per Unit Costs, Both VIP & UIP	$	87,639

ATTACHMENT “5“

Certificate of Completion of Construction

CERTIFICATE OF COMPLETION
OF CONSTRUCTION

WHEREAS, pursuant to the Multifamily Residential Unit Improvement Agreement ("Agreement") dated _____, 2023, the City of Las Vegas Redevelopment Agency, a public body, corporate and politic (the "Agency"), provided assistance to KLA Capital Series, LLC, Series 5, a Nevada series limited liability company, and BK Nevada Investments, LLC, a Nevada limited liability company, or their permitted assignee(s) (collectively the "Owner") for construction and development of a certain redevelopment project situated in the City of Las Vegas, Nevada, described on Attachments "A" and " B", attached hereto and made a part hereof (the "Site"); and

WHEREAS, as referenced in said Agreement, the Developer shall certify to the Agency that all construction on the Site or a phased portion of the Site has been substantially completed in compliance with the Agreement; and

WHEREAS, as referenced in said Agreement, the Agency shall furnish the Owner with a Certificate of Completion upon completion of all construction, or a portion of the Site which Certificate shall be in such form as to permit it to be recorded in the Recorder's Office of Clark County; and

WHEREAS, such certificate shall be conclusive determination of satisfactory completion of the construction on the Site or a phased portion of the Site required by the Agreement.

Now, therefore:

1. The Owner hereby certifies to the Agency that all construction on the Site has been completed in compliance with the Agreement.

2. The Agency agrees and docs hereby certify that the construction of the Site have been fully and satisfactorily performed and completed as required by the Agreement.

3. This Certificate of Completion may be executed in counterparts, all such counterparts will constitute the same Certification of Completion and the signature of any party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by facsimile or e-mail and upon receipt will be deemed originals and binding upon the Parties hereto, regardless of whether originals are delivered thereafter.

IN WITNESS WHEREOF, the Agency has executed this Certificate this _____ day of _____, 2023.

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY

By: _____
CAROLYN G. GOODMAN, CHAIR
"Agency

ATTEST:

_____
LUANN D. HOLMES, MMC
Secretary

KLA Capital Series, LLC, Series 5, a Nevada series limited liability company

By: _____
Adam Fouladbakhsh
"Owner"

BK Nevada Investments, LLC, a Nevada limited liability company

By: _____
Farzin Khalkhali
"Owner"

APPROVED AS TO FORM:

_____
Counsel to the Agency Date

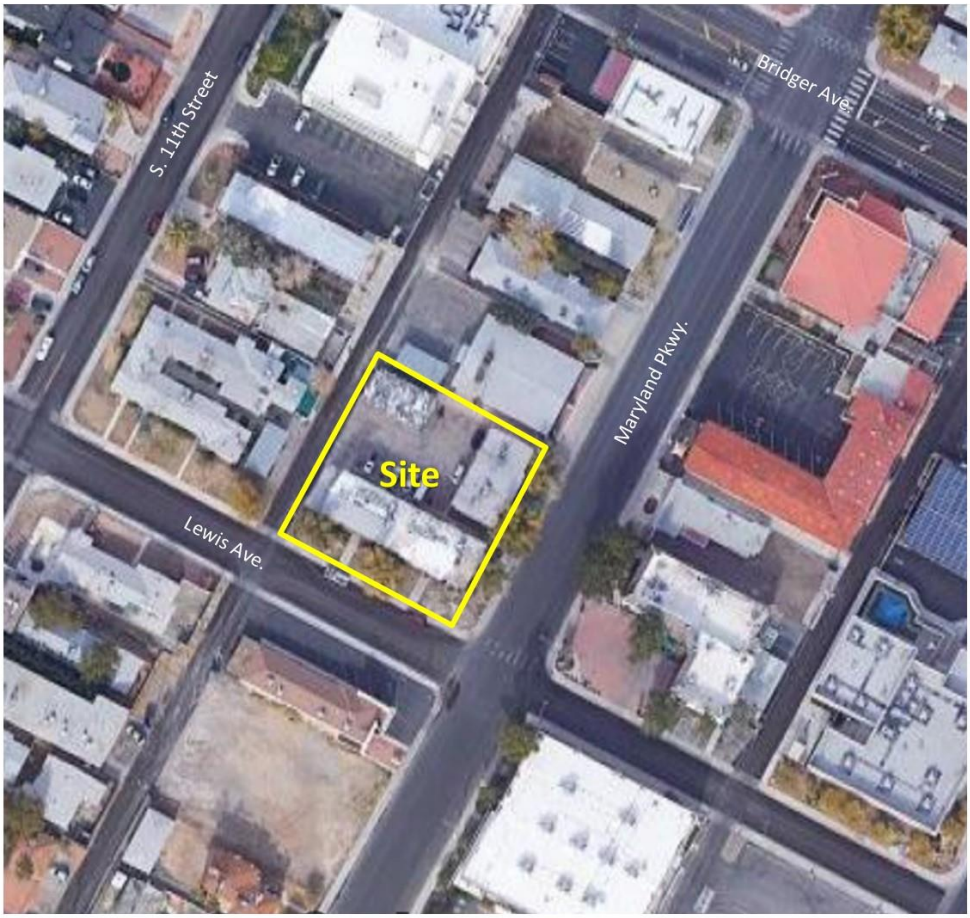
ATTACHMENT "A"

SITE MAP

324 S. Maryland Pkwy.

Las Vegas, NV 89101

KLA Capital Series, LLC, Series 5 & BK Nevada, LLC



ATTACHMENT "B"

Legal Description

Lots Twenty-eight (28) through Thirty-Two (32) in Block Ten (10) of Pioneer Heights Addition to Las Vegas, as shown by map thereof on file in Book 1 of Plats, Page 35, in the Office of the County Recorder of Clark County, Nevada.

ATTACHMENT "6"

DISCLOSURE OF PRINCIPALS – PROPERTY OWNER

MFR DISCLOSURE OF OWNERSHIP/PRINCIPALS – REAL PROPERTY

MFR Contracting Entity Information

Corporate Name:
KLA Capital Series, LLC & BK Nevada Investments, LLC

Mailing Address:
1818 INDUSTRIAL ROAD UNIT 101, LAS VEGAS NV 89102

Business Phone Number:
702-468-5999

Tax ID or Social Security Number:
82-4712349

Ownership Interest

Estate in Severalty _____ Tenancy in Common X _____ Joint Tenancy _____

Disclosure of Ownership/Principals:

In the space below, the Contracting Entity must disclose all **persons/individuals** holding more than one percent ownership interest in the real property, even if its just one person.

Full Name & Title	Business Address	Business Phone
KLA CAPITAL:		
Adam Fouladbakhs, Managing Member	1818 Industrial Road #101, Las Vegas NV 89102	702-468-5999
BK NEVADA:		
Farzin Khalkhali, Managing Member	6076 Bristol Parkway #104, Culver City CA 90230	310-645-1500

MFR DISCLOSURE OF OWNERSHIP/PRINCIPALS – REAL PROPERTY

(continued)

Certification of Disclosure of Ownership/Principal – Real Property

I certify, under penalty of perjury, that all the information provided in this certificate is current, complete and accurate.

Signature: _____

ADAM FOULADBAKHSH

Date: 11/17/2022

State of Nevada

County of Clark

This instrument was acknowledged before me on

November 17, 2022 (date) by

Adam B. Fouladbakhsh (name of person)

_____

Notary Public

Notary Public

LISA M GONZALEZ
Notary Public, State of Nevada
Appointment No. 21-6546-01
My Appt. Expires Nov 9, 2025

ATTACHMENT "7"

Participant Affidavit and Employment Plan

MFR PARTICIPANT AFFIDAVIT & EMPLOYMENT PLAN

STATE OF NEVADA }
} ss:
COUNTY OF CLARK }

I, ADAM FOULADBAKHSH, being first duly sworn, depose and state under penalty of perjury as follows:

1. I am a corporate officer, managing member, or sole proprietor of the KLA Capital Series, a company duly organized in the State of Nevada as a LLC, (Corporation/LLC/Sole Proprietorship). The Participant is seeking the assistance of the city of Las Vegas Redevelopment Agency ("Agency") for making improvements to the property at 324 S Maryland parkway, Las Vegas NV 89101 ("Site"), as more particularly described by the MFR-VIP or MFR-UIP agreement ("Agreement") being contemplated by the city of Las Vegas Redevelopment Agency.
2. I hereby warrant that I own the site.

   Assistance from the Agency will allow me to make improvements to the site which I could not otherwise do. This will result in substantial benefit to the Redevelopment Plan Area and the neighborhood adjacent to the Site because of one or more of the following reasons (**check one or more**):

   a. Encourage the creation of new business or other appropriate development; ■
   b. Create jobs or other business opportunities for nearby residents; ☐
   c. Increase local revenues from desirable sources; ■
   d. Increase levels of human activity in the redevelopment area or the immediate neighborhood in which the redevelopment area is located; ■
   e. Possess attributes that are unique, either as to type of use or level of quality and design; ■
   f. Require for their construction, installation or operation the use of qualified and trained labor; ■ and
   g. Demonstrate greater social or financial benefits to the community than would a similar set of buildings, facilities, structures or other improvements not paid for by the agency. ■
3. No other reasonable means of financing those buildings, facilities, structures or other improvements are available, because of one or more of the following reason(s) as **checked** by the Participant:

   a. An inducement for new businesses to locate, or existing businesses to remain within, the redevelopment area in which the business would ordinarily choose to locate outside the redevelopment area if the grant were not provided. Evidenced by a "but for" letter or statement from the property owner; ☐ or
   b. There is a public objective and/or requirement that is more stringent and/or costly to undertake than a business would ordinarily embark upon. Evidenced by state or city ordinance; ☐ or
   c. There has been a lack of rehabilitation in the area and it is deemed unreasonable for the business to invest in improving the area unless the grant is provided. Evidenced by photographs of the immediate surrounding area displaying the slum and blight; ■ or
   d. The exterior improvements to the property do not have a direct effect on revenues therefore, making such an investment is not deemed acceptable by a customary financial institution. Evidenced by a denial letter from a financial institution. ☐

MFR PARTICIPANT AFFIDAVIT & EMPLOYMENT PLAN (continued)

Participant agrees to submit to the Agency its documentation that evidences that no reasonable means of financing are available to the Participant.

4. Participant hereby warrants the following:
   a. The property on which the project is situated is free of all Mechanic's Liens at the time of application. AOF (initial)
      Landlord supplies proof
   b. The applicant has no current bankruptcy proceedings, or past bankruptcy proceedings, whether corporate or personal, within the past five years. AOF (initial)
   c. The applicant has no past-due federal, state, county or city of Las Vegas tax bills at the time of application. AOF (initial)
   d. The applicant has no past-due bills or debts payable to the city of Las Vegas or the Redevelopment Agency. AOF (initial)
5. Participant hereby acknowledges that existing opportunities for employment within the surrounding neighborhood of the redevelopment project are limited for neighborhood residents. Most residents must travel outside the neighborhood to find employment opportunities outside the redevelopment area, via public transportation or personal vehicles. Of the existing businesses within the neighborhood, many are family- owned and have been in business for a long time. These existing businesses are not in an expansion mode and are not likely to employ neighborhood residents.

   Furthermore, the project will help facilitate the continued expansion of employment and residential opportunities by setting an example to other property owners to renovate their property and help create more residential and/or employment opportunities through an expansion of business and renovation of multi-family residential units. The Project will allow neighborhood residents to apply for those positions (when available) for which they are qualified for as an employment opportunity. Appropriate measures will be taken to ensure that the neighborhood is aware of any job opportunities available from the business.
6. I also hereby agree to and understand that in conjunction with participation in the MFR-Visual Improvement Program and/or MFR-Unit Improvement Program, the city of Las Vegas will record a non-exclusive façade easement and/or building maintenance agreement to the above-listed property, at the completion of the pre-qualified improvements. The documents will be recorded in the Office of the County Recorder of Clark County, Nevada Records for a period of five years. The property owner and/ or business owner will have the option to repurchase the façade easement and/or building maintenance agreement from the Agency during the five-year period.

DATED this 17th day of November, 2022.

Authorized Signature: _____

SIGNED AND SWORN TO before me

this 17th day of November, 2022, by Adam Foladbakhsh

NOTARY PUBLIC
My Commission Expires: 11/9/25

LISA M GONZALEZ
Notary Public, State of Nevada
Appointment No. 21-6546-01
My Appt. Expires Nov 9, 2025

Public Purpose/Impact Analysis Report
NRS 279.486

City Council/Redevelopment Agency Meeting
February 1, 2023

Title of Project: Multifamily Residential Unit Improvement Program

Sponsor/Developer: KLA Capital Series, LLC, Series 5 & BK Nevada Investments, LLC

Address Of Project: 324 S. Maryland Pkwy., Las Vegas, NV 89101

Per NRS 279.486 2(a) attach a copy of any contract, memorandum of understanding or other agreement between the agency or the legislative body and any other person relating to the redevelopment project to this report.

Please refer to RDA Resolution as Exhibit A for copy of agreement: CITY OF LAS VEGAS – MULTIFAMILY RESIDENTIAL UNIT IMPROVEMENT AGREEMENT AND GRANT OF MAINTENANCE AGREEMENT

Per NRS 279.486 2(b) (1) (I) List the costs of the redevelopment project, including, without limitation, the costs of acquiring any real property, clearance costs, relocation costs, the costs of any improvements which will be paid by the Redevelopment Agency and the amount of the anticipated interest on any bonds issued or sold to finance the project.

N/A

Per NRS 279.486 2(b) (1) (II) What is the estimated current value of the real property interest to be conveyed or leased, determined at its highest and best use permitted under the redevelopment plan?

N/A

Per NRS 279.486 2(b) (1) (III) what is the estimated value of the real property interest to be conveyed or leased, determined at the use and with the conditions, covenants and restrictions, and development costs required by the sale or lease, and the current purchase price or present value of the lease payments which the lessee is required to make during the term of the lease? If the sale price or present value of the total rental amount to be paid to the agency or legislative body is less than the fair market value of the real property interest to be conveyed or leased, determined at the highest and best use permitted under the redevelopment plan, the agency shall provide an explanation of the reason for the difference.

N/A

Per NRS 279.486 2(b) (2) How Does the Redevelopment Project Benefit the Public and Eliminate Blight:

The 1950's era apartment buildings are old and blighted. This full interior remodel will add 12 new one bedroom, 1 bath units of multifamily housing in the redevelopment area and will employ at least 3 FTEs.

The MFRUIP funds will be used to assist with renovating the façade of the two apartment buildings. The property owner is also improving the public spaces and landscaping, significantly improving the appearance within the neighborhood. The owner is also conducting a full remodel of the exterior of apartment units and has also applied for a MFRVIP in tandem with this MFRUIP.

No new annual state and local tax will be generated as a result of this project as it is an existing building.

What is the amount of Private Investment and who is providing it?

Approximately $589,998., approximately $49,165. per unit – by KLA Capital Series, LLC, Series 5 & BK Nevada Investments, LLC, the Owners

What is the amount of Public Investment and who is providing it?

Not to Exceed $50,000 by the City of Las Vegas Redevelopment Agency

How many Direct Jobs will be Created? 24 Construction jobs

How many Indirect Jobs will be Created? N/A

How many Direct Jobs will be Retained? 3

Quantitative Economic Benefits:

$589,998. of labor and material will be expended in the Redevelopment Area during renovations. $_N/A___ in direct and indirect annual payroll will be generated.

Total Direct Economic Impact:

$1,193,291. in interior and exterior renovations. $_N/A___ in direct payroll annually.

Total Indirect Economic Impact:

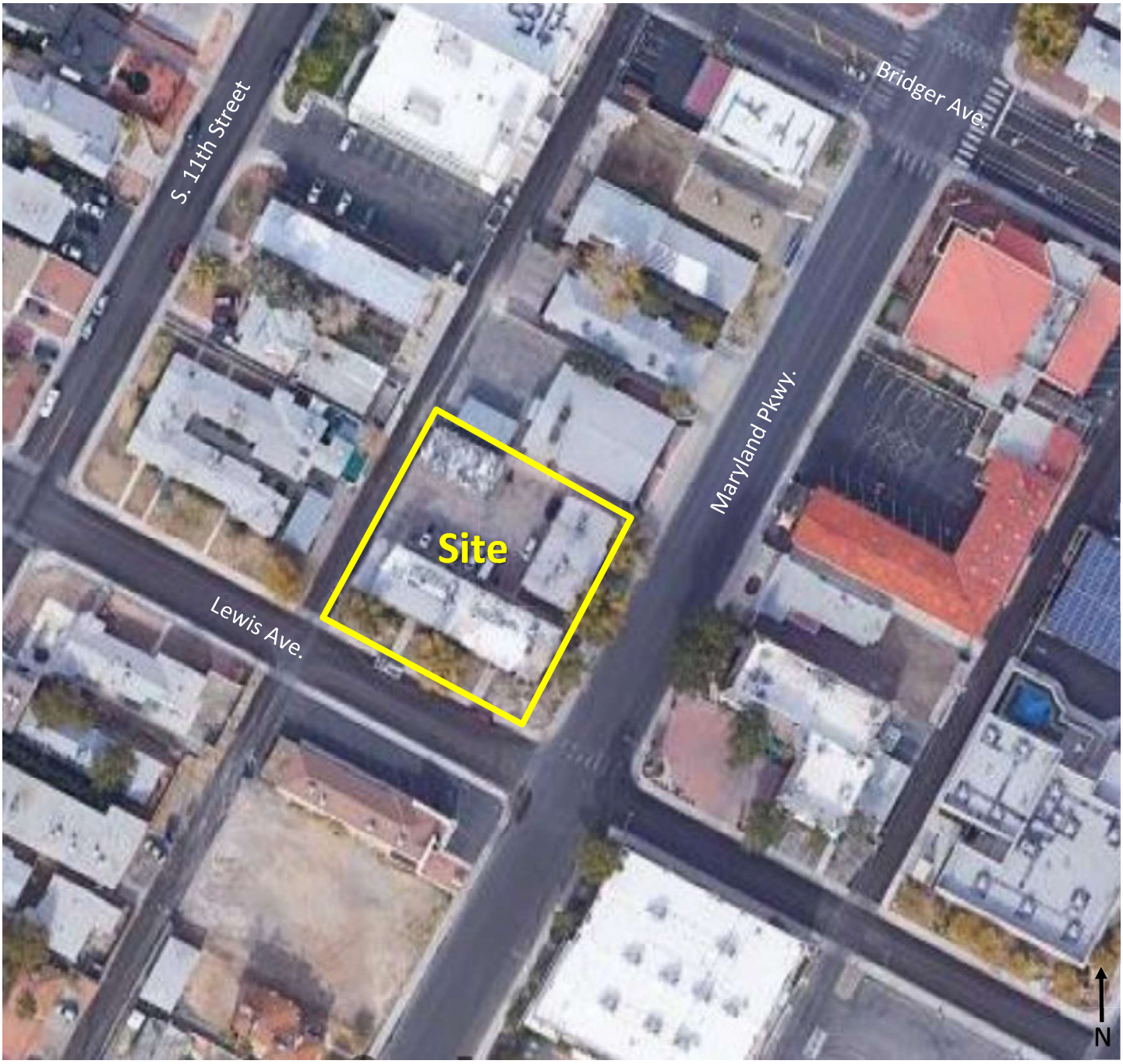
$__N/A_____ indirect and induced payroll annually The timeline to construct the improvements is so short, the indirect and induced impact from construction labor has not be calculated.

Economic Impact Study Performed: Yes ☐ No ☒

Return on Investment Analysis Performed: Yes ☐ No ☒

SITE MAP

324 S. Maryland Pkwy.

Las Vegas, NV 89101

KLA Capital Series, LLC, Series 5 & BK Nevada, LLC