

May 18, 2023

VIA E-MAIL

Elaine Sanchez
President
Las Vegas-Clark County Library District Foundation, Inc.
7060 W. Windmill Lane
Las Vegas, Nevada 89113

Re: Las Vegas-Clark County Library District Foundation, Inc. - New Markets Tax
Credit Project – West Las Vegas Library

Dear Ms. Sanchez:

The purpose of this letter is to set forth our understanding concerning the engagement of Kutak Rock LLP (the “Firm”) by the Las Vegas-Clark County Library District Foundation, Inc. (the “Foundation”), the Las Vegas-Clark County Library District (“Library District”), and a yet-to-be-formed nonprofit support organization (the “QALICB”, and collectively with the Foundation and the Library District, the “Client”) in connection with the review, structuring, and documentation associated with a proposed new markets tax credit financing for the construction of the West Las Vegas Library facility located near the intersection of N. M.L.K. Blvd. and Mt Mariah Dr. in Las Vegas, Nevada (the “Transaction”). It is anticipated that the new markets tax credit financing will be coordinated utilizing federal new markets tax credits with a national banking association (“Bank”) as the tax credit investor and one or more community development lenders (the “CDEs”).

It is presently contemplated that the Firm will be involved as the Client’s special tax credit counsel in the preparation, negotiation, review and revision of the documentation evidencing the Transaction and the coordination of the closing of the financing, which includes, but is not limited to the following:

- (i) review of financing structure;
- (ii) review of new markets tax credit allocation documents and term sheets prepared by the Bank and the CDEs and their counsel;

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(iii) formation of the QALICB and preparation and submission to the Internal Revenue Service of an application for a determination of 501(c)(3) support organization status for such affiliate;

(iv) coordination with the Client's general and local counsel, staff and finance personnel with respect to the preparation of resolutions, certificates and other documentation on behalf of the Client for the closing of the various loans associated with the Transaction;

(v) preparation of a tax opinion covering the status of the QALICB as a "qualified low-income community business" and any additional tax opinions required;

(vi) coordination with Client's general or local counsel and/or staff with respect to federal and state law opinions;

(vii) negotiation of documents evidencing the potential exit of Bank and the CDEs from the Transaction;

(viii) modification and consultation regarding corporate documents for the QALICB and the Foundation which will act as a "qualified low-income community business" or "leverage lender" in the Transaction;

(ix) review and negotiation of the upper-tier loan documents by and among the leverage lender and the leverage fund on behalf of the Foundation;

(x) review and negotiation of QLICB loan documents and guaranties on behalf of the QALICB and

(xi) review and/or preparation of applicable real estate and other construction and ancillary development documents.

In addition, the Firm will undertake structuring discussions and negotiations on the Client's behalf with the other parties to the Transaction, provide advice regarding the structuring of the fee arrangements with respect to the Transaction and perform standard due diligence activities required to provide the tax and local law opinions. For purposes of this engagement, the Client agrees that our initial primary points of contact for this transaction shall be Floresto Cabais for the Library District and Fred James for the Foundation and that we may rely on directions from these points of contacts as the directions of their respective organizations.

Our fee for the services outlined in this engagement letter will be based on our attorney hourly rates as reflected on the schedule attached hereto as Exhibit A (reflecting the attorneys most likely to work on the Transaction, although other attorneys may also be used) plus actual out of pocket expenses and costs surrounding the issuance of a tax opinion on behalf of the Client. We

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anticipate that the total estimated amount of fees for our legal services to be approximately \$110,000 (however, we note that this amount is an estimate based upon current information provided to the Firm and thus we may request changes to this fee estimate if further facts arise which warrant discussions). Compensation for our services will be payable by the Client at closing or in the event that the Transaction does not close prior to January 31, 2024, within thirty days of such date and with monthly billings thereafter.

As noted above, we expect that our fee for the services outlined in this engagement letter will not exceed \$110,000 plus out of pocket expenses. We will not exceed these amounts without providing you prior notice and without your prior approval.

The Foundation may terminate this agreement with respect to our engagement by notifying the Firm in writing. The Firm's current fees and other amounts described herein will be payable upon such termination.

As a condition of entering into this engagement, the Foundation and the Library District will be required to sign agreements acknowledging in which capacity the Firm represents the various Client entities in each aspect of the transaction. These agreements will be provided separately.

If the above sets forth our understanding to your satisfaction, please confirm your agreement to the terms of our engagement by signing, dating, and returning the enclosed copy of this letter.

We look forward to working with you on the Transaction. Throughout our representation, we want you to be satisfied with the professional services we perform on behalf of the Client. Accordingly, we respectfully invite your inquiry if you have any questions concerning any aspect of our representation in the Transaction described in this letter.

This engagement letter is subject to Exhibit B hereto and shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

This letter may be executed in counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which shall constitute one and the same instrument.

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Sincerely,

KUTAK ROCK LLP

Barry A. Burns, Partner

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ACCEPTED AND APPROVED:

**LAS VEGAS-CLARK COUNTY LIBRARY
DISTRICT FOUNDATION, INC.**

By _____
Elaine Sanchez, President

Date: _____

EXHIBIT A

ATTORNEY RATES—2023

<u>Partners</u>	<u>2023 Rate</u>
Barry Burns, Denver, Colorado Office	\$500
Judd Larson, Denver, Colorado Office	\$355
 <u>Associates</u>	
Benjamin Jones, Denver, Colorado Office	\$260
Hunter Maude, Denver, Colorado Office	\$235

EXHIBIT B

TERMS OF REPRESENTATION

Kutak Rock LLP is pleased to have this opportunity to serve you. Our goal is to provide you quality legal services on a prompt, efficient basis. We believe that our relationship will be stronger and more effective when there is a clear understanding of the services we will perform, the fees we intend to charge for such services, and the payment thereof. Therefore, it is our standard procedure to be specific with our clients as to the scope of the services that we intend to provide and the terms by which we will bill fees and expenses. The letter accompanying these Terms of Representation sets forth that information. If what is set forth in the accompanying letter or in these Terms of Representation does not accurately describe your understanding of the services we are to perform or the terms for billing fees and expenses, please advise the attorney sending you the letter. Unless the attorney sending the engagement letter to you is notified promptly, we will assume that these Terms of Representation and the accompanying letter are acceptable to you.

Scope of Representation. *The scope of our representation will be limited to providing only those services that are described in the accompanying letter. Unless otherwise noted, we will render those legal services that are necessary to the representation. No other services are intended to be provided without the mutual agreement of you, as our client, and Kutak Rock LLP. Later, if you determine to change materially the scope of our representation, we will need to document that in additional correspondence.*

Attorney-Client Privilege. *Our statements may contain information protected by the attorney-client privilege. As the privilege could be deemed waived if someone other than the client sees the privileged material, we recommend that you keep our statements, as well as other letters and communications from us, in a separate file marked “Attorney-Client Privileged Materials” and keep the file in a secure place. Your communications with us are legally protected by the attorney-client privilege. In addition, we will treat your matter as confidential, and we will not (unless you specifically grant us the authority to do so) discuss or otherwise make available to anyone, including other clients, any information about you, your business or our work on your behalf.*

Termination of Services and Representation. *You may terminate our services at any time. Termination of our representation does not, however, relieve you from the responsibility of paying those fees and expenses incurred through the date we are notified of such termination. Similarly, we may withdraw from this representation for reasons including your failure to timely pay our statements; failure to disclose all facts material to our representation; failure to act in accordance with our advice; or development of one or more circumstances which, in our judgment, impair our ability to maintain an effective attorney-client relationship.*

Completion of Matter. After a particular matter is completed, we do not (unless you specifically request in writing that we do so) undertake to continue to review that matter and update you concerning legal developments, such as changes in applicable laws or regulations. If you do ask us to review a specific matter on which we have previously worked, we will consider that to be a new representation. Thus, while we may, from time to time, call to your attention issues or legal developments that might be relevant to your operations, we are not undertaking to do so as a part of this representation. Unless otherwise terminated, our representation will end upon our sending you our final statement for services rendered with respect to this matter.

Document Retention. If, upon termination or completion of a matter, you wish to have your documents in our possession delivered to you, please advise us. Otherwise, all such documents will be stored for a reasonable amount of time and will thereafter be destroyed in accordance with our established policy.

No Guarantee. We will perform our professional services on your behalf to the best of our ability, but we cannot make and have not made any guarantees regarding the outcome of our work on your matters. Any expressions by us about the outcome of your matters are our best professional views only and are limited by our factual knowledge at the time they are expressed.

We hope this explanation is helpful to you, and we invite you to discuss any concern with us at any time or to enquire at any time about the fees or costs incurred. It is extremely important that we proceed so that you and we have a clear and satisfactory understanding about the work to be performed. We will strive to keep you fully informed during the course of this engagement and anticipate that you, likewise, will keep us informed of pertinent developments. We trust that you will find that we are not only available and responsive but that we will work diligently to meet your needs and deadlines.