

Recording Requested by and
When Recorded Mail To:

Lisa Hunderman, City Clerk
City of Sparks
431 Prater Way
P.O. Box 857
Sparks, Nevada 89432-0857

<p>The undersigned hereby affirms that this document submitted for recording does not contain the personal information of any person or persons per N.R.S. 239B.030.</p> <hr/> <p>Signature of Declarant or Agent</p>

THIS DEVELOPMENT AGREEMENT, AMENDMENT NUMBER 2 (“Agreement”), is made and entered into this _ day of _____, 2020, by and between the CITY OF SPARKS, a municipal corporation of the State of Nevada (“City”); QK, LLC, a Nevada Limited Liability Company (“Owner”); and 5 Ridges Development Company, Inc., a Nevada Corporation (“Master Developer”). The City and Owner and Master Developer are sometimes individually referred to as a “Party” and collectively as the “Parties.”

RECITALS

- A. The City is authorized, pursuant to Chapter 278 of the Nevada Revised Statutes and Title 20 of the Sparks Municipal Code, to enter into development agreements such as this Agreement with persons having a legal or equitable interest in real property in order to establish long-range plans for the development of such property.
- B. Owner has authorized Master Developer to develop the Property legally described by “Exhibit A” (metes and bounds) attached hereto (the “Property”).
- C. The Property currently consists of two (2) parcels approximately 421.58 acres in size, as shown in “Exhibit B” (graphic depiction) attached hereto.
- D. Master Developer proposes developing the Property with residential and commercial uses as allowed by the Code in effect on the date of this Agreement and the land uses identified in the master plan amendment and zone change amendment described and approved in Case Nos. PCN16-0050 and PCN19-0040 and the Land Plan attached as “Exhibit C.”
- E. The Parties acknowledge that this Agreement will (i) promote the health, safety and general welfare of the City and its inhabitants, (ii) minimize uncertainty in planning for and securing orderly development of the Property and surrounding areas, (iii) ensure attainment of the maximum efficient utilization of resources within the City at the least economic cost

to its citizens, and (iv) otherwise achieve the goals and purposes for which the laws governing development agreements were enacted.

- F. As a result of the development of the Property, the City will receive needed housing, jobs, sales and other tax revenues and significant increases to its real estate property tax base that meet or exceed the cost of providing public services, facilities and infrastructure to the Property as described in the Fiscal Analysis attached as “Exhibit D.” The City will additionally receive a greater degree of certainty with respect to the timing and orderly development of the Property and City infrastructure by a developer with significant economic resources and experience in the development process.
- G. The Master Developer understands and acknowledges that there are insufficient public facilities and infrastructure available at the Property in order to properly construct, populate, and serve the Property. Subject to the terms and conditions of this Agreement, the Master Developer agrees to provide the necessary improvements to public facilities and infrastructure on the Property and outside the Property as specifically provided for in the Infrastructure Plan attached as “Exhibit E.”
- H. The Master Developer understands and acknowledges that the Property is currently outside a four-minute travel time for Sparks Fire Department response to fire, medical, and other emergency service calls and, due to the Property’s location and characteristics, certain design requirements and development restrictions as stated in this Agreement are appropriate and necessary unless travel times are reduced to four minutes or less with future improvements, including but not limited to the construction and operation of a new fire station.
- I. The Master Developer understands and acknowledges that the development of the Property is constrained by the steep slopes naturally occurring thereon as depicted in the Slope Analysis, attached as “Exhibit F.”
- J. The Truckee Meadows Water Authority (TMWA) is currently the only public utility authorized to operate a municipal water system within the City’s corporate limits. TMWA operates as a public utility within the City of Sparks subject to an agreement pursuant to which the City granted to TMWA certain rights pertaining to the use of the City’s streets and roads for water transmission facilities in exchange for certain consideration by TMWA. The Master Developer proposes to utilize the Sun Valley General Improvement District (SVGID), rather than TMWA, to operate a municipal water system within the Property. The Master Developer understands and acknowledges that development of the Property is contingent upon approval by the City and SVGID of an agreement granting SVGID rights pertaining to the use of the City’s streets and roads within the Property for water transmission facilities in exchange for certain consideration by SVGID.
- K. The Master Developer desires to enter into a development agreement with City pursuant to NRS 278.0201 to obtain reasonable assurances that it may develop the Property in accordance with the terms, conditions and intent of this Agreement. The Master Developer’s decision to enter into this Agreement and commence development of the

Property is based on expectations of proceeding and the right to proceed with the Property in accordance with this Agreement and any other Applicable Rules.

- L. The Master Developer further acknowledges that this Agreement was made part of the record at the time of its approval by the City Council and that the Master Developer agrees without protest to the requirements, obligations, limitations, and conditions imposed by this Agreement.
- M. On June 25, 2018, the City entered into a development agreement concerning the Property with Jackling Aggregates, LLC, the former owner of the Property; and QK, LLC, the former master developer of the Project. The June 25, 2018 development agreement was recorded in the official records of Washoe County as Document 4827784 on June 29, 2018.
- N. On February 24, 2020, the City entered into Development Agreement, Amendment Number 1, concerning the Property with QK, LLC, the owner of the Property; and 5 Ridges Development Company, Inc., the master developer of the Project. The February 24, 2020, development agreement was recorded in the official records of Washoe County as Document 5033919 on May 28, 2020. This Agreement amends, supersedes, and replaces the February 24, 2020 Development Agreement, Amendment Number 1, but does not affect the Entitlement Requests approved in conjunction with or subsequent to the June 25, 2018 development agreement.
- O. The City Council, having determined that the development of the Property in the manner proposed in Exhibits C, D, E, and F, is beneficial to the City, that this Agreement is in conformance with the City's Comprehensive Plan, the Sparks Municipal Code, and state and federal law, and that all other substantive and procedural requirements for approval of this Agreement have been satisfied, and after giving notice as required by relevant law, and after introducing this agreement by ordinance at a public meeting on _____ and after a subsequent public hearing to consider the substance of this Agreement on _____, found this Agreement to be in the public interest and lawful in all respects, and approved the execution of this Agreement by the Mayor of the City of Sparks.

NOW, THEREFORE, in consideration of the foregoing recitals, the promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

SECTION ONE DEFINITIONS

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the following meanings:

“Administrator” means the person holding the position of City Manager of the City of Sparks at any time or his designee.

“Agreement” means this Development Agreement, Amendment Number 2, and at any given time includes all addenda and exhibits incorporated by reference and all amendments which hereafter are duly entered into in accordance with the terms of this Agreement.

“Annexation Property” means that certain 34.71 gross acres of real property, assigned Assessor’s Parcel Number 508-020-01, for which annexation by the City and inclusion within the Project has been requested by Owner and Master Developer.

“Applicable Rules” means and refers to:

- (a) The provisions of the Code and all other uniformly-applied City rules, policies, regulations, ordinances, laws, general or specific, which were in effect on the Effective Date, including without limitation City ordinances, resolutions, or regulations governing the permitted uses of land, density and standards for design; and
- (b) This Agreement.
- (c) The term “Applicable Rules” does not include:
 - (i) Any ordinances, laws, policies, regulations or procedures adopted by a governmental entity other than City;
 - (ii) Any fee or monetary payment prescribed by City ordinance which is applied to any development or construction subject to the City's jurisdiction; or
 - (iii) Any applicable state or federal law or regulation.

“Building Codes” means the Building Codes and Fire Codes in effect at the time of issuance of a permit for a particular development activity.

“City” means the City of Sparks, together with its successors and assigns.

“City Council” means the Sparks City Council.

“Code” means the Sparks Municipal Code, including all ordinances, rules, regulations, standards, criteria, manuals, appendices, and other references adopted therein.

“Development Parcels” means legally subdivided parcels of land within the Project that are intended to be developed or further subdivided.

“Effective Date” means the date, on or after the adoption by City of an ordinance approving the execution of this Agreement, and the subsequent execution of this Agreement by the Parties, on which this Agreement is recorded in the Office of the County Recorder of Washoe County. Each Party agrees to cooperate as requested by the other Party to cause the recordation of this Agreement without delay.

“Entitlement” means any land use approval, including without limitation, any master plan or other zoning approval, annexation, tentative map, final map, parcel map, conditional use permit, permitted land use, density of tentative or final mapped Development Parcels, building permit, grading permit, and other land use entitlements or permits, issued for the Project or any portion of the Property or in favor of Master Developer or its successor(s) in connection with the development of the Property.

“Entitlement Request” means a request by Master Developer or its authorized designee for any Entitlement for development of the Project in accordance with this Agreement.

“Infrastructure Plan” means a collection of documents that fully describe the public and private infrastructure, on and off the Property, necessary to support the adopted Land Plan and the proposed method(s) of financing construction of the public infrastructure included therein, including, but not limited to, grading plans, drainage studies, sanitary sewer studies, traffic studies, and utility improvement plans.

“Land Plan” means a collection of documents that fully describe the physical characteristics of the Property and the permitted uses of the Property, including, but not limited to, a detailed description and depiction of the permitted uses and associated densities, intensities and locations within the Project; physical characteristics of the Property such as floodplain, slope, and soil; the availability and accessibility of water that meets applicable health standards and is sufficient in quantity for the reasonably foreseeable needs of the Project; the availability and accessibility of utilities, public services, and water and services for fire protection, prevention and containment; and the effect of the Project on existing public streets.

“Master Developer” means 5 Ridges Development Company, Inc., a Nevada Corporation, and its successors and assigns as permitted by the terms of this Agreement.

“Nonconforming Entitlement Request” means a request by Master Developer or its authorized designee for any amendment to this Agreement, Land Plan amendment, master plan amendment, or zoning amendment, or an application for a Subdivision Map which, when evaluated in conjunction with all existing Entitlements and potential future development in the Project, proposes a total number of units which will result in the Project having less than the minimum or more than the maximum number of permitted units set forth in Section 3.1 at Project build out.

“Owner” means QK, LLC, a Nevada Limited Liability Company, the entity that holds title to the real property described by Exhibit A, and its successors and assigns as permitted by the terms of this Agreement.

“Party,” when used in the singular form, means Owner, Master Developer, or City, and in the plural form of “Parties” means Master Developer, Owner, and City.

“Project” means the Property and any and all improvements provided for or constructed thereupon.

“Property” means that certain 421.58 gross acres of real property that are the subject of this Agreement as described in Exhibit A. The Property includes the Annexation Property unless the context otherwise requires.

“Slope Analysis” means a slope or cell map that groups small areas of similar slope together, gridded at a maximum contour interval of two (2) feet. The Slope Analysis shall depict the following slope categories and may depict additional subcategories within said categories: 0-15%, 16-25%, 26-30%, and 30% or greater. The Slope Analysis shall identify slopes created as a result of prior mining operations and roadway construction to the approval of the Administrator. The Slope Analysis is attached hereto as Exhibit F.

“Subdivision Map” means any instrument under the Nevada Revised Statutes and the Code that legally subdivides property or gives the right to legally subdivide property.

“Term” means the temporal duration of this Agreement.

SECTION TWO APPLICABLE RULES AND CONFLICTING LAWS

2.1 Reliance on the Applicable Rules

City and Master Developer agree that Master Developer will be permitted to carry out and complete the development of the Project in accordance with the terms of this Agreement, the Land Plan, the Infrastructure Plan, and the Applicable Rules. The terms of this Agreement shall supersede any conflicting provision of the Code except as provided in Section 2.2 below.

2.2 Application of Subsequently Enacted Rules by the City

The City shall not amend, alter or change any Applicable Rule as applied to the development of the Project, or apply a new fee, rule, regulation, resolution, policy or ordinance to the development of the Project, except as follows:

- (a) The development of the Project shall be subject to the Building Codes and Fire Codes in effect at the time of issuance of the permit for the particular development activity.
- (b) The application of a new uniformly applied rule, regulation, resolution, policy or ordinance to the development of the Project is permitted, provided that such action is necessary to protect the health, safety and welfare of City residents, does not reduce the permitted density or land use types, does not prevent the type of units or number of permitted units in the Project as set forth in this Agreement, and is consistent with the efficient development and preservation of the entire Project.
- (c) Nothing in this Agreement shall preclude the application to the Project of new or changed rules, regulations, policies, resolutions or ordinances specifically mandated and required by changes in state or federal laws or regulations necessary to protect the health, safety and welfare of City residents. In such event, the provisions of Sections 2.4 and 2.5 of this Agreement are applicable.

- (d) Should the City adopt or amend rules, regulations, policies, resolutions or ordinances and apply such rules to the development of the Project, other than pursuant to one of the above Sections 2.2(a), 2.2(b) or 2.2(c), the Master Developer shall have the option, in its sole discretion, of accepting or rejecting such new or amended rules by giving written notice of such acceptance or rejection within 90 days of the application of such new or amended rules to the Project. If accepted, City and the Master Developer shall subsequently execute an amendment to this Agreement evidencing the Master Developer's acceptance of the new or amended ordinance, rule, regulation or policy within a reasonable time. If rejected, the new or amended rules will not apply to the Project. Master Developer's failure to accept or reject new or amended rules within ninety (90) days constitutes acceptance of the new or amended rules for that instance.

2.3 *Application of New Fees*

Notwithstanding Section 2.2 above, City may increase existing cost-based processing fees, entitlement processing fees, Entitlement Request fees, inspection fees, plan review fees, facility fees, or sewer connection fees that uniformly apply to all or similarly situated development in City.

2.4 *Conflicting Federal or State Rules*

In the event that any federal or state laws or regulations prevent or preclude compliance by City or Master Developer with one or more provisions of this Agreement or require changes to any approval given by City, this Agreement shall remain in full force and effect as to those provisions not affected, and:

- (a) Notice of Conflict. A Party, upon learning of any such matter, will provide the other Parties with written notice of the conflicting laws or regulations and provide a copy of any such law, rule, regulation or policy together with a statement of how any such matter conflicts with the provisions of this Agreement; and
- (b) Modification Conferences. The Parties shall, within thirty (30) calendar days of the notice referred to in the preceding subsection, meet and confer in good faith and attempt to modify this Agreement to bring it into compliance with any such federal or state law, rule, regulation or policy.

2.5 *City Council Hearings*

In the event a Party believes that an amendment to this Agreement is necessary due to the effect of any federal or state law, rule, regulation or policy, the proposed amendment shall be scheduled for hearing before the City Council. The City Council shall determine the exact nature of the amendment necessitated by such federal or state law or regulation. Master Developer shall have the right to offer oral and written testimony at the hearing and may support or oppose such change. Any amendment ordered by the City Council pursuant to a hearing contemplated by this Section is subject to judicial review, but such review shall be filed within twenty-five (25) calendar days from the date of the hearing.

**SECTION THREE
PLANNING AND DEVELOPMENT OF THE PROJECT**

3.1 Permitted Uses and Density

Subject to all the terms and conditions of this Agreement, Master Developer agrees to build the Project described by Exhibit C subject to the design standards adopted in the Code and as follows:

- (a) Number of Dwelling Units Permitted: 1,200 minimum to 1,800 maximum
- (b) Permitted Residential Unit Types: Single Family, Multi-Family, Duplex, and/or Townhouses. Those residential uses permitted by Title 20 of the Sparks Municipal Code will be permitted in the portions of the Property consistent with the adopted zoning district. All conditions and regulations applicable to land uses set forth in Title 20 of the Code apply to such uses on the Property. Any rezoning of the Property by Master Developer and/or Owner will be required in accordance with the Applicable Rules. However, such rezoning will not require amendment of this Agreement, provided that the total number of dwelling units complies with this Agreement.
- (c) Permitted Non-Residential Uses: Non-residential land uses will be permitted on the Property to the extent permitted by Title 20 of the Sparks Municipal Code and consistent with the adopted zoning district. All conditions and regulations applicable to non-residential land uses set forth in Title 20 of the Code apply to such uses upon the Property.
- (d) Wireless Communication Facilities shall be permitted within the Project subject to Section 20.03.046 of the Code.
- (e) Gross Density: A minimum of 2.8 to a maximum of 4.3 dwelling units/acre
- (f) Minimum Reservation of Open Space: 120 Acres

3.2 Required Infrastructure Improvements

Subject to all the terms and conditions of this Agreement, Master Developer agrees to construct all infrastructure necessary to support the Project as described in Exhibit E. Master Developer further agrees to install, at Master Developer's expense, off-site infrastructure necessary to provide services to the Project, including without limitation:

- (a) Sanitary sewer collection system upsizing, which shall be completed prior to any issuance of a certificate of occupancy for or final inspection of any residential or commercial unit in excess of 1,650 equivalent residential units (ERUs). Commercial space ERUs are calculated using the following formula: 21.65 weighted fixture units equals 1 (one) ERU. The sanitary sewer system improvements include, without limitation, upsizing approximately 800 linear feet of 8-inch diameter pipe to 10-inch diameter pipe and 520 linear feet of 10-inch diameter pipe to 12-inch diameter pipe along Sparks Boulevard between Pyramid

Way and Kiley Parkway. Additional sanitary sewer collection system improvements may also be required and shall be installed at Master Developer's expense.

- (b) Improvements to public streets, sidewalks, curbs, and gutters that are necessary based on the increased traffic resulting from the anticipated land use changes in the Project. This includes but is not limited to off-site improvements to Highland Ranch Parkway and to the intersection of Highland Ranch Parkway and Pyramid Way as follows:
 - (i) The widening to four travel lanes of Highland Ranch Parkway from Pyramid Way to the entrance to the Project. Master Developer shall complete this improvement prior to issuance of any certificate of occupancy for or final inspection of any dwelling unit in excess of 650 dwelling units in the Project, or upon degradation below Level of Service (LOS) D of the segment of Highland Ranch Parkway between Pyramid Way and the entrance to the Project, or upon degradation below LOS E of the intersection of Pyramid Way and Highland Ranch Parkway, whichever first occurs.
 - (ii) The improvements to the intersection of Highland Ranch Parkway and Pyramid Way. Prior to or concurrently with submitting an application for a tentative map and/or for multi-family residential units exceeding, in aggregate, 650 dwelling units in the Project, the Master Developer shall submit an encroachment permit application to the Nevada Department of Transportation to complete all improvements to the intersection of Highland Ranch Parkway and Pyramid Way recommended in the The Quarry Traffic Study dated September 25, 2017, with an addendum dated March 12, 2018, and prepared by Solaegui Engineers, incorporated by reference herein as part of the Infrastructure Plan attached hereto as Exhibit E. All improvements to the intersection of Highland Ranch Parkway and Pyramid Way shall be completed concurrently with the widening to four lanes of Highland Ranch Parkway, i.e., prior to issuance of any certificate of occupancy for or final inspection of any dwelling unit in excess of 650 dwelling units in the Project, or upon degradation below LOS D of the segment of Highland Ranch Parkway between Pyramid Way and the entrance to the Project, or upon degradation below LOS E of the intersection of Pyramid Way and Highland Ranch Parkway, whichever first occurs.
 - (iii) Implementation of dark skies standards shall be permitted subject to the approval of the City.
- (c) Flood control and drainage improvements that are necessary based on the anticipated land use changes in the Project.
 - (i) If the Property is included in Impact Fee Service Area Number 1, the City will consider for inclusion in the Impact Fee Service Area Number 1 Capital Improvements Plan any flood control and drainage improvements that have

regional impacts as illustrated by a hydrology study to be completed at Master Developer's expense. The Parties agree that nothing contained in this Agreement constitutes in any way a pre-approval or authorization of the Property's participation in Impact Fee Service Area Number 1 or a pre-approval or authorization for inclusion of any flood control or drainage improvements in the Impact Fee Service Area Number 1 Capital Improvements Plan.

- (ii) Master Developer shall provide, at Master Developer's expense, a hydrology and hydraulic analysis that shall address, without limitation, offsite capacity and sediment transport improvements to the Highland Ranch Parkway and Pyramid Way culvert crossings. Improvements identified in the analysis shall be completed to the approval of the City Engineer prior to issuance of any building permits for structures.
 - (iii) Master Developer shall design and construct all flood control and drainage improvements, whether onsite or offsite, required to comply with the Truckee Meadows Regional Drainage Manual and the approval of the Administrator. Design rainfall depths shall utilize the 24-hour point precipitation frequency estimates from the National Oceanic and Atmospheric Administration Atlas 14 (NOAA Atlas 14).
- (d) Public safety conditions and improvements that are necessary based on the anticipated land use changes in the Project, including, without limitation:
- (i) Master Developer has obtained and provided to the City written approval from Washoe County to connect a secondary fire apparatus access road to a Washoe County road, as indicated in the Land Plan and Infrastructure Plan. Construction of a secondary fire apparatus access road shall be completed prior to the first final inspection or the issuance of the first certificate of occupancy for the Project. The secondary fire apparatus access road shall be privately owned and maintained, gated, and a minimum of twenty (20) feet wide. Emergency pull-out areas shall be constructed upon this secondary fire apparatus access road to the approval of the Fire Chief and the City Engineer.
 - (ii) Construction of all streets and the secondary fire apparatus access road shall comply with design requirements set forth in the City of Sparks Site Development Fire Prevention Policy Guide and shall be to the approval of the Fire Chief and the City Engineer. The street providing primary access to the Project shall be a two-lane roadway from Highland Ranch Parkway to the first entrances of Villages 3 and 4. A meandering, trail-style sidewalk at least five (5) feet in width shall be constructed of Portland cement concrete (if dedicated to the City of Sparks) on at least one side of the primary access street. Asphalt may be used in lieu of Portland cement concrete on trail-style sidewalks that are to be owned and maintained by a homeowners association or landscape maintenance association. If the

primary access street is divided by a median, emergency median crossovers shall be constructed to the approval of the Fire Chief at least every 750 feet. Fire hydrants shall be installed upon the primary access street at distances to be approved by the Fire Chief. Any cul-de-sac constructed within the Project shall have a diameter of at least one hundred (100) feet.

- (iii) All dwelling units and commercial structures intended or used for human occupancy shall be equipped with fire suppression systems to the approval of the Fire Chief. This requirement may be eliminated if the Master Developer demonstrates, to the approval of the Fire Chief, that the dwelling units and/or commercial structures are located within a four-minute travel time from a City of Sparks Fire Department station.
- (iv) Emergency access points shall be provided to all common areas. These emergency access points shall be a minimum of sixteen (16) feet wide, shall be gated, and shall be posted with signs indicating that parking is prohibited to the approval of the Fire Chief. Design and location of the emergency access points shall be addressed with the appropriate tentative map submittals. Master Developer shall comply with all requirements of the International Wildland-Urban Interface Code in effect at the time of the particular development activity.
- (e) Master Developer shall grant to the City easements or other permissions acceptable to the Administrator for access, operation, and maintenance of any City-owned utility facilities located on private property. Such easements or other permissions shall be approved by the Administrator prior to or concurrently with approval of any final map.
- (f) Water transmission facilities and improvements, whether onsite or offsite, that are necessary based on the anticipated land use changes in the Project. Master Developer shall provide, at Master Developer's expense, plans for a municipal water system to be constructed to specifications equal to or exceeding those of TMWA. The water system shall provide adequate water flow and pressure to meet the Sparks Fire Department's fire flow requirements. Improvements identified in the plans shall be completed to the approval of the City Engineer prior to issuance of any building permits for structures.
- (g) The Parties acknowledge and agree that nothing contained in this Agreement constitutes in any way a pre-approval or acceptance of dedication of any streets, gutters, curbs, or sidewalks on the Property. All infrastructure, whether onsite or offsite, shall be constructed in substantial conformance with:
 - (i) Applicable construction standards;
 - (ii) Design standards required for dedication to the City, if applicable; and
 - (iii) Approval of the Administrator.

3.3 *Slope Analysis and Development Constraints*

Master Developer acknowledges that the development of the Property is constrained by the steep slopes naturally occurring on the Property. In developing the Property, Master Developer shall satisfy all requirements of the Code governing slopes, hilltops, and ridges, including but not limited to Sparks Municipal Code Section 20.04.011. Slopes that are not naturally occurring and resulted from previous mining operations on the Property and roadway construction shall be identified in the Slope Analysis but shall not be included in the calculation of maximum disturbed area pursuant to Sparks Municipal Code Section 20.04.011. Specifically, Master Developer shall:

- (a) Obtain a conditional use permit prior to any clearing, grading, or other disturbance of the soils on the Property and prior to the approval of a tentative map as required by Sparks Municipal Code Section 20.04.011 and Sparks Municipal Code Appendices A7 and A8; and
- (b) Limit the total area of the Property to be cleared, graded, or otherwise disturbed to 298 acres. With the recordation of each final subdivision map, the Master Developer shall convey the lands designated as open space to the entity responsible for maintenance of the lands designated as open space.

3.4 *Fiscal Analysis Revision*

Prior to submitting any Nonconforming Entitlement Request for consideration, Master Developer agrees to update the comprehensive Fiscal Analysis of the Project attached hereto as Exhibit D to include any new or amended elements of the Project contemplated by the associated Nonconforming Entitlement Request. Upon approval of the respective Nonconforming Entitlement Request, the updated Fiscal Analysis shall be incorporated into this Agreement as an addendum to Exhibit D. So long as the Project is being developed in accordance with the Land Plan, the Infrastructure Plan, and this Agreement, no revisions or update to the Fiscal Analysis shall be required, including in connection with an Entitlement Request.

3.5 *Entitlement Requests*

- (a) City shall reasonably cooperate with Master Developer to:
 - (i) Expeditiously process all Entitlement Requests in connection with the Property that are in compliance with the Applicable Rules, Land Plan, and Infrastructure Plan; and
 - (ii) Promptly consider the approval of Entitlement Requests, subject to reasonable conditions not otherwise in conflict with the Applicable Rules, Land Plan, or the Infrastructure Plan.
- (b) Annexation Required. The Parties acknowledge and agree that the Annexation Property must be annexed by the City of Sparks before any portion of the Annexation Property may be developed as described herein. Master Developer has submitted an Annexation Application in accordance herewith as Case No. PCN19-0040_(ANX20-0001), and the terms and conditions of any approval of such

application shall be deemed in conformance with and incorporated by reference as part of the Land Plan and Infrastructure Plan.

- (c) **Master Plan Amendment.** The Parties acknowledge and agree that the Annexation Property's existing and equivalent land use designation must be amended to allow for the development of the uses and densities provided for herein. Master Developer has submitted a Master Plan Amendment in accordance herewith as Case No. PCN19-0040_(MPA20-0003) and the terms and conditions of any approval of such application shall be deemed in conformance with and incorporated by reference as part of the Land Plan and Infrastructure Plan.
- (d) **Required Zoning Entitlement.** The Parties acknowledge and agree that the proper means to legally entitle the Annexation Property for eventual development is by rezoning the Annexation Property to allow for the development of the uses and densities provided for herein. Master Developer has submitted a proposed zone change in accordance herewith as Case No. PCN19-0040 (RZ20-0002), and the terms and conditions of any approval of such application shall be deemed in conformance with and incorporated by reference as part of the Land Plan and Infrastructure Plan.
- (e) **Concurrent Processing of Entitlement Requests for Annexation Property.** The Parties agree that the most efficient and expeditious manner in which to process the Entitlement Requests described in Section 3.5(b)-(d) for the Annexation Property is to consolidate final approval of all those Entitlement Requests at a single meeting of the City Council. The City agrees to process the Entitlement Requests described in Section 3.5(b)-(d) concurrently in order to present them to the Sparks Planning Commission and the City Council as a single set. The Master Developer agrees to waive any statutory or Code requirements related to limitations of time for processing individual Entitlement Requests in order to facilitate final action on the entitlements described in Section 3.5(b)-(d) at single meetings of the Planning Commission and City Council. This waiver is intended to allow the Truckee Meadows Regional Planning Agency to review any master plan amendments or projects of regional significance associated with the development of the Project in the period before or between consideration by the Sparks Planning Commission and the City Council.
- (f) Except as provided herein, Entitlement Requests shall be processed by City according to the Applicable Rules. The Parties acknowledge that the procedures for processing such Entitlement Requests are governed by the Code. In addition, any additional application requirements delineated herein shall be supplemental and in addition to such Code requirements. The Parties acknowledge and agree that nothing contained in this Agreement constitutes in any way a pre-approval or authorization of any Entitlement Request.

3.6 *Modification or Amendment of the Agreement*

This Agreement may not be modified or amended, except by the mutual written agreement of the Parties.

3.7 Deviation from Design Standards

Any request for variance or deviation from a particular requirement of the Code for a particular Development Parcel or lot shall be processed and considered according to the requirements of the Code in effect on the Effective Date, unless otherwise agreed to by Master Developer.

3.8 Anti-Moratorium

The Parties agree that no moratorium or future ordinance, resolution or other land use rule or regulation imposing a limitation on the construction, rate, timing or sequencing of the development of property, including those that affect parcel or subdivision maps, building permits, occupancy permits or other entitlements to use or develop land that are issued or granted by City shall apply to the development of the Project or any portion thereof. Notwithstanding the foregoing, City may adopt ordinances, resolutions, rules or regulations that are necessary to:

- (a) Comply with any state or federal laws or regulations as provided by Section 2.4, above;
- (b) Alleviate or otherwise contain a legitimate, bona fide harmful and/or noxious use of the Property, in which event the ordinance shall contain the most minimal and least intrusive alternative possible, and shall not, in any event, be imposed arbitrarily; or
- (c) Maintain City's compliance with federal and state sewerage, storm water conveyance, storm water discharge, water system, and utility regulations.

3.9 Property Dedications to City

Except as provided herein, any real property and fixtures thereupon transferred or dedicated to City or any other public entity shall be free and clear of any mortgages, deeds of trust, liens or other encumbrances.

3.10 Inclusion of Additional Property

The City Council will consider the inclusion of additional property ("Additional Parcels") in the Project by formal amendment of this Agreement provided that:

- (a) Each Additional Parcel is contiguous to some portion of the Property or immediately across a street;
- (b) Development of each Additional Parcel must conform to this Agreement; and
- (c) Master Developer obtains the necessary annexation, zoning, and land use approvals and approval of all necessary technical studies for each Additional Parcel. In no event shall this Agreement be amended to include Additional Parcels without

contemporaneously amending Exhibits A through F to reflect the proposed expansion of the Project.

The Parties agree that nothing contained in this Agreement constitutes in any way a pre-approval or authorization of the inclusion of Additional Parcels in the Project.

3.11 Impact Fee Service Area Number 1

By executing this Agreement, Master Developer and Owner hereby petition the City to include the Property in Impact Fee Service Area Number 1 and agree not to withdraw this petition except as permitted by the termination provisions of this Agreement. The Parties agree that nothing contained in this Agreement constitutes in any way a pre-approval or authorization of the Property's participation in Impact Fee Service Area Number 1.

3.12 Sun Valley General Improvement District

Master Developer petitioned the Sun Valley General Improvement District (SVGID) for annexation into SVGID's service area for the provision of municipal potable water only. On January 23, 2020, the SVGID Board of Trustees approved the annexation of 386.87 acres of the Property into its service territory for water service only. On June 22, 2020, the City considered and approved an agreement with SVGID, which would grant SVGID rights for the use of the City's streets and roads within the 386.87-acre portion of the Property for water transmission facilities in exchange for certain consideration by SVGID.

The Parties agree that, in order for Master Developer to obtain municipal potable water from SVGID to serve the Annexation Property, the City and SVGID must reach an agreement that would grant SVGID rights for the use of the City's streets and roads within the Annexation Property for water transmission facilities in exchange for certain consideration by SVGID. The Parties agree that the City retains absolute and sole discretion regarding whether to enter into such an agreement with SVGID and the terms of such an agreement, if any, with SVGID. Neither Master Developer nor Owner shall have any right of action against City under this Agreement if City and SVGID do not enter into an agreement for the use of the City's streets and roads for water transmission facilities in the Annexation Property. The Parties further acknowledge and agree that if the City and SVGID cannot or do not enter into an agreement regarding SVGID's use of the City's streets and roads for water transmission facilities in the Annexation Property, it shall be necessary to amend this Agreement in order to provide for municipal potable water service from a source other than SVGID. The Parties agree that nothing contained in this Agreement constitutes in any way a pre-approval or authorization of an agreement with SVGID for the use of the City's streets and roads within the Annexation Property for water transmission facilities.

3.13 Special Improvement District

City agrees to consider and, if appropriate, process and facilitate, with due diligence, any applications made by Master Developer for the creation of a special improvement district. The Parties agree that nothing contained in this Agreement constitutes in any way a pre-approval or authorization of any such special improvement district, and any application to create a special improvement district must be processed and approved in accordance with state law and the Applicable Rules.

SECTION FOUR REVIEW OF DEVELOPMENT

4.1 Frequency of Review

At City's request, Master Developer shall appear before the City Council to review the Master Developer's compliance with the terms of this Agreement pursuant to NRS 278.0205. The Parties agree that the first review shall occur no later than twelve (12) months after the Effective Date of this Agreement, and Master Developer shall provide an updated report every twenty-four (24) months on the anniversary date of that first review thereafter, or as otherwise requested by City upon thirty (30) days' written notice to Master Developer. For any such review, Master Developer shall provide, and City shall review, a report submitted by Master Developer documenting the extent of Master Developer's and City's material compliance with the terms of this Agreement during the preceding reporting period. The report shall contain information regarding the progress of development within the Project, including, without limitation:

- (a) Data showing the total number of units built and approved on the date of the report;
- (b) Specific densities within each subdivision and within the Project as a whole; and
- (c) The status of development within the Project and the anticipated phases of development for the next reporting period.

In the event Master Developer fails to submit such a report within thirty (30) days following written notice from City that the deadline for such a report has passed, Master Developer shall be in default of this provision and City shall prepare such a report and conduct the required review in such form and manner as City may determine in its sole discretion. City shall charge Master Developer for its reasonable expenses, fees, and costs incurred in conducting such review and preparing such report. If at the time of review an issue not previously identified in writing is required to be addressed, the review may, at the request of either Party, be continued to afford reasonable time for a response.

4.2 Opportunity to be Heard

The report required by this Section shall be considered solely by the City Council. Master Developer shall be permitted an opportunity to be heard orally and in writing before the City Council regarding performance of the Parties under this Agreement.

4.3 Action by the City Council

At the conclusion of the public hearing on the review, the City Council may take any action permitted by NRS 278.0205, NRS 278.02053, and/or this Agreement.

SECTION FIVE DEFAULT

5.1 Material Default; Opportunity to Cure

In the event of any material default of any provision of this Agreement, the Party alleging such noncompliance shall deliver to the other by certified mail a ten (10) day notice of default and opportunity to cure. The time of notice shall be measured from the date of receipt of the certified mailing. The notice of noncompliance shall specify the nature of the alleged noncompliance and the manner in which it may be satisfactorily corrected, during which ten (10) day period the party alleged to be in noncompliance shall not be considered in default for the purposes of termination or institution of legal proceedings.

If the material default cannot reasonably be cured within the ten (10) day cure period, the defaulting Party may timely cure the material default for purposes of this Section if it commences the appropriate remedial action within the ten (10) day cure period and thereafter diligently prosecutes such action to completion within a period of time acceptable to the non-breaching Party. If no agreement between the Parties is reached regarding the appropriate timeframe for remedial action, the cure period shall not be longer than ninety (90) days from the date on which the ten (10) day notice of material default and opportunity to cure was received by the defaulting Party.

If the material default is corrected, then no default shall exist and the noticing Party shall take no further action. If the material default is not corrected within the relevant cure period, the defaulting Party is in default, and the Party alleging material default may elect any one or more of the following courses.

- (a) Amendment or Termination by City. After proper notice and the expiration of the above-referenced period for Master Developer to correct the alleged material default, the City may give notice of intent to amend or terminate this Agreement as authorized by NRS Chapter 278. Following any such notice of intent to amend or terminate, the matter shall be scheduled and noticed as required by law for consideration and review solely by the City Council. Following consideration of the evidence presented before the City Council and a finding that a material default has occurred by Master Developer and remains uncured, City may amend or terminate this Agreement. Termination shall not in any manner rescind, modify, or terminate any Entitlement held in the Project and/or in favor of Master Developer, as determined under the Applicable Rules, existing or received as of the date of the termination. Master Developer shall have twenty-five (25) days after receipt of written notice of termination to institute legal action pursuant to this Section to determine whether a material default existed and whether City was entitled to terminate this Agreement.
- (b) Termination by Master Developer. In the event City materially defaults under this Agreement, Master Developer shall have the right to terminate this Agreement after providing notice and an opportunity to cure as set forth in this Section. Master Developer shall have the option, in its discretion, to maintain this Agreement in

effect, and seek to enforce all of City's obligations by pursuing an action for specific performance or other appropriate judicial remedy.

5.2 Force Majeure; Unavoidable Delay; Extension of Time

Neither Party hereunder shall be deemed to be in default, and performance shall be excused, where delays or defaults are caused by war, national disasters, terrorist attacks, insurrection, strikes, walkouts, riots, floods, earthquakes, fires, casualties, third-party lawsuits, or acts of God. If written notice of any such delay is given to one Party or the other within thirty (30) days after the commencement thereof, an automatic extension of time, unless otherwise objected to by the Party in receipt of the notice within thirty (30) days of such written notice, shall be granted coextensive with the period of the enforced delay, or longer as may be required by circumstances or as may be subsequently agreed to between City and Master Developer.

5.3 Limitation on Monetary Damages

The Parties agree that they would not have entered into this Agreement if either were to be liable for monetary damages based upon a breach of this Agreement or any other allegation or cause of action based upon or with respect to this Agreement. Accordingly, the Parties (or their permitted assigns) may pursue any cause of action available at law or in equity for breach of contract, except that neither Party shall be liable to the other or to any other person or entity for any monetary damages based upon a breach of this Agreement or any other allegation or cause of action based upon or with respect to this Agreement.

5.4 Venue

Jurisdiction for judicial review under this Agreement shall rest exclusively with the Second Judicial District Court, County of Washoe, State of Nevada or the United States District Court, District of Nevada. The Parties agree to mediate any and all disputes prior to filing of an action in court unless seeking injunctive relief.

5.5 Waiver

Failure or delay in giving notice of default shall not constitute a waiver of any default. Except as otherwise expressly provided in this Agreement, any failure or delay by any Party in asserting any of its rights or remedies in respect of any default shall not operate as a waiver of any default or any such rights or remedies, or deprive such Party of its right to institute and maintain any actions or proceedings that it may deem necessary to protect, assert, or enforce any of its rights or remedies.

5.6 Applicable Laws; Attorney Fees

This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada. The Parties to this Agreement have had the opportunity to consult with counsel concerning the terms of this Agreement, and this Agreement shall not be construed in favor of or against any Party solely by reason of one Party having drafted all or part of this Agreement. Each Party shall bear its own attorney fees and court costs in connection with any legal proceeding

hereunder, and in no event shall any prevailing Party in such a legal proceeding be entitled to an award of attorney fees.

SECTION SIX GENERAL PROVISIONS

6.1 Duration of Agreement

The Term of this Agreement shall commence upon the Effective Date and shall expire on the fifteenth (15) anniversary of the Effective Date, unless terminated earlier pursuant to the terms hereof. Master Developer shall have the right to request one extension of the Term of this Agreement for an additional five (5) years upon the following conditions:

- (a) Master Developer provides written notice of such extension to City at least one hundred-eighty (180) days prior to the expiration of the original Term of this Agreement;
- (b) Master Developer is not in default of this Agreement;
- (c) The City Council finds that an extension is in the best interests of the City; and
- (d) Master Developer and City enter into an amendment to this Agreement memorializing the extension of the Term.

6.2 Expiration of the Agreement

Expiration of the Agreement Term pursuant to Section 6.1 shall not in any manner rescind, modify, or terminate any Entitlement in the Project and/or in favor of Master Developer, as determined under the Applicable Rules, existing or received as of the date of the expiration, and future development of any other portion of the Project not holding such Entitlements shall be subject to all applicable Codes in effect at the time of development. The Parties agree that, in the event this Agreement expires prior to recordation of any final map for the Project, Master Developer and Owner shall consent to the City reverting the land use and/or zoning designations on the Property back to the respective land use and/or zoning designations that were applicable to the Property on January 1, 2018.

6.3 Assignment

The Parties acknowledge that the intent of this Agreement is that there is a master developer responsible for all of the obligations in this Agreement throughout the Term of this Agreement. At any time during the Term, Master Developer may sell, assign or transfer all or any portion of its rights, title and interests in the Property, Project (including rights to develop such property in accordance with this Agreement), and this Agreement to any person or entity for development, so long as Master Developer remains, or a successor master developer has assumed through a written assignment and assumption agreement provided to the City, and is obligated and responsible as master developer of the Project for:

- (a) Performance under this Agreement;
- (b) Completion of backbone infrastructure for the Project; and
- (c) Completion of common areas through dedication and acceptance by a common interest community or limited purpose association under NRS Chapter 116.

6.4 Indemnity; Hold Harmless

Except as expressly provided in this Agreement, the Master Developer shall hold City, its officers, agents, employees, and representatives harmless from liability for damage or claims for damage for personal injury including death and claims for property damage which may arise from the direct or indirect operations of Master Developer or those of its contractors, subcontractors, agents, employees, or other persons acting on Master Developer's behalf that relate to the development of the Project. Master Developer agrees to and shall defend City and its officers, agents, employees, and representatives from actions for damages caused or alleged to have been caused by reason of Master Developer's activities in connection with the development of the Project other than any challenges to the validity of this Agreement or City's approval of related entitlements. Master Developer and City agree to equally pay all costs and attorney fees for a defense in any legal action filed in a court of competent jurisdiction by a third party alleging any such claims or challenging the validity of this Agreement. The provisions of this Section shall not apply to the extent such damage, liability, or claim is proximately caused by the intentional or negligent act of City, its officers, agents, employees, or representatives. This Section shall survive any termination of this Agreement.

6.5 Binding Effect of Agreement

Subject to this Agreement, the burdens of this Agreement bind, and the benefits of this Agreement inure to, the Parties' respective assigns and successors-in-interest and the Property that is the subject of this Agreement.

6.6 Relationship of Parties

It is understood that the contractual relationship between City and Master Developer is such that Master Developer is not an agent of City for any purpose and City is not an agent of Master Developer for any purpose.

6.7 Counterparts

This Agreement may be executed at different times and in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page of this Agreement may be detached from any counterpart without impairing the legal effect to any signatures thereon, and may be attached to another counterpart, identical in form thereto, but having attached to it one or more additional signature pages.

Delivery of a counterpart by facsimile or portable document format (pdf) through electronic mail transmission shall be as binding an execution and delivery of this Agreement by such Party as if the Party had delivered an actual physical original of this Agreement with an ink signature from

such Party. Any Party delivering by facsimile or electronic mail transmission shall promptly thereafter deliver an executed counterpart original hereof to the other Party.

6.8 Notices

All notices, demands and correspondence required or provided for under this Agreement shall be in writing. Delivery may be accomplished in person, by certified mail (postage prepaid, return receipt requested), or via electronic mail transmission. Mail notices shall be addressed as follows:

To City:	City of Sparks Attention: City Manager 431 Prater Way Sparks, Nevada 89431
To Owner:	QK, LLC Attention: Rob Winkel 4785 Caughlin Pkwy. Reno, Nevada 89519
To Master Developer:	5 Ridges Development Co., Inc. Attention: Blake Smith 1 East Liberty, Suite 444 Reno, Nevada 89501

Any Party may change its address by giving notice in writing to the others and thereafter notices, demands and other correspondence shall be addressed and transmitted to the new address.

Notices given in the manner described shall be deemed delivered on the day of personal delivery or the date delivery of mail is first attempted.

6.9 Entire Agreement

This Agreement constitutes 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.

6.10 Waiver

All waivers of the provisions of this Agreement shall be in writing and signed by the appropriate officers of Master Developer or approved by the City Council, as the case may be.

6.11 Recording; Amendments

Promptly after execution hereof, an executed original of this Agreement shall be recorded in the Official Records of Washoe County, Nevada. All amendments hereto must be in writing signed by the appropriate officers of City and Master Developer in a form suitable for recordation in the Official Records of Washoe County, Nevada. Upon completion of the performance of this

Agreement, a statement evidencing said completion shall be signed by the appropriate officers of the City and Master Developer and shall be recorded in the Official Records of Washoe County, Nevada. A revocation or termination shall be signed by the appropriate officers of the City or Master Developer and shall be recorded in the Official Records of Washoe County, Nevada.

6.12 *Headings; Exhibits; Cross References*

The recitals, headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand or limit the terms of this Agreement. All exhibits attached to this Agreement are incorporated herein by the references contained herein. Any term used in an exhibit hereto shall have the same meaning as in this Agreement unless otherwise defined in such exhibit. All references in this Agreement to sections and exhibits shall be to sections and exhibits to this Agreement, unless otherwise specified.

6.13 *Severability of Terms*

If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect, provided that the invalidity, illegality or unenforceability of such terms does not materially impair the Parties' ability to consummate the transactions contemplated hereby. If any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall, if possible, amend this Agreement so as to effect the original intention of the Parties.

6.14 *Exercise of Discretion*

Wherever a Party to this Agreement has discretion to make a decision, it shall be required that such discretion be exercised reasonably unless otherwise explicitly provided in the particular instance that such decision may be made in the Party's "sole" or "absolute" discretion or where otherwise allowed by applicable law.

6.15 *No Third-Party Beneficiary*

This Agreement is intended to be for the exclusive benefit of the Parties hereto and their permitted assignees, if any. No third-party beneficiary to this Agreement is contemplated and none shall be construed or inferred from the terms hereof. In particular, no person purchasing or acquiring title to land within the Project, residing in the Project, or residing outside the Project shall, as a result of such purchase, acquisition or residence, have any right to enforce any obligation of Master Developer or City nor any right or cause of action for any alleged breach of any obligation hereunder by any Party hereto.

6.16 *Gender Neutral*

In this Agreement (unless the context requires otherwise), the masculine, feminine and neutral genders and the singular and the plural include one another.

[Signatures on following pages]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties on the day and year first above written.

CITY OF SPARKS, a municipal corporation of the State of Nevada

QK, LLC, a Nevada Limited Liability Company

By: _____
Ed Lawson, Mayor

By: _____

ATTEST:

By: _____
Lisa Hunderman, City Clerk

5 Ridges Development Co., Inc., a Nevada Corporation

APPROVED AS TO FORM

By: _____
Chester H. Adams, City Attorney

By: _____

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 2020,
by _____.

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 2020,
by _____.

Notary Public

EXHIBIT A

Exhibit A
The Quarry: Legal Description

All that certain real property situate within a portion of Section 9, Township 20 North, Range 20 East, Mount Diablo Meridian, County of Washoe, State of Nevada, described as follows:

Parcel 2 as shown on the Record of Survey to support a Boundary Line Adjustment (RS3818) filed within the Official Records of Washoe County, Nevada on June 30, 2000 as File No. 2460839 and being more particularly described as follows:

Beginning at the Northeast corner of Section 9;
South 05°43'28" West, 2702.52 feet to the East one-quarter (E ¼) corner of Section 9;
Continuing along the Easterly line of Section 9, South 00°57'17" West, 1318.51 feet to the Northerly line of the Southeast one-quarter (SE ¼) of Section 9; Thence along the Northerly line of the Southeast one-quarter (SE ¼) of Section 9, North 89°02'15" West, 189.31 feet to the Northerly right-of-way of Highland Ranch Parkway; Leaving the Northerly line of the Southeast one-quarter (SE ¼) of Section 9, along the Northerly right-of-way of Highland Ranch Parkway, along the arc of a non-tangent curve to the left, from a tangent which bears North 29°56'39" West, having a length of 815.03 feet and a radius of 530.00 feet, through a central angle of 88°06'31"; Continuing along the Northerly right-of-way of Highland Ranch Parkway, South 61°56'50" West, 126.45 feet; Continuing along the Northerly right-of-way of Highland Ranch Parkway, along the arc of a curve to the right, having a length of 90.68 feet and a radius of 570.00 feet, through a central angle of 09°06'56"; Continuing along the Northerly right-of-way of Highland Ranch Parkway, South 71°03'46" West, 254.89 feet; Continuing along the Northerly right-of-way of Highland Ranch Parkway, along the arc of a curve to the left, having a length of 279.50 feet and a radius of 630.00 feet, through a central angle of 25°25'09"; Continuing along the Northerly right-of-way of Highland Ranch Parkway, South 45°38'37" West, 300.00 feet; Continuing along the Northerly right-of-way of Highland Ranch Parkway, along the arc of a curve to the right, having a length of 453.78 feet and a radius of 570.00 feet, through a central angle of 45°36'50"; Continuing along the Northerly right-of-way of Highland Ranch Parkway, North 88°44'33" West, 300.00 feet; Continuing along the Northerly right-of-way of Highland Ranch Parkway, along the arc of a curve to the left, having a length of 204.69 feet and a radius of 630.00 feet, through a central angle of 18°36'55", to the North-South centerline of Section 9; Leaving the Northerly right-of-way of Highland Ranch Parkway, along the North-South centerline of Section 9, North 03°39'56" East, 1859.59 feet to the center of Section 9; Thence along the East-West centerline of Section 9, North 89°25'32" West, 2683.82 feet to the West one-quarter (1/4) of Section 9; Thence along the West line of Section 9, North 03°18'58" East, 2211.00 feet to the Northwest corner of Section 9; Thence along the North line of Section 9, North 85°28'37" East, 2721.15 feet to the North one-quarter (N ¼) corner of Section 9; Continuing along the North line of Section 9, North 85°29'07" East, 2720.96 feet to the Northeast corner of Section 9 and the Point of Beginning.

Containing 386.87 acres, more or less.

APN: **083-011-15**



11/23/16

EXHIBIT "A"
LEGAL DESCRIPTION

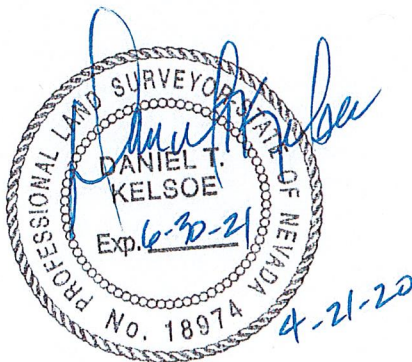
APN: 508-020-01

All that certain real property being a portion of Northeast Quarter (NE ¼) of Section 8, Township 20 North, Range 20 East, M.D.M., City of Sparks, County of Washoe, State of Nevada, being more particularly described as follows:

Being Lot 1, Section 8, Township 20 North, Range 20 East, M.D.M., per United States Patent number N-59899, 27-2001-0041, recorded April 10, 2001 as File No. 2541714, Official Records of Washoe County, Nevada.

Containing: 34.71 Acres, more or less

Basis of Bearings: The Basis of Bearings for this description being the Nevada State Plane Coordinate System, West Zone, NAD 83/94, based on found Washoe County Control monuments.



Prepared by:
Christy Corporation
Sparks, Nevada
89436
775.502.8852

EXHIBIT B

508-010-01
UNITED STATES OF AMERICA

083-440-73
PRICE FAMILY
2019 TRUST

S87°27'14"E 1357.62'

WASHOE COUNTY

CITY OF SPARKS

508-460-01
HIGHLAND RANCH HOA

N02°08'36"E 1139.67'

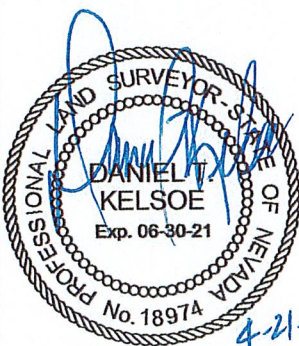
LOT 1
SECTION 8
T20N, R20E, MDM
APN: 508-020-01
±34.71 ACRES

S03°15'46"W 1105.50'

N88°55'18"W 1336.22'

508-350-01
HIGHLAND RANCH HOA

083-011-15
QK, LLC



SCALE: 1"=300'

WASHOE COUNTY
CITY OF SPARKS

ANNEXATION EXHIBIT

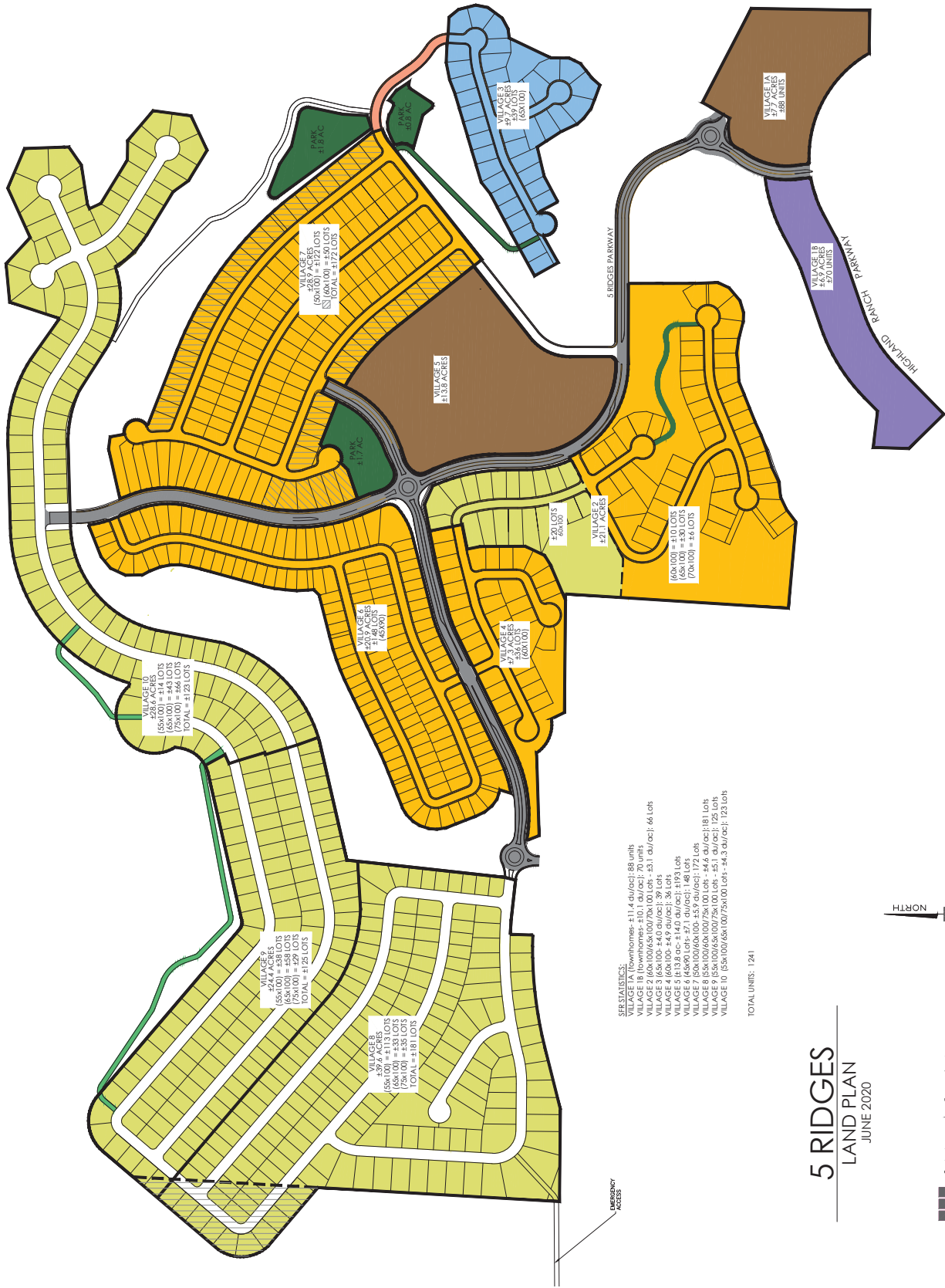
2346 DONATELLO DRIVE
WASHOE COUNTY, NEVADA 89433
APN: 508-020-01



1000 Kiley Pkwy | Sparks Nevada 89436

775.502.8552 christynv.com

EXHIBIT C



SERIALS:
 VILLAGE 1A (Townhomes) - 11.4 du/aci; 88 units
 VILLAGE 1B (Townhomes) - 10.1 du/aci; 70 units
 VILLAGE 2 (65x100/65x100/70x100 Lots) - 5.1 du/aci; 66 Lots
 VILLAGE 3 (65x100/65x100/70x100 Lots) - 5.1 du/aci; 66 Lots
 VILLAGE 4 (60x100 - 149 du/aci); 36 Lots
 VILLAGE 5 (11.3.8 ac - 11.0 du/aci); 1193 Lots
 VILLAGE 6 (65x90 Lots - 57.1 du/aci); 148 Lots
 VILLAGE 7 (65x100/65x100/70x100 Lots) - 5.1 du/aci; 125 Lots
 VILLAGE 8 (55x100/60x100/75x100 Lots) - 4.4 du/aci; 81 Lots
 VILLAGE 9 (55x100/65x100/75x100 Lots) - 5.1 du/aci; 125 Lots
 VILLAGE 10 (55x100/65x100/75x100 Lots) - 5.1 du/aci; 125 Lots

TOTAL UNITS: 1241

5 RIDGES LAND PLAN JUNE 2020

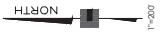
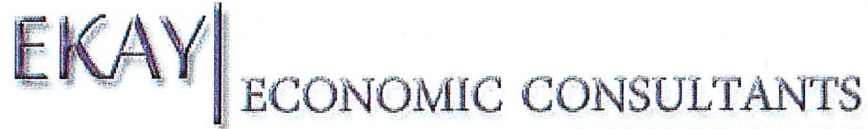


EXHIBIT D



April 16, 2020

Mr. Blake Smith
S3 Development Company, LLC
1 East Liberty Street
Suite 444
Reno, NV 89501

Re: Update of Fiscal Impact Analysis of Proposed Quarry Development

Dear Mr. Smith:

Per your request, I updated the fiscal impact analysis of The Quarry¹ project originally conducted in December 2017 and updated previously in June 2018. The difference between the December 2017 and June 2018 reports was an additional of 84,000 square feet of streets to be constructed by the Developer and dedicated to the City of Sparks for maintenance.

There are a number of differences between the original and June 2018 reports and this recent update. Both older reports assumed 1,223 residential units constructed in seven villages over 196.50 acres. They also included 141,570 square feet of general commercial space on 13 acres of land. The analyses assumed the project will be constructed between 2018 and 2023.

This April 2020 update assumes 1,220 residential units in ten villages over 205.80 acres of land. No commercial space is assumed to be included in the project. This update assumes the project will be constructed between 2021 and 2026. The update also increases the length of roads dedicated to the City of Reno for maintenance from 1.1 million square feet included in the June 2018 report to 1.3 million square feet.

The latest update uses the original fiscal impact methodology, changing only above inputs, including update of construction schedule, removal of commercial space, change in residential units by village, and corresponding unit sales prices and taxable values. Inflation factors were also updated from 2018 levels. No changes to the original methodology were made.

¹ The project has more recently been referred to as 5 Ridges. To be consistent with the original fiscal impact studies, the project will continue to be referred to in this update report as The Quarry.

550 West Plumb Lane, Suite B459
Reno, NV 89509
(775) 232-7203
www.ekayconsultants.com

Table 1 below shows impacts of The Quarry/5 Ridges project on the City of Sparks General Fund estimated in the original December 2017 report, June 2018 update, and most recent April 2020 update. The table shows the project's General Fund surplus, over the 20-year analysis period, was estimated at \$14.3 million in the original report, \$14.1 million in the June 2018 update, and \$20.2 million in the April 2020 update. The increase in the revenue surplus in the April 2020 report is due to changes in the residential unit mix towards larger lot units and inflation in home values due to regional real estate market growth.

Table 1. Comparison of General Fund Impacts

Year	December 2017 Report				June 2018 Update				April 2020 Update			
	Total Project Revenue	Total Project Costs	Annual Revenue Surplus	Cumulative Revenue Surplus	Total Project Revenue	Total Project Costs	Annual Revenue Surplus	Cumulative Revenue Surplus	Total Project Revenue	Total Project Costs	Annual Revenue Surplus	Cumulative Revenue Surplus
2018	\$ 54,948	\$ -	\$ 54,948	\$ 54,948	\$ 54,948	\$ -	\$ 54,948	\$ 54,948	\$ 123,546	\$ 44,128	\$ 79,418	\$ 79,418
2019	214,704	127,082	87,622	142,570	214,704	131,793	82,911	137,859	561,744	376,045	185,699	265,117
2020	657,964	471,101	186,863	329,433	657,964	475,953	182,011	319,870	1,247,273	843,709	403,565	668,681
2021	1,116,366	770,640	345,726	675,159	1,116,366	775,638	340,728	660,599	1,951,073	1,290,583	660,489	1,329,171
2022	1,599,636	1,080,582	519,054	1,194,213	1,599,636	1,085,729	513,907	1,174,505	2,443,521	1,594,968	848,553	2,177,724
2023	2,069,269	1,428,133	641,136	1,835,349	2,069,269	1,433,435	635,834	1,810,339	2,721,843	1,773,344	948,500	3,126,223
2024	2,432,609	1,714,223	718,386	2,553,735	2,432,609	1,719,684	712,925	2,523,264	2,858,791	1,866,374	992,417	4,118,640
2025	2,505,588	1,764,183	741,404	3,295,139	2,505,588	1,769,808	735,780	3,259,044	2,944,555	1,921,142	1,023,413	5,142,052
2026	2,580,755	1,815,642	765,114	4,060,253	2,580,755	1,821,435	759,320	4,018,364	3,032,891	1,977,553	1,055,339	6,197,391
2027	2,658,178	1,868,644	789,534	4,849,787	2,658,178	1,874,611	783,567	4,801,931	3,123,878	2,035,656	1,088,222	7,285,613
2028	2,737,923	1,923,236	814,687	5,664,474	2,737,923	1,929,383	808,541	5,610,471	3,217,594	2,095,502	1,122,092	8,407,705
2029	2,820,061	1,979,466	840,595	6,505,069	2,820,061	1,985,797	834,264	6,444,735	3,314,122	2,157,143	1,156,979	9,564,684
2030	2,904,663	2,037,383	867,279	7,372,348	2,904,663	2,043,904	860,759	7,305,494	3,413,546	2,220,634	1,192,912	10,757,596
2031	2,991,803	2,097,038	894,765	8,267,113	2,991,803	2,103,754	888,048	8,193,542	3,515,952	2,286,030	1,229,923	11,987,519
2032	3,081,557	2,158,482	923,075	9,190,188	3,081,557	2,165,400	916,157	9,109,699	3,621,431	2,353,387	1,268,044	13,255,562
2033	3,174,003	2,221,770	952,234	10,142,422	3,174,003	2,228,895	945,109	10,054,808	3,730,074	2,422,765	1,307,309	14,562,871
2034	3,269,224	2,286,956	982,268	11,124,690	3,269,224	2,294,295	974,929	11,029,737	3,841,976	2,494,224	1,347,752	15,910,623
2035	3,367,300	2,354,097	1,013,203	12,137,893	3,367,300	2,361,657	1,005,644	12,035,381	3,957,235	2,567,828	1,389,408	17,300,030
2036	3,468,319	2,423,253	1,045,066	13,182,959	3,468,319	2,431,039	1,037,280	13,072,661	4,075,952	2,643,639	1,432,313	18,732,344
2037	3,572,369	2,494,484	1,077,885	14,260,844	3,572,369	2,502,503	1,069,865	14,142,526	4,198,231	2,721,724	1,476,506	20,208,850
Total	\$ 47,277,239	\$ 33,016,396	\$ 14,260,844	\$ 142,608,850	\$ 47,277,239	\$ 33,134,713	\$ 14,142,526	\$ 142,608,850	\$ 57,895,230	\$ 37,686,379	\$ 20,208,850	\$ 20,208,850

Table 2 shows the comparison of the impacts of The Quarry/5 Ridges on the City's Road Fund over the 20-year analysis period. The December 2017 report found a deficit for the Road Fund of \$11.5 million over the 20-year analysis period. Adding the 84,000 square feet of streets (June 2018 update) increased the deficit for the Fund to \$12.8 million. The April 2020 report shows a deficit of \$19.5 million due to the increase of estimated public streets from the 1.1 million square feet in the June 2018 report to 1.3 million square feet in the April 2020 report.

Table 2. Comparison of Road Fund Impacts

Year	December 2017 Report						June 2018 Update						April 2020 Update					
	Total		Annual		Cumulative		Total		Annual		Cumulative		Total Project		Annual		Cumulative	
	Project Revenue	Total Project Costs	Revenue	Surplus	Revenue	Surplus	Project Revenue	Total Project Costs	Revenue	Surplus	Revenue	Surplus	Revenue	Costs	Revenue	Surplus	Revenue	Surplus
2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	-	522	(522)		(522)		-	784	(784)		(784)		23,066	1,221,784	(1,198,718)		(1,199,255)	
2020	31,718	819,813	(788,094)	(788,094)	(788,094)	31,718	888,285	(856,567)	(856,567)	(856,567)	(856,567)	68,899	1,222,151	(1,153,252)		(1,153,252)	(2,352,507)	
2021	65,076	820,247	(755,171)	(1,543,787)	(1,543,787)	65,076	888,737	(823,661)	(823,661)	(1,681,012)	(1,681,012)	121,924	1,223,732	(1,101,808)		(1,101,808)	(3,454,315)	
2022	98,507	821,873	(723,366)	(2,267,154)	(2,267,154)	98,507	890,382	(791,875)	(791,875)	(2,472,887)	(2,472,887)	158,793	1,225,550	(1,066,757)		(1,066,757)	(4,521,072)	
2023	137,239	824,087	(686,848)	(2,954,002)	(2,954,002)	137,239	892,614	(755,375)	(755,375)	(3,228,261)	(3,228,261)	180,661	1,227,800	(1,047,140)		(1,047,140)	(5,568,212)	
2024	176,048	825,709	(649,661)	(3,603,663)	(3,603,663)	176,048	894,255	(718,207)	(718,207)	(3,946,468)	(3,946,468)	191,900	1,229,791	(1,037,890)		(1,037,890)	(6,606,102)	
2025	181,329	825,862	(644,533)	(4,248,196)	(4,248,196)	181,329	894,428	(713,098)	(713,098)	(4,659,567)	(4,659,567)	197,657	1,229,983	(1,032,326)		(1,032,326)	(7,638,428)	
2026	186,769	826,019	(639,250)	(4,887,446)	(4,887,446)	186,769	894,604	(707,834)	(707,834)	(5,367,401)	(5,367,401)	203,587	1,230,180	(1,026,593)		(1,026,593)	(8,665,020)	
2027	192,372	826,179	(633,806)	(5,521,252)	(5,521,252)	192,372	894,783	(702,411)	(702,411)	(6,069,812)	(6,069,812)	209,695	1,230,380	(1,020,685)		(1,020,685)	(9,685,706)	
2028	198,143	826,341	(628,198)	(6,149,450)	(6,149,450)	198,143	894,967	(696,823)	(696,823)	(6,766,635)	(6,766,635)	215,986	1,230,584	(1,014,599)		(1,014,599)	(10,700,304)	
2029	204,088	826,507	(622,420)	(6,771,870)	(6,771,870)	204,088	895,154	(691,066)	(691,066)	(7,457,701)	(7,457,701)	222,465	1,230,793	(1,008,328)		(1,008,328)	(11,708,632)	
2030	210,210	826,677	(616,466)	(7,388,336)	(7,388,336)	210,210	895,344	(685,134)	(685,134)	(8,142,835)	(8,142,835)	229,139	1,231,005	(1,001,866)		(1,001,866)	(12,710,498)	
2031	216,517	826,850	(610,333)	(7,998,669)	(7,998,669)	216,517	895,539	(679,022)	(679,022)	(8,821,857)	(8,821,857)	236,013	1,231,222	(995,209)		(995,209)	(13,705,707)	
2032	223,012	827,026	(604,014)	(8,602,683)	(8,602,683)	223,012	895,737	(672,725)	(672,725)	(9,494,582)	(9,494,582)	243,094	1,231,443	(988,350)		(988,350)	(14,694,056)	
2033	229,703	827,206	(597,503)	(9,200,185)	(9,200,185)	229,703	895,939	(666,237)	(666,237)	(10,160,819)	(10,160,819)	250,386	1,231,669	(981,282)		(981,282)	(15,675,339)	
2034	236,594	827,389	(590,795)	(9,790,981)	(9,790,981)	236,594	896,146	(659,552)	(659,552)	(10,820,371)	(10,820,371)	257,898	1,231,899	(974,001)		(974,001)	(16,649,340)	
2035	243,691	827,576	(583,884)	(10,374,865)	(10,374,865)	243,691	896,356	(652,665)	(652,665)	(11,473,036)	(11,473,036)	265,635	1,232,134	(966,499)		(966,499)	(17,615,838)	
2036	251,002	827,767	(576,764)	(10,951,630)	(10,951,630)	251,002	896,571	(645,569)	(645,569)	(12,118,605)	(12,118,605)	273,604	1,232,373	(958,769)		(958,769)	(18,574,607)	
2037	258,532	827,961	(569,429)	(11,521,059)	(11,521,059)	258,532	896,790	(638,258)	(638,258)	(12,756,862)	(12,756,862)	281,812	1,232,617	(950,805)		(950,805)	(19,525,412)	
Total	\$ 3,340,551	\$14,861,610	\$(-11,521,059)			Total	\$ 3,340,551	\$16,097,414	\$(-12,756,862)			Total	\$ 3,832,215	\$ 23,357,627	\$(-19,525,412)			

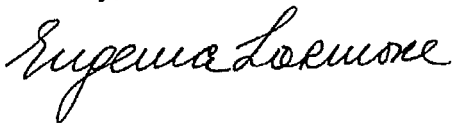
Mr. Blake Smith
April 16, 2020
Page 4

This analysis shows that The Quarry project is still expected to have a **positive fiscal impact** on the City of Sparks, as the projected General Fund surplus is expected to exceed the estimated deficit in the Road Fund. This includes a \$1.1 million contingency amount for the City's General Fund.

Updated Appendices 1-4 and 6-9 of the April 2020 fiscal impact analysis are attached. Appendix 5, Estimated Permit and Impact Fee Revenue, of the original report has not been updated and is not included in this analysis as it is no longer required by the City of Sparks. Please see the original December 2017 report for detailed methodology, assumptions, and other information.

Please contact me with any questions or concerns.

Sincerely,

A handwritten signature in cursive script that reads "Eugenia Larmore".

Eugenia Larmore, PhD, MBA

APPENDIX 1 BUILDOUT ASSUMPTIONS						
<u>YEAR</u>	<u>USE TYPE</u>	<u># OF UNITS BUILT</u>	<u>ADDED LAND VALUE</u>	<u>ADDED IMPROVEMENTS VALUE</u>	<u>CONSTRUCTION MATERIALS COST</u>	
2021	Village 1	36	\$ 1,829,880	\$ 7,857,720	\$ 3,928,860	
	Village 2	20	2,125,000	9,125,000	4,562,500	
	Village 3	20	2,210,000	9,490,000	4,745,000	
	Village 4	18	1,530,000	6,570,000	3,285,000	
	Village 5	36	2,142,000	9,198,000	4,599,000	
	Village 6	20	1,530,000	6,570,000	3,285,000	
	Village 7	20	1,615,000	6,935,000	3,467,500	
	Village 8	-	-	-	-	
	Village 9	-	-	-	-	
	Village 10	-	-	-	-	
Subtotal		170	12,981,880	55,745,720	27,872,860	
2022	Village 1	72	3,659,760	15,715,440	7,857,720	
	Village 2	46	4,887,500	20,987,500	10,493,750	
	Village 3	19	2,099,500	9,015,500	4,507,750	
	Village 4	18	1,530,000	6,570,000	3,285,000	
	Village 5	72	4,284,000	18,396,000	9,198,000	
	Village 6	48	3,672,000	15,768,000	7,884,000	
	Village 7	48	3,876,000	16,644,000	8,322,000	
	Village 8	-	-	-	-	
	Village 9	-	-	-	-	
	Village 10	-	-	-	-	
Subtotal		323	24,008,760	103,096,440	51,548,220	
2023	Village 1	50	2,541,500	10,913,500	5,456,750	
	Village 2	-	-	-	-	
	Village 3	-	-	-	-	
	Village 4	-	-	-	-	
	Village 5	64	3,808,000	16,352,000	8,176,000	
	Village 6	48	3,672,000	15,768,000	7,884,000	
	Village 7	48	3,876,000	16,644,000	8,322,000	
	Village 8	48	4,692,000	20,148,000	10,074,000	
	Village 9	48	5,100,000	21,900,000	10,950,000	
	Village 10	48	5,508,000	23,652,000	11,826,000	
Subtotal		354	29,197,500	125,377,500	62,688,750	
2024	Village 1	-	-	-	-	
	Village 2	-	-	-	-	
	Village 3	-	-	-	-	
	Village 4	-	-	-	-	
	Village 5	-	-	-	-	
	Village 6	32	2,448,000	10,512,000	5,256,000	
	Village 7	48	3,876,000	16,644,000	8,322,000	
	Village 8	48	4,692,000	20,148,000	10,074,000	
	Village 9	48	5,100,000	21,900,000	10,950,000	
	Village 10	48	5,508,000	23,652,000	11,826,000	
Subtotal		224	21,624,000	92,856,000	46,428,000	
2025	Village 1	-	-	-	-	
	Village 2	-	-	-	-	
	Village 3	-	-	-	-	
	Village 4	-	-	-	-	
	Village 5	-	-	-	-	
	Village 6	-	-	-	-	
	Village 7	8	646,000	2,774,000	1,387,000	
	Village 8	48	4,692,000	20,148,000	10,074,000	
	Village 9	29	3,081,250	13,231,250	6,615,625	
	Village 10	27	3,098,250	13,304,250	6,652,125	
Subtotal		112	11,517,500	49,457,500	24,728,750	

**APPENDIX 1
BUILDOUT ASSUMPTIONS**

<u>YEAR</u>	<u>USE TYPE</u>	<u># OF UNITS BUILT</u>	<u>ADDED LAND VALUE</u>	<u>ADDED IMPROVEMENTS VALUE</u>	<u>CONSTRUCTION MATERIALS COST</u>
2026	Village 1	-	-	-	-
	Village 2	-	-	-	-
	Village 3	-	-	-	-
	Village 4	-	-	-	-
	Village 5	-	-	-	-
	Village 6	-	-	-	-
	Village 7	-	-	-	-
	Village 8	37	3,616,750	15,530,750	7,765,375
	Village 9	-	-	-	-
	Village 10	-	-	-	-
Subtotal		37	3,616,750	15,530,750	7,765,375
TOTAL		1,220	\$ 102,946,390	\$ 442,063,910	\$ 221,031,955

APPENDIX 1, ASSUMPTIONS:

1. The following land and building costs represent the Developer's best estimate in 2020.

	<u># of Acres</u>	<u># of Units</u>	<u>Projected Sales Price/Unit</u>	<u>Land Value/Unit</u>	<u>Improv. Value/Unit</u>
Village 1	13.00	158	\$ 299,000	\$ 50,830	\$ 218,270
Village 2	21.10	66	625,000	106,250	456,250
Village 3	9.70	39	650,000	110,500	474,500
Village 4	7.30	36	500,000	85,000	365,000
Village 5	12.30	172	350,000	59,500	255,500
Village 6	20.90	148	450,000	76,500	328,500
Village 7	28.90	172	475,000	80,750	346,750
Village 8	39.60	181	575,000	97,750	419,750
Village 9	24.40	125	625,000	106,250	456,250
Village 10	28.60	123	675,000	114,750	492,750
	205.80	1,220			

Source: Number of acres, units, and projected sales price from Developer. Land and improvement value based on values for homes sold at similar prices in City of Sparks in 2019 and partial year (through March) 2020. Source: Washoe County Assessor's website. No inflation factors are assumed from 2020 levels.

2. Construction Materials Cost is estimated at **50%** of Improvement Value. Source: Discussions with contractors.

**APPENDIX 2
CITY OF SPARKS
ESTIMATED NUMBER OF RESIDENTS AND EMPLOYEES**

<u>YEAR</u>	<u>USE TYPE</u>	<u># OF UNITS BUILT</u>	<u>CUMUL. # OF OCCUPIED UNITS</u>	<u>CUMUL. NO. OF RESIDENTS</u>	<u>% OF SPARKS POPULATION</u>
2021	Village 1	36	-	-	0.00%
	Village 2	20	-	-	0.00%
	Village 3	20	-	-	0.00%
	Village 4	18	-	-	0.00%
	Village 5	36	-	-	0.00%
	Village 6	20	-	-	0.00%
	Village 7	20	-	-	0.00%
	Village 8	-	-	-	0.00%
	Village 9	-	-	-	0.00%
	Village 10	-	-	-	0.00%
Subtotal		170	-	-	0.00%
2022	Village 1	72	35	97	0.10%
	Village 2	46	19	54	0.06%
	Village 3	19	19	54	0.06%
	Village 4	18	17	48	0.05%
	Village 5	72	35	97	0.10%
	Village 6	48	19	54	0.06%
	Village 7	48	19	54	0.06%
	Village 8	-	-	-	0.00%
	Village 9	-	-	-	0.00%
	Village 10	-	-	-	0.00%
Subtotal		323	164	458	0.49%
2023	Village 1	50	104	291	0.31%
	Village 2	-	64	178	0.19%
	Village 3	-	38	105	0.11%
	Village 4	-	35	97	0.10%
	Village 5	64	104	291	0.31%
	Village 6	48	66	183	0.20%
	Village 7	48	66	183	0.20%
	Village 8	48	-	-	0.00%
	Village 9	48	-	-	0.00%
	Village 10	48	-	-	0.00%
Subtotal		354	476	1,327	1.42%
2024	Village 1	-	152	425	0.45%
	Village 2	-	64	178	0.19%
	Village 3	-	38	105	0.11%
	Village 4	-	35	97	0.10%
	Village 5	-	166	463	0.49%
	Village 6	32	112	312	0.33%
	Village 7	48	112	312	0.33%
	Village 8	48	46	129	0.14%
	Village 9	48	46	129	0.14%
	Village 10	48	46	129	0.14%
Subtotal		224	817	2,280	2.44%
2025	Village 1	-	152	425	0.45%
	Village 2	-	64	178	0.19%
	Village 3	-	38	105	0.11%
	Village 4	-	35	97	0.10%
	Village 5	-	166	463	0.49%
	Village 6	-	143	398	0.43%
	Village 7	8	158	442	0.47%
	Village 8	48	93	258	0.28%
	Village 9	29	93	258	0.28%
	Village 10	27	93	258	0.28%
Subtotal		112	1,034	2,884	3.08%

**APPENDIX 2
CITY OF SPARKS
ESTIMATED NUMBER OF RESIDENTS AND EMPLOYEES**

2026	Village 1	-	152	425	0.45%
	Village 2	-	64	178	0.19%
	Village 3	-	38	105	0.11%
	Village 4	-	35	97	0.10%
	Village 5	-	166	463	0.49%
	Village 6	-	143	398	0.43%
	Village 7	-	166	463	0.49%
	Village 8	37	139	388	0.41%
	Village 9	-	121	337	0.36%
	Village 10	-	119	331	0.35%
Subtotal		37	1,142	3,185	3.40%
2027	Village 1	-	152	425	0.45%
	Village 2	-	64	178	0.19%
	Village 3	-	38	105	0.11%
	Village 4	-	35	97	0.10%
	Village 5	-	166	463	0.49%
	Village 6	-	143	398	0.43%
	Village 7	-	166	463	0.49%
	Village 8	-	175	487	0.52%
	Village 9	-	121	337	0.36%
	Village 10	-	119	331	0.35%
Subtotal		-	1,177	3,285	3.51%
TOTAL			1,220		

APPENDIX 2, ASSUMPTIONS:

- Number of residential units from Appendix 1.
- Occupied single-family units are estimated using a vacancy rate of 3.5% to account for household movement and other timing issues. Households are assumed to be occupied a year after construction. Source: Center for Regional Studies, University of Nevada, Reno, based on data from the American Community Survey.
- Residents are estimated using a ratio of **2.79** residents per occupied household/unit for owner-occupied units
Source: "Average Household Size of Occupied Units by Tenure." 2016 American Community Survey 1-Year Estimates, US Census Bureau. Data for Sparks, Nevada.
- City of Sparks FY 2016-17 population is estimated at **93,581** Source: City of Sparks Budget, FY 2017-18.
This is used to estimate the percent of existing population generated by the project.

**APPENDIX 3
CITY OF SPARKS
ESTIMATED REAL PROPERTY TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>ADDED TAX. LAND VALUE (\$)</u>	<u>ADDED TAX. IMPROVEMENT VALUE (\$)</u>	<u>CUMULATIVE TOTAL TAX. VALUE (\$)</u>	<u>CUMULATIVE ASSESSED VALUE (\$)</u>	<u>GENERAL FUND REVENUE</u>	<u>AB 104 REVENUE</u>	
2021	Village 1	\$ 1,829,880	\$ 7,857,720	\$ 1,829,880	\$ 640,458	\$ 6,147	\$ 13	
	Village 2	2,125,000	9,125,000	2,125,000	743,750	7,139	15	
	Village 3	2,210,000	9,490,000	2,210,000	773,500	7,424	16	
	Village 4	1,530,000	6,570,000	1,530,000	535,500	5,140	11	
	Village 5	2,142,000	9,198,000	2,142,000	749,700	7,196	15	
	Village 6	1,530,000	6,570,000	1,530,000	535,500	5,140	11	
	Village 7	1,615,000	6,935,000	1,615,000	565,250	5,425	12	
	Village 8	-	-	-	-	-	-	-
	Village 9	-	-	-	-	-	-	-
	Village 10	-	-	-	-	-	-	-
Subtotal		12,981,880	55,745,720	12,981,880	4,543,658	43,610	93	
2022	Village 1	3,659,760	15,715,440	13,637,988	4,773,296	45,814	97	
	Village 2	4,887,500	20,987,500	16,475,000	5,766,250	55,344	117	
	Village 3	2,099,500	9,015,500	14,150,500	4,952,675	47,536	101	
	Village 4	1,530,000	6,570,000	9,873,000	3,455,550	33,166	70	
	Village 5	4,284,000	18,396,000	15,964,200	5,587,470	53,629	114	
	Village 6	3,672,000	15,768,000	12,015,000	4,205,250	40,362	86	
	Village 7	3,876,000	16,644,000	12,682,500	4,438,875	42,604	90	
	Village 8	-	-	-	-	-	-	-
	Village 9	-	-	-	-	-	-	-
	Village 10	-	-	-	-	-	-	-
Subtotal		24,008,760	103,096,440	94,798,188	33,179,366	318,456	676	
2023	Village 1	2,541,500	10,913,500	32,775,531	11,471,436	110,103	234	
	Village 2	-	-	38,586,375	13,505,231	129,623	275	
	Village 3	-	-	23,860,980	8,351,343	80,156	170	
	Village 4	-	-	16,936,290	5,927,702	56,894	121	
	Village 5	3,808,000	16,352,000	39,199,006	13,719,652	131,681	280	
	Village 6	3,672,000	15,768,000	32,288,490	11,300,972	108,467	230	
	Village 7	3,876,000	16,644,000	34,082,295	11,928,803	114,493	243	
	Village 8	4,692,000	20,148,000	4,692,000	1,642,200	15,762	33	
	Village 9	5,100,000	21,900,000	5,100,000	1,785,000	17,132	36	
	Village 10	5,508,000	23,652,000	5,508,000	1,927,800	18,503	39	
Subtotal		29,197,500	125,377,500	233,028,967	81,560,138	782,814	1,662	
2024	Village 1	-	-	44,999,702	15,749,896	151,167	321	
	Village 2	-	-	39,743,966	13,910,388	133,512	283	
	Village 3	-	-	24,576,809	8,601,883	82,561	175	
	Village 4	-	-	17,444,379	6,105,533	58,601	124	
	Village 5	-	-	57,217,536	20,026,138	192,211	408	
	Village 6	2,448,000	10,512,000	51,946,185	18,181,165	174,503	370	
	Village 7	3,876,000	16,644,000	56,124,084	19,643,429	188,538	400	
	Village 8	4,692,000	20,148,000	30,277,200	10,597,020	101,710	216	
	Village 9	5,100,000	21,900,000	32,910,000	11,518,500	110,555	235	
	Village 10	5,508,000	23,652,000	35,542,800	12,439,980	119,399	253	
Subtotal		21,624,000	92,856,000	390,782,661	136,773,931	1,312,756	2,787	
2025	Village 1	-	-	46,349,693	16,222,392	155,703	331	
	Village 2	-	-	40,936,285	14,327,700	137,517	292	
	Village 3	-	-	25,314,114	8,859,940	85,038	181	
	Village 4	-	-	17,967,710	6,288,699	60,359	128	
	Village 5	-	-	58,934,062	20,626,922	197,977	420	
	Village 6	-	-	64,331,930	22,516,176	216,110	459	
	Village 7	646,000	2,774,000	75,597,126	26,458,994	253,953	539	
	Village 8	4,692,000	20,148,000	56,629,956	19,820,485	190,237	404	
	Village 9	3,081,250	13,231,250	59,535,550	20,837,443	199,998	425	
	Village 10	3,098,250	13,304,250	64,068,894	22,424,113	215,227	457	
Subtotal		11,517,500	49,457,500	509,665,321	178,382,862	1,712,119	3,634	

APPENDIX 3 CITY OF SPARKS ESTIMATED REAL PROPERTY TAX REVENUE							
YEAR	USE TYPE	ADDED TAX. LAND VALUE (\$)	ADDED TAX. IMPROVEMENT VALUE (\$)	CUMULATIVE TOTAL TAX. VALUE (\$)	CUMULATIVE ASSESSED VALUE (\$)	GENERAL FUND REVENUE	AB 104 REVENUE
2026	Village 1	-	-	47,740,184	16,709,064	160,374	340
	Village 2	-	-	42,164,374	14,757,531	141,643	301
	Village 3	-	-	26,073,537	9,125,738	87,589	186
	Village 4	-	-	18,506,741	6,477,359	62,170	132
	Village 5	-	-	60,702,084	21,245,729	203,917	433
	Village 6	-	-	66,261,888	23,191,661	222,594	473
	Village 7	-	-	80,722,260	28,252,791	271,170	576
	Village 8	3,616,750	15,530,750	82,698,045	28,944,316	277,808	590
	Village 9	-	-	74,949,804	26,232,431	251,779	534
	Village 10	-	-	79,694,338	27,893,018	267,717	568
Subtotal		3,616,750	15,530,750	579,513,255	202,829,639	1,946,759	4,132
2027	Village 1	-	-	49,172,389	17,210,336	165,185	351
	Village 2	-	-	43,429,305	15,200,257	145,892	310
	Village 3	-	-	26,855,743	9,399,510	90,216	192
	Village 4	-	-	19,061,944	6,671,680	64,035	136
	Village 5	-	-	62,523,147	21,883,101	210,034	446
	Village 6	-	-	68,249,745	23,887,411	229,271	487
	Village 7	-	-	83,143,928	29,100,375	279,305	593
	Village 8	-	-	101,175,659	35,411,480	339,879	721
	Village 9	-	-	77,198,298	27,019,404	259,332	550
	Village 10	-	-	82,085,168	28,729,809	275,749	585
Subtotal		-	-	612,895,325	214,513,364	2,058,899	4,370
2028	Village 1	-	-	50,647,561	17,726,646	170,140	361
	Village 2	-	-	44,732,184	15,656,264	150,269	319
	Village 3	-	-	27,661,416	9,681,495	92,923	197
	Village 4	-	-	19,633,802	6,871,831	65,956	140
	Village 5	-	-	64,398,841	22,539,594	216,335	459
	Village 6	-	-	70,297,237	24,604,033	236,150	501
	Village 7	-	-	85,638,246	29,973,386	287,685	611
	Village 8	-	-	104,210,928	36,473,825	350,076	743
	Village 9	-	-	79,514,247	27,829,986	267,112	567
	Village 10	-	-	84,547,724	29,591,703	284,021	603
Subtotal		-	-	631,282,185	220,948,765	2,120,666	4,502
2029	Village 1	-	-	52,166,988	18,258,446	175,245	372
	Village 2	-	-	46,074,150	16,125,952	154,777	329
	Village 3	-	-	28,491,258	9,971,940	95,711	203
	Village 4	-	-	20,222,816	7,077,986	67,935	144
	Village 5	-	-	66,330,806	23,215,782	222,825	473
	Village 6	-	-	72,406,154	25,342,154	243,234	516
	Village 7	-	-	88,207,393	30,872,588	296,315	629
	Village 8	-	-	107,337,256	37,568,040	360,578	765
	Village 9	-	-	81,899,674	28,664,886	275,126	584
	Village 10	-	-	87,084,155	30,479,454	292,542	621
Subtotal		-	-	650,220,651	227,577,228	2,184,286	4,637
2030	Village 1	-	-	53,731,997	18,806,199	180,502	383
	Village 2	-	-	47,456,374	16,609,731	159,420	338
	Village 3	-	-	29,345,996	10,271,098	98,582	209
	Village 4	-	-	20,829,500	7,290,325	69,973	149
	Village 5	-	-	68,320,730	23,912,256	229,510	487
	Village 6	-	-	74,578,339	26,102,419	250,531	532
	Village 7	-	-	90,853,615	31,798,765	305,205	648
	Village 8	-	-	110,557,374	38,695,081	371,395	788
	Village 9	-	-	84,356,665	29,524,833	283,379	602
	Village 10	-	-	89,696,680	31,393,838	301,318	640
Subtotal		-	-	669,727,270	234,404,545	2,249,815	4,776

**APPENDIX 3
CITY OF SPARKS
ESTIMATED REAL PROPERTY TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>ADDED TAX. LAND VALUE (\$)</u>	<u>ADDED TAX. IMPROVEMENT VALUE (\$)</u>	<u>CUMULATIVE TOTAL TAX. VALUE (\$)</u>	<u>CUMULATIVE ASSESSED VALUE (\$)</u>	<u>GENERAL FUND REVENUE</u>	<u>AB 104 REVENUE</u>
2031	Village 1	-	-	55,343,957	19,370,385	185,917	395
	Village 2	-	-	48,880,065	17,108,023	164,203	349
	Village 3	-	-	30,226,376	10,579,231	101,539	216
	Village 4	-	-	21,454,385	7,509,035	72,072	153
	Village 5	-	-	70,370,352	24,629,623	236,395	502
	Village 6	-	-	76,815,689	26,885,491	258,047	548
	Village 7	-	-	93,579,223	32,752,728	314,361	667
	Village 8	-	-	113,874,095	39,855,933	382,537	812
	Village 9	-	-	86,887,365	30,410,578	291,881	620
	Village 10	-	-	92,387,580	32,335,653	310,358	659
Subtotal		-	-	689,819,088	241,436,681	2,317,309	4,919
2032	Village 1	-	-	57,004,276	19,951,497	191,494	406
	Village 2	-	-	50,346,467	17,621,264	169,129	359
	Village 3	-	-	31,133,167	10,896,608	104,586	222
	Village 4	-	-	22,098,017	7,734,306	74,234	158
	Village 5	-	-	72,481,463	25,368,512	243,487	517
	Village 6	-	-	79,120,160	27,692,056	265,788	564
	Village 7	-	-	96,386,600	33,735,310	323,792	687
	Village 8	-	-	117,290,318	41,051,611	394,013	836
	Village 9	-	-	89,493,986	31,322,895	300,637	638
	Village 10	-	-	95,159,208	33,305,723	319,668	679
Subtotal		-	-	710,513,661	248,679,781	2,386,829	5,067
2033	Village 1	-	-	58,714,404	20,550,041	197,239	419
	Village 2	-	-	51,856,861	18,149,901	174,203	370
	Village 3	-	-	32,067,162	11,223,507	107,723	229
	Village 4	-	-	22,760,958	7,966,335	76,461	162
	Village 5	-	-	74,655,907	26,129,567	250,792	532
	Village 6	-	-	81,493,765	28,522,818	273,762	581
	Village 7	-	-	99,278,198	34,747,369	333,505	708
	Village 8	-	-	120,809,027	42,283,160	405,834	861
	Village 9	-	-	92,178,805	32,262,582	309,656	657
	Village 10	-	-	98,013,984	34,304,894	329,258	699
Subtotal		-	-	731,829,071	256,140,175	2,458,433	5,219
2034	Village 1	-	-	60,475,836	21,166,543	203,156	431
	Village 2	-	-	53,412,567	18,694,399	179,429	381
	Village 3	-	-	33,029,177	11,560,212	110,955	236
	Village 4	-	-	23,443,786	8,205,325	78,755	167
	Village 5	-	-	76,895,584	26,913,454	258,315	548
	Village 6	-	-	83,938,577	29,378,502	281,975	599
	Village 7	-	-	102,256,544	35,789,790	343,510	729
	Village 8	-	-	124,433,298	43,551,654	418,009	887
	Village 9	-	-	94,944,169	33,230,459	318,946	677
	Village 10	-	-	100,954,403	35,334,041	339,136	720
Subtotal		-	-	753,783,943	263,824,380	2,532,186	5,375
2035	Village 1	-	-	62,290,111	21,801,539	209,251	444
	Village 2	-	-	55,014,944	19,255,230	184,812	392
	Village 3	-	-	34,020,052	11,907,018	114,284	243
	Village 4	-	-	24,147,100	8,451,485	81,117	172
	Village 5	-	-	79,202,452	27,720,858	266,065	565
	Village 6	-	-	86,456,735	30,259,857	290,434	617
	Village 7	-	-	105,324,240	36,863,484	353,816	751
	Village 8	-	-	128,166,297	44,858,204	430,549	914
	Village 9	-	-	97,792,494	34,227,373	328,514	697
	Village 10	-	-	103,983,036	36,394,062	349,310	741
Subtotal		-	-	776,397,461	271,739,111	2,608,152	5,536

**APPENDIX 3
CITY OF SPARKS
ESTIMATED REAL PROPERTY TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>ADDED TAX. LAND VALUE (\$)</u>	<u>ADDED TAX. IMPROVEMENT VALUE (\$)</u>	<u>CUMULATIVE TOTAL TAX. VALUE (\$)</u>	<u>CUMULATIVE ASSESSED VALUE (\$)</u>	<u>GENERAL FUND REVENUE</u>	<u>AB 104 REVENUE</u>
2036	Village 1	-	-	64,158,815	22,455,585	215,529	458
	Village 2	-	-	56,665,393	19,832,887	190,356	404
	Village 3	-	-	35,040,654	12,264,229	117,712	250
	Village 4	-	-	24,871,513	8,705,029	83,551	177
	Village 5	-	-	81,578,525	28,552,484	274,047	582
	Village 6	-	-	89,050,437	31,167,653	299,147	635
	Village 7	-	-	108,483,968	37,969,389	364,430	774
	Village 8	-	-	132,011,286	46,203,950	443,466	941
	Village 9	-	-	100,726,269	35,254,194	338,370	718
	Village 10	-	-	107,102,527	37,485,884	359,790	764
Subtotal		-	-	799,689,385	279,891,285	2,686,397	5,702
2037	Village 1	-	-	66,083,579	23,129,253	221,995	471
	Village 2	-	-	58,365,354	20,427,874	196,067	416
	Village 3	-	-	36,091,873	12,632,156	121,243	257
	Village 4	-	-	25,617,658	8,966,180	86,057	183
	Village 5	-	-	84,025,881	29,409,058	282,268	599
	Village 6	-	-	91,721,950	32,102,682	308,122	654
	Village 7	-	-	111,738,487	39,108,470	375,363	797
	Village 8	-	-	135,971,625	47,590,069	456,769	970
	Village 9	-	-	103,748,057	36,311,820	348,521	740
	Village 10	-	-	110,315,602	38,610,461	370,583	787
Subtotal		-	-	823,680,067	288,288,023	2,766,988	5,874
2038	Village 1	-	-	68,066,087	23,823,130	228,654	485
	Village 2	-	-	60,116,315	21,040,710	201,949	429
	Village 3	-	-	37,174,629	13,011,120	124,881	265
	Village 4	-	-	26,386,188	9,235,166	88,639	188
	Village 5	-	-	86,546,657	30,291,330	290,736	617
	Village 6	-	-	94,473,608	33,065,763	317,365	674
	Village 7	-	-	115,090,641	40,281,724	386,624	821
	Village 8	-	-	140,050,773	49,017,771	470,473	999
	Village 9	-	-	106,860,499	37,401,175	358,976	762
	Village 10	-	-	113,625,070	39,768,775	381,701	810
Subtotal		-	-	848,390,469	296,936,664	2,849,998	6,050
2039	Village 1	-	-	70,108,069	24,537,824	235,514	500
	Village 2	-	-	61,919,804	21,671,932	208,007	442
	Village 3	-	-	38,289,868	13,401,454	128,627	273
	Village 4	-	-	27,177,774	9,512,221	91,298	194
	Village 5	-	-	89,143,057	31,200,070	299,458	636
	Village 6	-	-	97,307,817	34,057,736	326,886	694
	Village 7	-	-	118,543,360	41,490,176	398,223	845
	Village 8	-	-	144,252,297	50,488,304	484,587	1,029
	Village 9	-	-	110,066,314	38,523,210	369,746	785
	Village 10	-	-	117,033,823	40,961,838	393,152	835
Subtotal		-	-	873,842,183	305,844,764	2,935,498	6,231
2040	Village 1	-	-	72,211,311	25,273,959	242,579	515
	Village 2	-	-	63,777,399	22,322,089	214,247	455
	Village 3	-	-	39,438,564	13,803,498	132,486	281
	Village 4	-	-	27,993,107	9,797,587	94,037	200
	Village 5	-	-	91,817,349	32,136,072	308,442	655
	Village 6	-	-	100,227,051	35,079,468	336,693	715
	Village 7	-	-	122,099,661	42,734,881	410,169	871
	Village 8	-	-	148,579,866	52,002,953	499,124	1,059
	Village 9	-	-	113,368,303	39,678,906	380,838	808
	Village 10	-	-	120,544,837	42,190,693	404,946	860
Subtotal		-	-	900,057,448	315,020,107	3,023,563	6,418

**APPENDIX 3
CITY OF SPARKS
ESTIMATED REAL PROPERTY TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>ADDED TAX. LAND VALUE (\$)</u>	<u>ADDED TAX. IMPROVEMENT VALUE (\$)</u>	<u>CUMULATIVE TOTAL TAX. VALUE (\$)</u>	<u>CUMULATIVE ASSESSED VALUE (\$)</u>	<u>GENERAL FUND REVENUE</u>	<u>AB 104 REVENUE</u>
TOTAL		\$ 102,946,390	\$ 442,063,910			\$ 41,295,534	\$ 87,658

APPENDIX 3, ASSUMPTIONS:

1. As the project is not currently located in the City of Sparks, all property tax revenue generated by the project will be net new to the City.
2. Taxable value of land and improvements is estimated in Appendix 1.
3. Land and improvement taxable values are inflated by 3.0% annually, the maximum allowed increase for owner-occupied properties. Analysis assumes improvements will generate property tax revenue in the year after improvements are made to account for work-in-progress. Land values will generate property tax in the year as developed.
4. Property tax calculation: Taxable Value X 35% = Assessed Value; Assessed Value/100 X Tax Rate = Property Tax Revenue.
5. City of Sparks General Fund operating tax rate is assumed to remain constant at FY 2017-18 rate of \$ 0.9598 per \$100 of value. Source: City of Sparks Budget, FY 2017-18.
6. City of Sparks is expected to receive 7.49% of property tax revenue generated by the AB 104 property tax rate of \$ 0.0272 Source: Nevada Department of Taxation. "Local Gov't Tax Act Distribution." Three-year average FY 2014-15, FY 2015-16, and 2016-17.

**APPENDIX 4
CITY OF SPARKS
ESTIMATED SALES TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>CONSTR. MATERIALS COST</u>	<u>HOUSEHOLD EXPENDITURES</u>	<u>TOTAL TAXABLE SALES</u>	<u>CCRT SALES TAX REVENUE</u>	<u>AB 104 SALES TAX REVENUE</u>
2021	Village 1	\$ 3,928,860	\$ -	\$ 3,928,860	\$ 10,532	\$ 723
	Village 2	4,562,500	-	4,562,500	12,230	839
	Village 3	4,745,000	-	4,745,000	12,719	873
	Village 4	3,285,000	-	3,285,000	8,806	604
	Village 5	4,599,000	-	4,599,000	12,328	846
	Village 6	3,285,000	-	3,285,000	8,806	604
	Village 7	3,467,500	-	3,467,500	9,295	638
	Village 8	-	-	-	-	-
	Village 9	-	-	-	-	-
	Village 10	-	-	-	-	-
Subtotal		27,872,860	-	27,872,860	74,716	5,128
2022	Village 1	7,857,720	631,850	8,489,570	22,757	1,562
	Village 2	10,493,750	543,462	11,037,212	29,586	2,031
	Village 3	4,507,750	563,907	5,071,657	13,595	933
	Village 4	3,285,000	440,038	3,725,038	9,985	685
	Village 5	9,198,000	635,410	9,833,410	26,359	1,809
	Village 6	7,884,000	443,623	8,327,623	22,323	1,532
	Village 7	8,322,000	466,277	8,788,277	23,558	1,617
	Village 8	-	-	-	-	-
	Village 9	-	-	-	-	-
	Village 10	-	-	-	-	-
Subtotal		51,548,220	3,724,567	55,272,787	148,164	10,169
2023	Village 1	5,456,750	1,952,416	7,409,166	19,861	1,363
	Village 2	-	1,847,229	1,847,229	4,952	340
	Village 3	-	1,132,607	1,132,607	3,036	208
	Village 4	-	906,479	906,479	2,430	167
	Village 5	8,176,000	1,963,418	10,139,418	27,180	1,865
	Village 6	7,884,000	1,553,567	9,437,567	25,298	1,736
	Village 7	8,322,000	1,632,902	9,954,902	26,685	1,832
	Village 8	10,074,000	-	10,074,000	27,004	1,853
	Village 9	10,950,000	-	10,950,000	29,352	2,015
	Village 10	11,826,000	-	11,826,000	31,701	2,176
Subtotal		62,688,750	10,988,617	73,677,367	197,499	13,555
2024	Village 1	-	2,942,002	2,942,002	7,886	541
	Village 2	-	1,902,646	1,902,646	5,100	350
	Village 3	-	1,166,585	1,166,585	3,127	215
	Village 4	-	933,673	933,673	2,503	172
	Village 5	-	3,220,732	3,220,732	8,633	593
	Village 6	5,256,000	2,729,708	7,985,708	21,406	1,469
	Village 7	8,322,000	2,869,105	11,191,105	29,999	2,059
	Village 8	10,074,000	1,279,632	11,353,632	30,434	2,089
	Village 9	10,950,000	1,383,742	12,333,742	33,062	2,269
	Village 10	11,826,000	1,487,852	13,313,852	35,689	2,450
Subtotal		46,428,000	19,915,679	66,343,679	177,840	12,206
2025	Village 1	-	3,030,262	3,030,262	8,123	558
	Village 2	-	1,959,725	1,959,725	5,253	361
	Village 3	-	1,201,583	1,201,583	3,221	221
	Village 4	-	961,683	961,683	2,578	177
	Village 5	-	3,317,354	3,317,354	8,892	610
	Village 6	-	3,587,213	3,587,213	9,616	660
	Village 7	1,387,000	4,178,011	5,565,011	14,917	1,024
	Village 8	10,074,000	2,636,043	12,710,043	34,070	2,338
	Village 9	6,615,625	2,850,509	9,466,134	25,375	1,742
	Village 10	6,652,125	3,064,976	9,717,101	26,048	1,788
Subtotal		24,728,750	26,787,359	51,516,109	138,093	9,478

**APPENDIX 4
CITY OF SPARKS
ESTIMATED SALES TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>CONSTR. MATERIALS COST</u>	<u>HOUSEHOLD EXPENDITURES</u>	<u>TOTAL TAXABLE SALES</u>	<u>CCRT SALES TAX REVENUE</u>	<u>AB 104 SALES TAX REVENUE</u>
2026	Village 1	-	3,121,170	3,121,170	8,367	574
	Village 2	-	2,018,517	2,018,517	5,411	371
	Village 3	-	1,237,630	1,237,630	3,318	228
	Village 4	-	990,534	990,534	2,655	182
	Village 5	-	3,416,875	3,416,875	9,159	629
	Village 6	-	3,694,830	3,694,830	9,904	680
	Village 7	-	4,513,271	4,513,271	12,098	830
	Village 8	7,765,375	4,072,686	11,838,061	31,733	2,178
	Village 9	-	3,822,949	3,822,949	10,248	703
	Village 10	-	4,044,810	4,044,810	10,842	744
Subtotal		7,765,375	30,933,271	38,698,646	103,735	7,120
2027	Village 1	-	3,214,805	3,214,805	8,618	591
	Village 2	-	2,079,072	2,079,072	5,573	383
	Village 3	-	1,274,759	1,274,759	3,417	235
	Village 4	-	1,020,250	1,020,250	2,735	188
	Village 5	-	3,519,381	3,519,381	9,434	648
	Village 6	-	3,805,675	3,805,675	10,201	700
	Village 7	-	4,648,669	4,648,669	12,461	855
	Village 8	-	5,272,714	5,272,714	14,134	970
	Village 9	-	3,937,637	3,937,637	10,555	724
	Village 10	-	4,166,155	4,166,155	11,168	766
Subtotal		-	32,939,116	32,939,116	88,296	6,060
2028	Village 1	-	3,311,249	3,311,249	8,876	609
	Village 2	-	2,141,445	2,141,445	5,740	394
	Village 3	-	1,313,002	1,313,002	3,520	242
	Village 4	-	1,050,857	1,050,857	2,817	193
	Village 5	-	3,624,963	3,624,963	9,717	667
	Village 6	-	3,919,845	3,919,845	10,507	721
	Village 7	-	4,788,129	4,788,129	12,835	881
	Village 8	-	5,430,895	5,430,895	14,558	999
	Village 9	-	4,055,766	4,055,766	10,872	746
	Village 10	-	4,291,139	4,291,139	11,503	789
Subtotal		-	33,927,290	33,927,290	90,945	6,242
2029	Village 1	-	3,410,586	3,410,586	9,142	627
	Village 2	-	2,205,688	2,205,688	5,913	406
	Village 3	-	1,352,392	1,352,392	3,625	249
	Village 4	-	1,082,383	1,082,383	2,901	199
	Village 5	-	3,733,712	3,733,712	10,009	687
	Village 6	-	4,037,440	4,037,440	10,823	743
	Village 7	-	4,931,773	4,931,773	13,220	907
	Village 8	-	5,593,822	5,593,822	14,995	1,029
	Village 9	-	4,177,439	4,177,439	11,198	769
	Village 10	-	4,419,873	4,419,873	11,848	813
Subtotal		-	34,945,109	34,945,109	93,673	6,429
2030	Village 1	-	3,512,904	3,512,904	9,417	646
	Village 2	-	2,271,859	2,271,859	6,090	418
	Village 3	-	1,392,964	1,392,964	3,734	256
	Village 4	-	1,114,854	1,114,854	2,988	205
	Village 5	-	3,845,723	3,845,723	10,309	708
	Village 6	-	4,158,564	4,158,564	11,147	765
	Village 7	-	5,079,726	5,079,726	13,617	935
	Village 8	-	5,761,637	5,761,637	15,445	1,060
	Village 9	-	4,302,762	4,302,762	11,534	792
	Village 10	-	4,552,470	4,552,470	12,203	838
Subtotal		-	35,993,462	35,993,462	96,484	6,622

**APPENDIX 4
CITY OF SPARKS
ESTIMATED SALES TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>CONSTR. MATERIALS COST</u>	<u>HOUSEHOLD EXPENDITURES</u>	<u>TOTAL TAXABLE SALES</u>	<u>CCRT SALES TAX REVENUE</u>	<u>AB 104 SALES TAX REVENUE</u>
2031	Village 1	-	3,618,291	3,618,291	9,699	666
	Village 2	-	2,340,014	2,340,014	6,273	431
	Village 3	-	1,434,753	1,434,753	3,846	264
	Village 4	-	1,148,300	1,148,300	3,078	211
	Village 5	-	3,961,095	3,961,095	10,618	729
	Village 6	-	4,283,320	4,283,320	11,482	788
	Village 7	-	5,232,118	5,232,118	14,025	963
	Village 8	-	5,934,486	5,934,486	15,908	1,092
	Village 9	-	4,431,845	4,431,845	11,880	815
	Village 10	-	4,689,044	4,689,044	12,569	863
Subtotal		-	37,073,266	37,073,266	99,378	6,821
2032	Village 1	-	3,726,840	3,726,840	9,990	686
	Village 2	-	2,410,215	2,410,215	6,461	443
	Village 3	-	1,477,795	1,477,795	3,961	272
	Village 4	-	1,182,749	1,182,749	3,170	218
	Village 5	-	4,079,927	4,079,927	10,937	751
	Village 6	-	4,411,820	4,411,820	11,826	812
	Village 7	-	5,389,081	5,389,081	14,446	991
	Village 8	-	6,112,521	6,112,521	16,385	1,125
	Village 9	-	4,564,801	4,564,801	12,236	840
	Village 10	-	4,829,715	4,829,715	12,946	889
Subtotal		-	38,185,464	38,185,464	102,359	7,025
2033	Village 1	-	3,838,645	3,838,645	10,290	706
	Village 2	-	2,482,521	2,482,521	6,655	457
	Village 3	-	1,522,129	1,522,129	4,080	280
	Village 4	-	1,218,231	1,218,231	3,266	224
	Village 5	-	4,202,325	4,202,325	11,265	773
	Village 6	-	4,544,175	4,544,175	12,181	836
	Village 7	-	5,550,753	5,550,753	14,879	1,021
	Village 8	-	6,295,896	6,295,896	16,877	1,158
	Village 9	-	4,701,745	4,701,745	12,603	865
	Village 10	-	4,974,607	4,974,607	13,335	915
Subtotal		-	39,331,028	39,331,028	105,430	7,236
2034	Village 1	-	3,953,804	3,953,804	10,599	727
	Village 2	-	2,556,997	2,556,997	6,854	470
	Village 3	-	1,567,793	1,567,793	4,203	288
	Village 4	-	1,254,778	1,254,778	3,364	231
	Village 5	-	4,328,395	4,328,395	11,603	796
	Village 6	-	4,680,500	4,680,500	12,546	861
	Village 7	-	5,717,276	5,717,276	15,326	1,052
	Village 8	-	6,484,773	6,484,773	17,383	1,193
	Village 9	-	4,842,797	4,842,797	12,982	891
	Village 10	-	5,123,845	5,123,845	13,735	943
Subtotal		-	40,510,958	40,510,958	108,593	7,453
2035	Village 1	-	4,072,418	4,072,418	10,916	749
	Village 2	-	2,633,707	2,633,707	7,060	485
	Village 3	-	1,614,827	1,614,827	4,329	297
	Village 4	-	1,292,422	1,292,422	3,464	238
	Village 5	-	4,458,247	4,458,247	11,951	820
	Village 6	-	4,820,915	4,820,915	12,923	887
	Village 7	-	5,888,794	5,888,794	15,785	1,083
	Village 8	-	6,679,316	6,679,316	17,904	1,229
	Village 9	-	4,988,081	4,988,081	13,371	918
	Village 10	-	5,277,560	5,277,560	14,147	971
Subtotal		-	41,726,287	41,726,287	111,851	7,677

**APPENDIX 4
CITY OF SPARKS
ESTIMATED SALES TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>CONSTR. MATERIALS COST</u>	<u>HOUSEHOLD EXPENDITURES</u>	<u>TOTAL TAXABLE SALES</u>	<u>CCRT SALES TAX REVENUE</u>	<u>AB 104 SALES TAX REVENUE</u>
2036	Village 1	-	4,194,591	4,194,591	11,244	772
	Village 2	-	2,712,718	2,712,718	7,272	499
	Village 3	-	1,663,272	1,663,272	4,459	306
	Village 4	-	1,331,194	1,331,194	3,568	245
	Village 5	-	4,591,994	4,591,994	12,309	845
	Village 6	-	4,965,542	4,965,542	13,311	914
	Village 7	-	6,065,458	6,065,458	16,259	1,116
	Village 8	-	6,879,696	6,879,696	18,442	1,266
	Village 9	-	5,137,723	5,137,723	13,772	945
	Village 10	-	5,435,887	5,435,887	14,571	1,000
Subtotal		-	42,978,076	42,978,076	115,206	7,907
2037	Village 1	-	4,320,429	4,320,429	11,581	795
	Village 2	-	2,794,099	2,794,099	7,490	514
	Village 3	-	1,713,170	1,713,170	4,592	315
	Village 4	-	1,371,130	1,371,130	3,675	252
	Village 5	-	4,729,754	4,729,754	12,679	870
	Village 6	-	5,114,509	5,114,509	13,710	941
	Village 7	-	6,247,422	6,247,422	16,747	1,149
	Village 8	-	7,086,087	7,086,087	18,995	1,304
	Village 9	-	5,291,855	5,291,855	14,185	974
	Village 10	-	5,598,963	5,598,963	15,009	1,030
Subtotal		-	44,267,418	44,267,418	118,663	8,144
2038	Village 1	-	4,450,041	4,450,041	11,929	819
	Village 2	-	2,877,922	2,877,922	7,715	529
	Village 3	-	1,764,565	1,764,565	4,730	325
	Village 4	-	1,412,264	1,412,264	3,786	260
	Village 5	-	4,871,647	4,871,647	13,059	896
	Village 6	-	5,267,944	5,267,944	14,121	969
	Village 7	-	6,434,845	6,434,845	17,249	1,184
	Village 8	-	7,298,669	7,298,669	19,565	1,343
	Village 9	-	5,450,611	5,450,611	14,611	1,003
	Village 10	-	5,766,932	5,766,932	15,459	1,061
Subtotal		-	45,595,441	45,595,441	122,223	8,389
2039	Village 1	-	4,583,543	4,583,543	12,287	843
	Village 2	-	2,964,260	2,964,260	7,946	545
	Village 3	-	1,817,502	1,817,502	4,872	334
	Village 4	-	1,454,632	1,454,632	3,899	268
	Village 5	-	5,017,796	5,017,796	13,451	923
	Village 6	-	5,425,982	5,425,982	14,545	998
	Village 7	-	6,627,890	6,627,890	17,767	1,219
	Village 8	-	7,517,629	7,517,629	20,152	1,383
	Village 9	-	5,614,129	5,614,129	15,049	1,033
	Village 10	-	5,939,940	5,939,940	15,923	1,093
Subtotal		-	46,963,304	46,963,304	125,889	8,640
2040	Village 1	-	4,721,049	4,721,049	12,655	869
	Village 2	-	3,053,188	3,053,188	8,184	562
	Village 3	-	1,872,027	1,872,027	5,018	344
	Village 4	-	1,498,271	1,498,271	4,016	276
	Village 5	-	5,168,330	5,168,330	13,854	951
	Village 6	-	5,588,762	5,588,762	14,981	1,028
	Village 7	-	6,826,727	6,826,727	18,300	1,256
	Village 8	-	7,743,158	7,743,158	20,756	1,425
	Village 9	-	5,782,553	5,782,553	15,501	1,064
	Village 10	-	6,118,139	6,118,139	16,400	1,126
Subtotal		-	48,372,203	48,372,203	129,666	8,900

APPENDIX 4 CITY OF SPARKS ESTIMATED SALES TAX REVENUE						
<u>YEAR</u>	<u>USE TYPE</u>	<u>CONSTR. MATERIALS COST</u>	<u>HOUSEHOLD EXPENDITURES</u>	<u>TOTAL TAXABLE SALES</u>	<u>CCRT SALES TAX REVENUE</u>	<u>AB 104 SALES TAX REVENUE</u>
TOTAL		\$ 221,031,955	\$ 655,157,913	\$ 876,189,868	\$ 2,348,703	\$ 161,203

APPENDIX 4, ASSUMPTIONS:

- Construction Materials Cost is estimated in Appendix 1.
- Household Taxable Sales-estimated based on the number of occupied households, estimated household income, and expenditure information. Household incomes and percent of income spent on taxable items are estimated as follows, based on projected sales price for each village shown in Appendix 1:
% Spent on Taxable

	<u>Household Income</u>	<u>Items</u>
Village 1	\$ 62,244	27.5%
Village 2	\$ 122,180	21.7%
Village 3	\$ 126,776	21.7%
Village 4	\$ 99,198	24.1%
Village 5	\$ 71,621	24.1%
Village 6	\$ 90,006	24.1%
Village 7	\$ 94,602	24.1%
Village 8	\$ 112,987	21.7%
Village 9	\$ 122,180	21.7%
Village 10	\$ 131,372	21.7%

Affordability calculator created by EEC and Center for Regional Studies, UNR. Percent of household income spent on taxable items from Consumer Expenditure Survey, 2016, Bureau of Labor Statistics, data by corresponding household income range. Estimates are inflated 3% annually.

- Relevant tax rates for the City of Sparks are as follows:

0.500%	Basic City County Relief Tax (BCCRT)
1.750%	Supplemental City County Relief Tax (SCCRT)
0.250%	Fair Share (AB 104)

Distribution of BCCRT and SCCRT sales tax revenue to the City of Sparks is calculated at **12.13%** of all Washoe County CCRT revenue.

Source: Distribution based on average percentage share of Washoe County C-Tax distribution from FY 2014-15 to FY 2016-17. Data from Nevada Department of Taxation. "Consolidated Tax Distribution: Revenue Summary by County."

Distribution of AB 104 sales tax revenue to the City of Sparks is calculated at **7.49%** of all Washoe County AB 104 revenue.

Source: Distribution based on average percentage share of Washoe County AB104 distribution from FY 2014-15 to FY 2016-17. Data from Nevada Department of Taxation. "Local Government Tax Act Distribution."

- A State administrative fee of **1.75%** of all sales tax revenue is subtracted for State uses. Source: AB 552.

**APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS**

Base Year FY 16-17	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	10-YEAR SUBTOTAL
GENERAL FUND											
REVENUE											
Taxes											
Ad Valorem ¹	\$ 43,610	\$ 318,456	\$ 782,814	\$ 1,312,756	\$ 1,712,119	\$ 1,946,759	\$ 2,058,899	\$ 2,120,666	\$ 2,184,286	\$ 2,249,815	\$ 14,730,180
Subtotal	\$ 43,610	\$ 318,456	\$ 782,814	\$ 1,312,756	\$ 1,712,119	\$ 1,946,759	\$ 2,058,899	\$ 2,120,666	\$ 2,184,286	\$ 2,249,815	\$ 14,730,180
Licenses and Permits											
Business Licenses ³	\$ 5,878,303	\$ 33,330	\$ 99,556	\$ 176,173	\$ 229,447	\$ 261,045	\$ 277,286	\$ 285,605	\$ 294,173	\$ 302,998	\$ 1,959,612
Liquor Licenses ³	252,674	1,433	4,279	7,573	9,863	11,221	11,919	12,276	12,645	13,024	84,232
City Gaming Licenses ²	554,193	-	-	-	-	-	-	-	-	-	-
Franchise Fees ³	4,416,852	25,043	74,804	132,373	172,403	196,145	208,348	214,598	221,036	227,667	1,472,418
Nonbusiness Licenses and Permits ¹	53,249	302	902	1,596	2,078	2,365	2,512	2,587	2,665	2,745	17,751
Subtotal	\$ 11,155,271	\$ 60,108	\$ 179,541	\$ 317,715	\$ 413,791	\$ 470,775	\$ 500,064	\$ 515,066	\$ 530,518	\$ 546,434	\$ 3,534,013
Intergovernmental Revenue											
Consolidated Tax-CRRRT Revenue ⁴	Appendix 4	\$ 74,716	\$ 148,164	\$ 197,499	\$ 177,840	\$ 103,735	\$ 88,296	\$ 90,945	\$ 93,673	\$ 96,484	\$ 1,209,444
Consolidated Tax-Other Revenue ⁵	\$ 3,643,715	20,660	61,710	109,202	142,225	161,811	171,878	177,034	182,345	187,816	1,214,682
State Distributive Fund-Sales Tax ⁴	Appendix 4	5,128	10,169	13,555	12,206	7,120	6,060	6,242	6,429	6,622	83,010
State Distributive Fund-Other ⁶	Appendix 3	93	676	1,662	2,787	4,132	4,370	4,502	4,637	4,776	31,268
County Gaming Licenses ²	389,292	-	-	-	-	-	-	-	-	-	-
Other Intergovernmental Revenue ¹	551,354	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 79,936	\$ 179,668	\$ 274,426	\$ 302,035	\$ 293,431	\$ 276,798	\$ 270,605	\$ 278,723	\$ 287,085	\$ 295,697	\$ 2,538,404
Charges for Services											
Building and Zoning Fees ⁷	\$ 27,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other ⁸	2,646,746	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 2,674,051	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and Forfeits											
Fines ³	\$ 619,500	\$ -	\$ 3,513	\$ 18,566	\$ 24,181	\$ 27,511	\$ 29,222	\$ 30,099	\$ 31,002	\$ 31,932	\$ 206,519
Miscellaneous ⁷	\$ 153,669	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE TOTAL	\$ 123,546	\$ 561,744	\$ 1,247,273	\$ 1,951,073	\$ 2,443,521	\$ 2,721,843	\$ 2,858,791	\$ 2,944,555	\$ 3,032,891	\$ 3,123,878	\$ 21,009,116

**APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS**

	<u>Base Year FY 16-17</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>1ST 10-YEAR SUBTOTAL</u>
EXPENDITURES												
General Government												
Legislative ⁹	\$ 438,791	\$ 312	\$ 2,623	\$ 5,885	\$ 9,002	\$ 11,126	\$ 12,370	\$ 13,019	\$ 13,401	\$ 13,794	\$ 14,200	\$ 95,731
Mayor ⁹	109,556	78	655	1,469	2,248	2,778	3,088	3,250	3,346	3,444	3,545	23,902
Management Services ⁹	5,966,619	4,238	35,668	80,026	122,413	151,284	168,203	177,027	182,222	187,573	193,084	1,301,738
Legal ⁹	1,617,935	1,149	9,672	21,700	33,194	41,023	45,611	48,003	49,412	50,863	52,357	352,985
Financial Services ⁹	3,044,757	2,163	18,201	40,837	62,467	77,200	85,834	90,337	92,988	95,718	98,530	664,275
Community Services ⁹	1,032,879	734	6,175	13,853	21,191	26,189	29,118	30,645	31,544	32,471	33,425	225,343
General Government Total	\$ 12,210,537	\$ 8,673	\$ 72,994	\$ 163,772	\$ 250,515	\$ 309,599	\$ 344,223	\$ 362,282	\$ 372,913	\$ 383,862	\$ 395,141	\$ 2,663,974
Judicial												
Judicial ¹⁰	\$ 2,123,457	\$ -	\$ 12,040	\$ 35,963	\$ 63,640	\$ 82,885	\$ 94,299	\$ 100,166	\$ 103,171	\$ 106,266	\$ 109,454	\$ 707,883
Judicial Total	\$ -	\$ -	\$ 12,040	\$ 35,963	\$ 63,640	\$ 82,885	\$ 94,299	\$ 100,166	\$ 103,171	\$ 106,266	\$ 109,454	\$ 707,883
Public Safety												
Police												
Police ¹¹	Appendix 7	\$ -	\$ 97,306	\$ 322,159	\$ 545,844	\$ 701,378	\$ 793,628	\$ 841,043	\$ 865,329	\$ 890,344	\$ 916,109	\$ 5,973,138
Fire												
Fire ¹²	Appendix 8	\$ 33,979	\$ 101,495	\$ 179,605	\$ 233,917	\$ 266,131	\$ 282,688	\$ 291,169	\$ 299,904	\$ 308,901	\$ 318,168	\$ 2,315,956
Community Services												
Community Services ¹³	\$ 1,277,098	\$ -	\$ 29,313	\$ 30,193	\$ 31,098	\$ 32,031	\$ 32,992	\$ 33,982	\$ 35,001	\$ 36,051	\$ 37,133	\$ 297,795
Public Safety Total	\$ 33,979	\$ 228,114	\$ 531,957	\$ 810,860	\$ 999,540	\$ 1,109,308	\$ 1,166,193	\$ 1,235,296	\$ 1,271,409	\$ 1,271,409	\$ 1,271,409	\$ 8,586,889
Public Works												
Community Services ¹⁴	\$ 1,480,919	\$ -	\$ 33,991	\$ 35,011	\$ 36,061	\$ 37,143	\$ 38,258	\$ 39,405	\$ 40,588	\$ 41,805	\$ 43,059	\$ 345,322
Public Works Total	\$ -	\$ -	\$ 33,991	\$ 35,011	\$ 36,061	\$ 37,143	\$ 38,258	\$ 39,405	\$ 40,588	\$ 41,805	\$ 43,059	\$ 345,322
Culture and Recreation												
Community Services ¹⁰	\$ 2,883,027	\$ -	\$ 16,347	\$ 48,827	\$ 86,405	\$ 112,533	\$ 128,030	\$ 135,996	\$ 140,075	\$ 144,278	\$ 148,606	\$ 961,096
Culture and Recreation Total	\$ -	\$ -	\$ 16,347	\$ 48,827	\$ 86,405	\$ 112,533	\$ 128,030	\$ 135,996	\$ 140,075	\$ 144,278	\$ 148,606	\$ 961,096

APPENDIX 6 CITY OF SPARKS COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS												
Base Year FY 16-17	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	1ST 10-YEAR SUBTOTAL	
Community Support												
Management Services ⁹	\$ 268,707	\$ 191	\$ 1,606	\$ 3,604	\$ 5,513	\$ 6,813	\$ 7,575	\$ 7,972	\$ 8,206	\$ 8,447	\$ 8,696	\$ 58,624
Community Support Total	\$ 191	\$ 1,606	\$ 3,604	\$ 5,513	\$ 6,813	\$ 7,575	\$ 7,972	\$ 8,206	\$ 8,447	\$ 8,696	\$ 58,624	
EXPENDITURES SUBTOTAL	\$ 42,843	\$ 365,093	\$ 819,135	\$ 1,252,994	\$ 1,548,513	\$ 1,721,693	\$ 1,812,014	\$ 1,865,186	\$ 1,919,954	\$ 1,976,365	\$ 13,323,789	
CONTINGENCY	3%	\$ 1,285	\$ 10,953	\$ 24,574	\$ 37,590	\$ 46,455	\$ 54,360	\$ 55,956	\$ 57,599	\$ 59,291	\$ 399,714	
EXPENDITURES TOTAL	\$ 44,128	\$ 376,045	\$ 843,709	\$ 1,290,583	\$ 1,594,968	\$ 1,773,344	\$ 1,866,374	\$ 1,921,142	\$ 1,977,553	\$ 2,035,656	\$ 13,723,503	
GENERAL FUND SURPLUS/(DEFICIT)	\$ 79,418	\$ 185,699	\$ 403,565	\$ 660,489	\$ 848,553	\$ 948,500	\$ 992,417	\$ 1,023,413	\$ 1,055,339	\$ 1,088,222	\$ 7,285,613	
ROAD FUND												
REVENUE												
Licenses and Permits												
Licenses and Permits ^{10,11}	\$ 1,609,563	\$ -	\$ 9,126	\$ 27,260	\$ 48,239	\$ 62,826	\$ 71,478	\$ 75,925	\$ 78,203	\$ 80,549	\$ 82,965	\$ 536,570
Subtotal	\$ -	\$ -	\$ 9,126	\$ 27,260	\$ 48,239	\$ 62,826	\$ 71,478	\$ 75,925	\$ 78,203	\$ 80,549	\$ 82,965	\$ 536,570
Intergovernmental Revenues												
County Gasoline Tax ³	\$ 665,250	\$ -	\$ 3,772	\$ 11,267	\$ 19,938	\$ 25,967	\$ 29,543	\$ 31,381	\$ 32,322	\$ 33,292	\$ 34,290	\$ 221,770
State Gasoline Tax ⁷	1,793,365	-	10,168	30,373	53,747	70,000	79,640	84,595	87,133	89,747	92,439	597,843
Subtotal	2,458,615	\$ -	\$ 13,940	\$ 41,639	\$ 73,685	\$ 95,967	\$ 109,183	\$ 115,976	\$ 119,455	\$ 123,038	\$ 126,730	\$ 819,613
Miscellaneous												
Interest Earned ¹	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE TOTAL	\$ -	\$ 23,066	\$ 68,899	\$ 121,924	\$ 158,793	\$ 180,661	\$ 191,900	\$ 197,657	\$ 203,587	\$ 209,695	\$ 1,356,182	
EXPENDITURES												
Public Works ¹⁶	Appendix 9	\$ 537	\$ 1,221,784	\$ 1,222,151	\$ 1,223,732	\$ 1,225,550	\$ 1,227,800	\$ 1,229,791	\$ 1,229,983	\$ 1,230,180	\$ 1,230,380	\$ 11,041,888
EXPENDITURES SUBTOTAL	\$ 537	\$ 1,221,784	\$ 1,222,151	\$ 1,223,732	\$ 1,225,550	\$ 1,227,800	\$ 1,229,791	\$ 1,229,983	\$ 1,230,180	\$ 1,230,380	\$ 11,041,888	
CONTINGENCY	0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES TOTAL	\$ 537	\$ 1,221,784	\$ 1,222,151	\$ 1,223,732	\$ 1,225,550	\$ 1,227,800	\$ 1,229,791	\$ 1,229,983	\$ 1,230,180	\$ 1,230,380	\$ 11,041,888	
ROAD FUND SURPLUS/(DEFICIT)	\$ (537)	\$ (1,198,718)	\$ (1,153,252)	\$ (1,101,808)	\$ (1,066,757)	\$ (1,047,140)	\$ (1,037,890)	\$ (1,032,326)	\$ (1,026,593)	\$ (1,020,685)	\$ (9,685,706)	

**APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS**

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	10-YEAR SUBTOTAL	20-YEAR TOTAL
GENERAL FUND												
REVENUE												
Taxes												
Ad Valorem ¹	\$ 2,317,309	\$ 2,386,829	\$ 2,458,433	\$ 2,532,186	\$ 2,608,152	\$ 2,686,397	\$ 2,766,988	\$ 2,849,998	\$ 2,935,498	\$ 3,023,563	\$ 26,565,354	\$ 41,295,534
Subtotal	\$ 2,317,309	\$ 2,386,829	\$ 2,458,433	\$ 2,532,186	\$ 2,608,152	\$ 2,686,397	\$ 2,766,988	\$ 2,849,998	\$ 2,935,498	\$ 3,023,563	\$ 26,565,354	\$ 41,295,534
Licenses and Permits												
Business Licenses ³	\$ 312,088	\$ 321,450	\$ 331,094	\$ 341,027	\$ 351,258	\$ 361,795	\$ 372,649	\$ 383,829	\$ 395,343	\$ 407,204	\$ 3,577,737	\$ 5,537,349
Liquor Licenses ³	13,415	13,817	14,232	14,659	15,099	15,551	16,018	16,499	16,994	17,503	153,786	238,018
City Gaming Licenses ²	-	-	-	-	-	-	-	-	-	-	-	-
Franchise Fees ³	234,497	241,532	248,778	256,241	263,929	271,847	280,002	288,402	297,054	305,966	2,688,248	4,160,665
Nonbusiness Licenses and Permits ³	2,827	2,912	2,999	3,089	3,182	3,277	3,376	3,477	3,581	3,689	32,409	50,160
Subtotal	\$ 562,827	\$ 579,712	\$ 597,103	\$ 615,016	\$ 633,467	\$ 652,471	\$ 672,045	\$ 692,206	\$ 712,972	\$ 734,361	\$ 6,452,180	\$ 9,986,193
Intergovernmental Revenue												
Consolidated Tax-CCRT Revenue ⁴	\$ 99,378	\$ 102,359	\$ 105,430	\$ 108,593	\$ 111,851	\$ 115,206	\$ 118,663	\$ 122,223	\$ 125,889	\$ 129,666	\$ 1,139,259	\$ 2,348,703
Consolidated Tax-Other Revenue ⁵	193,450	199,254	205,231	211,388	217,730	224,262	230,990	237,919	245,057	252,409	2,217,690	3,432,371
State Distributive Fund-Sales Tax ⁴	6,821	7,025	7,236	7,453	7,677	7,907	8,144	8,389	8,640	8,900	78,193	161,203
State Distributive Fund-Other ⁶	4,919	5,067	5,219	5,375	5,536	5,702	5,874	6,050	6,231	6,418	56,390	87,658
County Gaming Licenses ²	-	-	-	-	-	-	-	-	-	-	-	-
Other Intergovernmental Revenue ⁷	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 304,568	\$ 313,705	\$ 323,116	\$ 332,810	\$ 342,794	\$ 353,078	\$ 363,670	\$ 374,580	\$ 385,818	\$ 397,392	\$ 3,491,531	\$ 6,029,935
Charges for Services												
Building and Zoning Fees ⁷	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other ⁸	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and Forfeits												
Fines ³	\$ 32,890	\$ 33,877	\$ 34,893	\$ 35,940	\$ 37,018	\$ 38,129	\$ 39,273	\$ 40,451	\$ 41,664	\$ 42,914	\$ 377,049	\$ 583,568
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous ⁷	-	-	-	-	-	-	-	-	-	-	-	-
REVENUE TOTAL	\$ 3,217,594	\$ 3,314,122	\$ 3,413,546	\$ 3,515,952	\$ 3,621,431	\$ 3,730,074	\$ 3,841,976	\$ 3,957,235	\$ 4,075,952	\$ 4,198,231	\$ 36,886,114	\$ 57,895,230

**APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS**

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	10-YEAR SUBTOTAL	20-YEAR TOTAL
EXPENDITURES												
General Government												
Legislative ⁹	\$ 14,617	\$ 15,047	\$ 15,490	\$ 15,946	\$ 16,416	\$ 16,900	\$ 17,398	\$ 17,912	\$ 18,440	\$ 18,985	\$ 167,151	\$ 262,882
Mayor ⁹	3,650	3,757	3,867	3,981	4,099	4,219	4,344	4,472	4,604	4,740	41,734	65,636
Management Services ⁹	198,760	204,607	210,629	216,832	223,221	229,801	236,579	243,561	250,751	258,158	2,272,899	3,574,637
Legal ⁹	53,897	55,482	57,115	58,797	60,530	62,314	64,152	66,045	67,995	70,003	616,329	969,314
Financial Services ⁹	101,427	104,411	107,484	110,649	113,909	117,267	120,726	124,289	127,958	131,738	1,159,857	1,824,132
Community Services ⁹	34,407	35,419	36,462	37,536	38,642	39,781	40,954	42,163	43,407	44,690	393,461	618,804
General Government Total	\$ 406,758	\$ 418,723	\$ 431,047	\$ 443,741	\$ 456,816	\$ 470,283	\$ 484,154	\$ 498,441	\$ 513,156	\$ 528,314	\$ 4,651,430	\$ 7,315,405
Judicial												
Judicial ¹⁰	\$ 112,737	\$ 116,120	\$ 119,603	\$ 123,191	\$ 126,887	\$ 130,694	\$ 134,614	\$ 138,653	\$ 142,812	\$ 147,097	\$ 1,292,409	\$ 2,000,292
Judicial Total	\$ 112,737	\$ 116,120	\$ 119,603	\$ 123,191	\$ 126,887	\$ 130,694	\$ 134,614	\$ 138,653	\$ 142,812	\$ 147,097	\$ 1,292,409	\$ 2,000,292
Public Safety												
Police	\$ 942,647	\$ 969,981	\$ 998,135	\$ 1,027,134	\$ 1,057,003	\$ 1,087,768	\$ 1,119,456	\$ 1,152,094	\$ 1,185,712	\$ 1,220,338	\$ 10,760,267	\$ 16,733,405
Police ¹¹												
Fire	\$ 327,713	\$ 337,544	\$ 347,671	\$ 358,101	\$ 368,844	\$ 379,909	\$ 391,306	\$ 403,045	\$ 415,137	\$ 427,591	\$ 3,756,860	\$ 6,072,816
Fire ¹²												
Community Services	\$ 38,247	\$ 39,394	\$ 40,576	\$ 41,793	\$ 43,047	\$ 44,339	\$ 45,669	\$ 47,039	\$ 48,450	\$ 49,904	\$ 438,459	\$ 736,254
Community Services ¹³												
Public Safety Total	\$ 1,308,606	\$ 1,346,919	\$ 1,386,382	\$ 1,427,028	\$ 1,468,894	\$ 1,512,015	\$ 1,556,431	\$ 1,602,178	\$ 1,649,299	\$ 1,697,832	\$ 14,955,585	\$ 23,542,475
Public Works												
Community Services ¹⁴	\$ 44,351	\$ 45,682	\$ 47,052	\$ 48,464	\$ 49,918	\$ 51,415	\$ 52,957	\$ 54,546	\$ 56,183	\$ 57,868	\$ 508,435	\$ 853,757
Public Works Total	\$ 44,351	\$ 45,682	\$ 47,052	\$ 48,464	\$ 49,918	\$ 51,415	\$ 52,957	\$ 54,546	\$ 56,183	\$ 57,868	\$ 508,435	\$ 853,757
Culture and Recreation												
Community Services ¹⁰	\$ 153,064	\$ 157,656	\$ 162,386	\$ 167,257	\$ 172,275	\$ 177,443	\$ 182,767	\$ 188,250	\$ 193,897	\$ 199,714	\$ 1,754,709	\$ 2,715,805
Culture and Recreation Total	\$ 153,064	\$ 157,656	\$ 162,386	\$ 167,257	\$ 172,275	\$ 177,443	\$ 182,767	\$ 188,250	\$ 193,897	\$ 199,714	\$ 1,754,709	\$ 2,715,805

**APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS**

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	10-YEAR SUBTOTAL	20-YEAR TOTAL
Community Support												
Management Services ⁹	\$ 8,951	\$ 9,214	\$ 9,486	\$ 9,765	\$ 10,053	\$ 10,349	\$ 10,654	\$ 10,969	\$ 11,293	\$ 11,626	\$ 102,360	\$ 160,984
Community Support Total	\$ 8,951	\$ 9,214	\$ 9,486	\$ 9,765	\$ 10,053	\$ 10,349	\$ 10,654	\$ 10,969	\$ 11,293	\$ 11,626	\$ 102,360	\$ 160,984
EXPENDITURES SUBTOTAL	\$ 2,034,468	\$ 2,094,314	\$ 2,155,956	\$ 2,219,446	\$ 2,284,842	\$ 2,352,199	\$ 2,421,577	\$ 2,493,037	\$ 2,566,640	\$ 2,642,451	\$ 23,264,929	\$ 36,588,718
CONTINGENCY	\$ 61,034	\$ 62,829	\$ 64,679	\$ 66,583	\$ 68,545	\$ 70,566	\$ 72,647	\$ 74,791	\$ 76,999	\$ 79,274	\$ 697,948	\$ 1,097,662
EXPENDITURES TOTAL	\$ 2,095,502	\$ 2,157,143	\$ 2,220,634	\$ 2,286,030	\$ 2,353,387	\$ 2,422,765	\$ 2,494,224	\$ 2,567,828	\$ 2,643,639	\$ 2,721,724	\$ 23,962,877	\$ 37,686,379
GENERAL FUND SURPLUS/(DEFICIT)	\$ 1,122,092	\$ 1,156,979	\$ 1,192,912	\$ 1,229,923	\$ 1,268,044	\$ 1,307,309	\$ 1,347,752	\$ 1,389,408	\$ 1,432,313	\$ 1,476,506	\$ 12,923,237	\$ 20,208,850
ROAD FUND												
REVENUE												
Licenses and Permits	\$ 85,454	\$ 88,018	\$ 90,658	\$ 93,378	\$ 96,179	\$ 99,065	\$ 102,037	\$ 105,098	\$ 108,251	\$ 111,498	\$ 979,635	\$ 1,516,205
Licenses and Permits ^{10,11}	\$ 85,454	\$ 88,018	\$ 90,658	\$ 93,378	\$ 96,179	\$ 99,065	\$ 102,037	\$ 105,098	\$ 108,251	\$ 111,498	\$ 979,635	\$ 1,516,205
Subtotal	\$ 85,454	\$ 88,018	\$ 90,658	\$ 93,378	\$ 96,179	\$ 99,065	\$ 102,037	\$ 105,098	\$ 108,251	\$ 111,498	\$ 979,635	\$ 1,516,205
Intergovernmental Revenues												
County Gasoline Tax ³	\$ 35,319	\$ 36,379	\$ 37,470	\$ 38,594	\$ 39,752	\$ 40,945	\$ 42,173	\$ 43,438	\$ 44,741	\$ 46,083	\$ 404,894	\$ 626,664
State Gasoline Tax ⁵	95,212	98,069	101,011	104,041	107,162	110,377	113,689	117,099	120,612	124,231	1,091,503	1,689,346
Subtotal	\$ 130,532	\$ 134,447	\$ 138,481	\$ 142,635	\$ 146,914	\$ 151,322	\$ 155,861	\$ 160,537	\$ 165,353	\$ 170,314	\$ 1,496,397	\$ 2,316,010
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Earned ⁷	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE TOTAL	\$ 215,986	\$ 222,465	\$ 229,139	\$ 236,013	\$ 243,094	\$ 250,386	\$ 257,898	\$ 265,635	\$ 273,604	\$ 281,812	\$ 2,476,033	\$ 3,832,215
EXPENDITURES												
Public Works ¹⁶	\$ 1,230,584	\$ 1,230,793	\$ 1,231,005	\$ 1,231,222	\$ 1,231,443	\$ 1,231,669	\$ 1,231,899	\$ 1,232,134	\$ 1,232,373	\$ 1,232,617	\$ 12,315,739	\$ 23,357,627
EXPENDITURES SUBTOTAL	\$ 1,230,584	\$ 1,230,793	\$ 1,231,005	\$ 1,231,222	\$ 1,231,443	\$ 1,231,669	\$ 1,231,899	\$ 1,232,134	\$ 1,232,373	\$ 1,232,617	\$ 12,315,739	\$ 23,357,627
CONTINGENCY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES TOTAL	\$ 1,230,584	\$ 1,230,793	\$ 1,231,005	\$ 1,231,222	\$ 1,231,443	\$ 1,231,669	\$ 1,231,899	\$ 1,232,134	\$ 1,232,373	\$ 1,232,617	\$ 12,315,739	\$ 23,357,627
ROAD FUND SURPLUS/(DEFICIT)	\$ (1,014,598)	\$ (1,008,327)	\$ (1,001,866)	\$ (995,208)	\$ (988,349)	\$ (981,282)	\$ (974,000)	\$ (966,498)	\$ (958,768)	\$ (950,805)	\$ (9,839,706)	\$ (19,525,412)

**APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS**

APPENDIX 6. ASSUMPTIONS:

Unless otherwise indicated, the analysis uses Estimated Current Year Ending 6/30/2017 (Fiscal Year 2016-2017) revenue and expenditure data from the City of Sparks Budget, FY 2017-18.

- 1 See Appendix 3 for calculations.
- 2 The analysis is conservative in not estimating the increase in some Sparks business-related revenues resulting from new residents of the development, though this increase is expected to occur.
- 3 ACM: Revenues are calculated based on estimated FY 2016-17 City of Sparks estimated per capita revenues inflated 3% annually and applied to the estimated annual population of the Project. Per capita revenue is calculated by dividing FY 2016-17 revenue for each source by City of Sparks FY 2016-17 population of 93,581 Source: City of Sparks Budget FY 2017-18.
- 4 See Appendix 4 for calculations.
- 5 In addition to CCRT revenue, Consolidated tax for the City includes revenue from Real Property Transfer Tax, GST (MVPT), Cigarette and Liquor taxes. A per capita methodology as explained in footnote 3 is applied to estimate this revenue. Total Washoe County revenues from liquor, cigarette and GST (analysis conservatively does not include RPTT as it is not a recurring revenue) sources totaled \$ 30,048,968 in FY 2016-2017. City of Sparks is estimated to receive 12.13% of all County C-tax revenue. As a result, the City's portion of GST revenue is estimated at \$ 3,643,715 and the ACM is applied to this amount.
Source: Nevada Department of Taxation. "Consolidated Tax Distribution." City of Sparks portion of C-tax revenue is based on a three-year average data for FY 2014-15 to FY 2016-17.
- 6 In addition to sales tax revenue, AB 104 revenue for the City includes revenue from property, gaming, and RPTT taxes and interest. Analysis is conservative in not estimating gaming, RPTT, and interest revenue. Property tax revenue is estimated in Appendix 3.
- 7 Though the project may generate revenue for the City from these sources, the amount is difficult to estimate and/or expected to be minimal.
- 8 Charges for services for the City include inter-department and inter-fund transfers, which, though impacted, may be difficult to estimate. Some charges for services revenue, such as false alarms may be generated by the project, but again are difficult to estimate.
- 9 Administrative service (indirect) costs assumed to be impacted by the project are calculated at 25.7% of direct service costs.
Source: Average percent indirect costs of direct costs for FY 2016-17. Source: City of Sparks Budget, FY 2017-18.
- 10 ACM: Expenditures are calculated based on estimated FY 2016-17 City of Sparks budget per capita costs inflated 3% annually and applied to estimated annual population of the Project. Per capita costs are calculated by dividing FY 2016-17 costs for each source by City of Sparks FY 2016-17 population of 93,581 Source: City of Sparks Budget FY 2017-18.
- 11 See Appendix 7 for calculations and assumptions.
- 12 See Appendix 8 for calculations and assumptions.
- 13 Expenditures for the Public Safety source include traffic signals, signs and other public safety items. Costs associated with these services are estimated by dividing total expenditures for this source of \$ 1,277,098 by the total square feet of City of Sparks streets of 67,541,767 and applying to the number of square feet added by the development of 1,337,285 inflated 3% annually. Source: Expenditures from City of Sparks budget FY 2017-18, City of Sparks streets inventory from City of Sparks Community Services Department.
- 14 Expenditures for the Public Works source include Public Works administrative and facility maintenance costs. Costs associated with these services are estimated by dividing total expenditures for this source of \$ 1,480,919 by the total square feet of City of Sparks streets of 67,541,767 and applying to the number of square feet added by the development of 1,337,285 inflated 3% annually. Source: Expenditures from City of Sparks budget FY 2017-18, City of Sparks streets inventory from City of Sparks Community Services Department.
- 15 Analysis uses FY 2017-18 amount (instead of FY 2016-17) as it includes the shift of franchise revenues from the Road Fund to the Park & Recreation Project Fund.
- 16 See Appendix 9 for calculation and assumptions.

**APPENDIX 7
CITY OF SPARKS
POLICE DEPARTMENT COST PROJECTIONS**

<u>YEAR</u>	<u>CUMUL. NEW RESIDENTIAL POPULATION</u>	<u>OFFICERS REQUIRED RESIDENTIAL</u>	<u>OFFICERS REQUIRED COMMERCIAL</u>	<u>OFFICERS REQUIRED TOTAL</u>	<u>CIVILIANS REQUIRED</u>	<u>SALARY/ BENEFITS</u>	<u>SERVICES/ SUPPLIES</u>	<u>ANNUALIZED VEHICLE COSTS</u>	<u>TOTAL COST</u>
2021	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
2022	458	0.69	-	0.69	0.23	94,011	3,295	-	97,306
2023	1,327	1.99	-	1.99	0.66	280,812	9,841	31,506	322,159
2024	2,280	3.42	-	3.42	1.14	496,923	17,415	31,506	545,844
2025	2,884	4.33	-	4.33	1.44	647,190	22,681	31,506	701,378
2026	3,185	4.78	-	4.78	1.59	736,317	25,805	31,506	793,628
2027	3,285	4.93	-	4.93	1.64	782,126	27,410	31,506	841,043
2028	3,285	4.93	-	4.93	1.64	805,590	28,232	31,506	865,329
2029	3,285	4.93	-	4.93	1.64	829,758	29,079	31,506	890,344
2030	3,285	4.93	-	4.93	1.64	854,651	29,952	31,506	916,109
2031	3,285	4.93	-	4.93	1.64	880,290	30,850	31,506	942,647
2032	3,285	4.93	-	4.93	1.64	906,699	31,776	31,506	969,981
2033	3,285	4.93	-	4.93	1.64	933,900	32,729	31,506	998,135
2034	3,285	4.93	-	4.93	1.64	961,917	33,711	31,506	1,027,134
2035	3,285	4.93	-	4.93	1.64	990,774	34,722	31,506	1,057,003
2036	3,285	4.93	-	4.93	1.64	1,020,497	35,764	31,506	1,087,768
2037	3,285	4.93	-	4.93	1.64	1,051,112	36,837	31,506	1,119,456
2038	3,285	4.93	-	4.93	1.64	1,082,646	37,942	31,506	1,152,094
2039	3,285	4.93	-	4.93	1.64	1,115,125	39,080	31,506	1,185,712
2040	3,285	4.93	-	4.93	1.64	1,148,579	40,253	31,506	1,220,338
TOTAL						\$ 15,618,917	\$ 547,376	\$ 567,112	\$ 16,733,405

APPENDIX 7, ASSUMPTIONS:

- Population estimates are shown in Appendix 2 of the report.
- For the residential portion of the analysis, uniformed officer positions are estimated at 1.5 positions per 1,000 population. For non-uniformed positions, a ratio of 0.5 positions for every three uniformed positions, is used. Source: City of Sparks Police Department.
- No officers for commercial uses are estimated, as these uses are not expected.
- The following City of Sparks salary information is used to estimate operating costs, inflated 3% annually.

<u>FY 2017-18</u>	<u>Salary Range</u>		
	<u>Low</u>	<u>High</u>	<u>Average</u>
Police Officer \$	51,730	\$ 67,371	\$ 59,550
Sergeant	73,112	87,734	80,423
Crime Analyst	55,245	70,512	62,878
Records Technician	45,510	57,990	51,750
Police Office Assistant	34,070	43,368	38,719
GT/IT Support Specialist	44,866	57,179	51,022
Dispatcher	43,368	55,245	49,306
Weighted Average Officers \$	54,402	\$ 69,917	\$ 62,160
Weighted Average Civilians \$	40,351	\$ 51,396	\$ 45,873

Source: "Online Jobs Page." City of Sparks Human Resources.

- Benefits costs are calculated at 57.1% of salaries.
- Services/Supplies costs calculated at 3.5% of salaries and benefits. Source: Three-year average FY 2015-16 through FY 2017-18 from City of Sparks Budget FY 2017-18.
- One police vehicle is added for every 3 uniformed positions. The 2017 cost of a fully-equipped vehicle is \$70,000 inflated 3% annually. Life of vehicle is 5 years and the analysis includes vehicle replacement costs with no salvage value. Source: City of Sparks Police Department.

**APPENDIX 8
CITY OF SPARKS
FIRE DEPARTMENT COST PROJECTIONS**

<u>YEAR</u>	<u>CUMUL. # OF UNITS</u>	<u>RESIDENTIAL CFS*</u>	<u>COMMERCIAL CFS</u>	<u>TOTAL CFS*</u>	<u>ESTIMATED COST/CFS</u>	<u>TOTAL EXPENSES</u>
2021	170	20.49	0.00	20.49	\$ 1,658	\$ 33,979
2022	493	59.42	0.00	59.42	1,708	101,495
2023	847	102.09	0.00	102.09	1,759	179,605
2024	1,071	129.09	0.00	129.09	1,812	233,917
2025	1,183	142.59	0.00	142.59	1,866	266,131
2026	1,220	147.05	0.00	147.05	1,922	282,688
2027	1,220	147.05	0.00	147.05	1,980	291,169
2028	1,220	147.05	0.00	147.05	2,039	299,904
2029	1,220	147.05	0.00	147.05	2,101	308,901
2030	1,220	147.05	0.00	147.05	2,164	318,168
2031	1,220	147.05	0.00	147.05	2,229	327,713
2032	1,220	147.05	0.00	147.05	2,295	337,544
2033	1,220	147.05	0.00	147.05	2,364	347,671
2034	1,220	147.05	0.00	147.05	2,435	358,101
2035	1,220	147.05	0.00	147.05	2,508	368,844
2036	1,220	147.05	0.00	147.05	2,584	379,909
2037	1,220	147.05	0.00	147.05	2,661	391,306
2038	1,220	147.05	0.00	147.05	2,741	403,045
2039	1,220	147.05	0.00	147.05	2,823	415,137
2040	1,220	147.05	0.00	147.05	2,908	427,591
TOTAL					\$	6,072,816

*CFS-calls for service.

APPENDIX 8, ASSUMPTIONS:

1. Number of residential units from Appendix I. Analysis includes all units, not just occupied units, for Fire Department impacts.
2. Residential calls for service are estimated using average cfs per unit data for single-family residential properties between FY 2011-12 and FY 2015-16 estimated at **0.12** cfs. Source: City of Sparks Fire Department and Washoe County Assessor's Office parcel data for number of single-family units.
3. Commercial calls for service are not estimated, as the project is not expected to add these uses.
4. Costs to provide services to the development are estimated at **\$ 1,430.44** per call for service. This is estimated using total fire expenditures between FY 2011-12 and FY 2015-16 divided by total calls for service during this period. This includes costs for Administration, Emergency Services, and Training and Safety. Estimated costs are inflated 3% annually.

APPENDIX 9 CITY OF SPARKS STREET MAINTENANCE COST PROJECTIONS														
YEAR	MAINTENANCE										REPAIR			TOTAL MAINT. COST
	ADDED SQUARE FEET	ADDED LINEAR FEET	SEWER CLEANING COST	CATCH BASIN COST	STREET SWEEP COST	STREET STRIPING COST	TOTAL COST	SLURRY/ CRACK SEAL COST	3 INCH OVERLAY COST	ROAD REHAB COST	TOTAL ANNUALIZED COST			
2021	234,260	6,890	\$ -	\$ -	537	\$ -	\$ 537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 537	
2022	151,025	4,315	895	9	343	373	1,620	-	-	-	1,220,164	-	1,221,784	
2023	190,400	5,440	572	6	791	619	1,987	-	-	-	1,220,164	-	1,222,151	
2024	208,250	5,950	1,318	14	1,298	937	3,568	-	-	-	1,220,164	-	1,223,732	
2025	239,050	6,830	2,165	23	1,900	1,298	5,385	-	-	-	1,220,164	-	1,225,550	
2026	314,300	8,980	3,168	33	2,711	1,724	7,636	101,555	-	-	1,220,164	-	1,227,800	
2027	-	-	4,520	47	2,765	2,295	9,626	103,586	-	-	1,220,164	-	1,229,791	
2028	-	-	4,610	48	2,820	2,341	9,819	105,658	-	-	1,220,164	-	1,229,983	
2029	-	-	4,702	49	2,877	2,388	10,015	107,771	-	-	1,220,164	-	1,230,180	
2030	-	-	4,796	50	2,934	2,435	10,216	109,926	-	-	1,220,164	-	1,230,380	
2031	-	-	4,892	51	2,993	2,484	10,420	112,125	1,210,949	-	1,220,164	-	1,230,584	
2032	-	-	4,990	52	3,053	2,534	10,628	-	796,300	-	1,220,164	-	1,230,793	
2033	-	-	5,090	53	3,114	2,584	10,841	-	1,023,988	-	1,220,164	-	1,231,005	
2034	-	-	5,192	54	3,176	2,636	11,058	-	1,142,387	-	1,220,164	-	1,231,222	
2035	-	-	5,295	55	3,239	2,689	11,279	121,368	1,337,572	-	1,220,164	-	1,231,443	
2036	-	-	5,401	56	3,304	2,743	11,504	123,795	1,793,796	-	1,220,164	-	1,231,669	
2037	-	-	5,509	57	3,370	2,797	11,735	126,271	-	-	1,220,164	-	1,231,899	
2038	-	-	5,620	59	3,438	2,853	11,969	128,796	-	-	1,220,164	-	1,232,134	
2039	-	-	5,732	60	3,506	2,910	12,209	131,372	-	-	1,220,164	-	1,232,373	
2040	-	-	5,847	61	3,577	2,969	12,453	134,000	-	14,471,908	1,220,164	-	1,232,617	
TOTAL	1,337,285	38,405	\$ 80,314	\$ 837	\$ 51,745	\$ 41,608	\$ 174,504	\$ 1,406,223	\$ 7,304,992	\$ 14,471,908	\$ 23,183,122	\$ 23,357,627		

APPENDIX 9, ASSUMPTIONS:

1. The development is projected to construct approximately 38,405 linear feet or 1,337,285 square feet of streets to be dedicated to the City for maintenance in the year shown above.

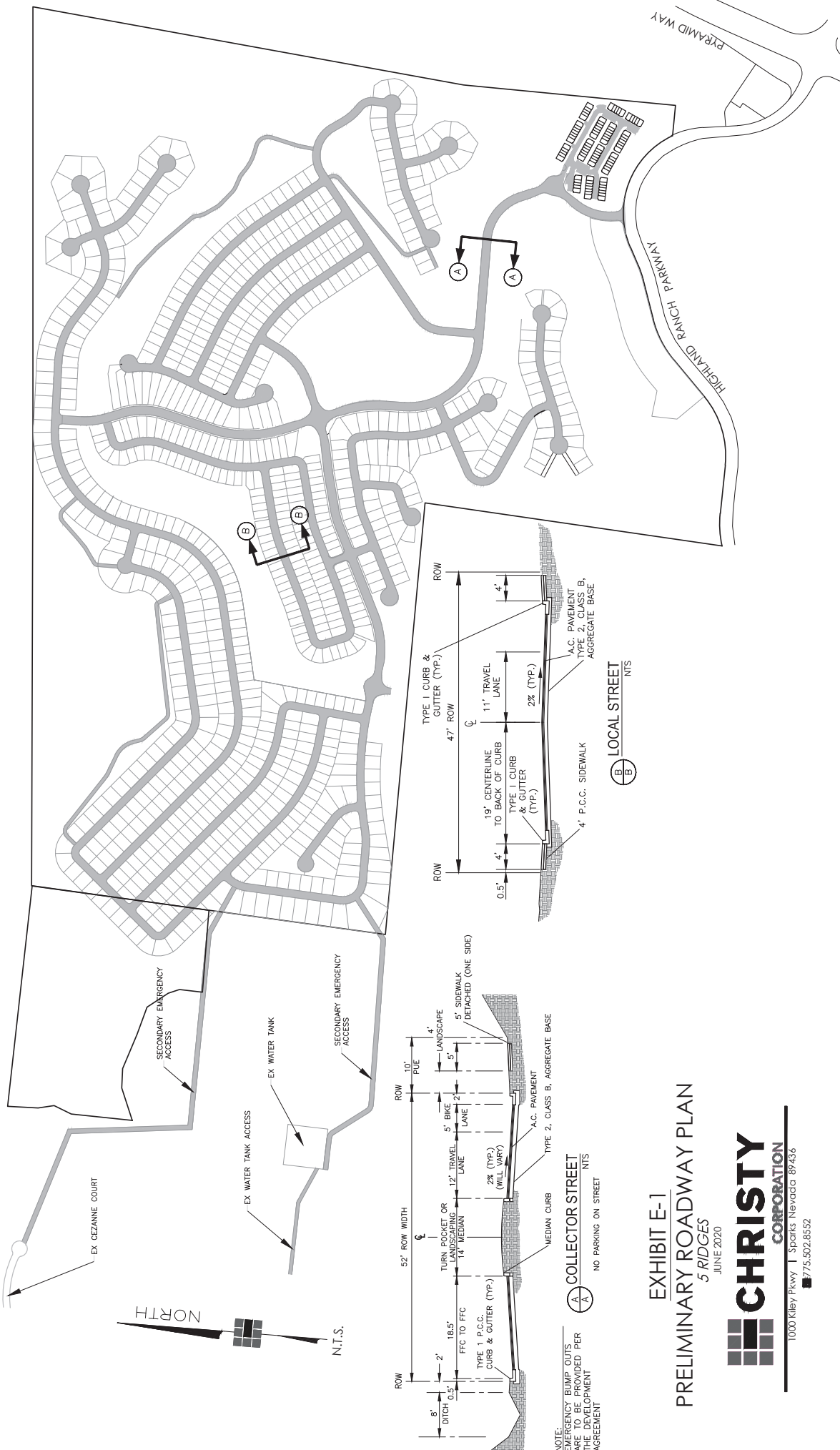
**APPENDIX 9
CITY OF SPARKS
STREET MAINTENANCE COST PROJECTIONS**

2. The following street maintenance costs are used to estimate the impact of the development's streets on the City:

Item	Frequency	Cost
Slurry/Crack Seal	Year 5 & 15	\$0.37 per square foot
3 Inch Overlay	10 years	\$4.00 per square foot
Road Rehabilitation	20 years	\$7.00 per square foot
Sewer Cleaning	1.5 years	\$0.18 per linear foot
Catch Basin Cleaning	1.75 years	\$11.56 per mile
Street Sweeping	30 days	\$32.30 per mile
Striping	1 year	\$0.05 per linear foot

Costs are inflated 2% annually. Source: City of Sparks Community Services Department. Estimated repair (extraordinary maintenance) costs are annualized by taking the total estimated costs over the 20-year period and dividing by 20 years. Note: 2/3 of the cost is added annually. Note: 3/5 of the cost is added annually. Note: cost is multiplied by 12 annually.

EXHIBIT E



NOTE:
EMERGENCY BUMP OUTS
ARE TO BE PROVIDED PER
DEVELOPMENT
AGREEMENT



COLLECTOR STREET
NTS
NO PARKING ON STREET



LOCAL STREET
NTS

EXHIBIT E-1
PRELIMINARY ROADWAY PLAN
5 RIDGES
JUNE 2020



1000 Riley Pkwy | Sparks, Nevada 89436
775-502.8552

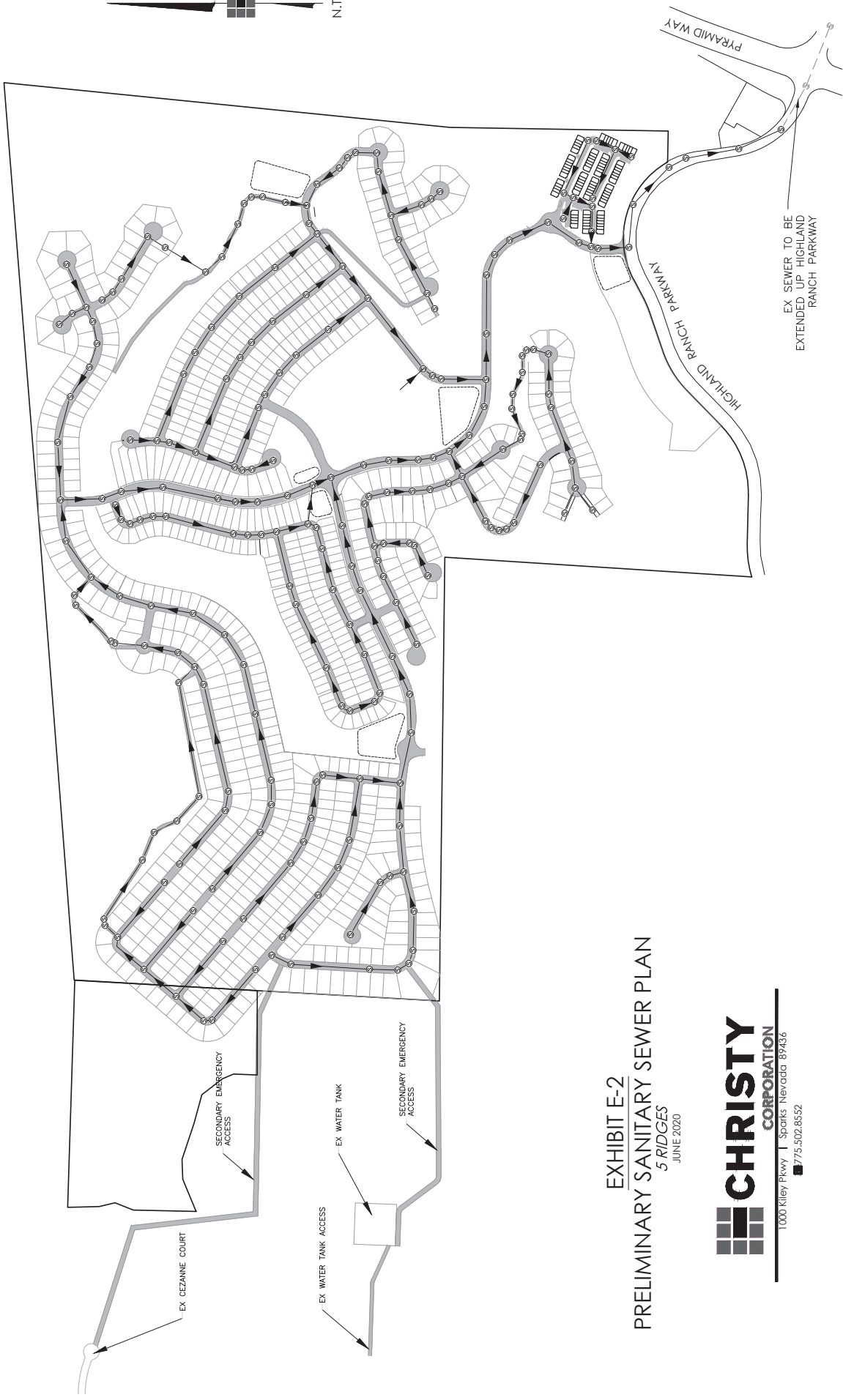


EXHIBIT E-2
PRELIMINARY SANITARY SEWER PLAN
5 RIDGES
JUNE 2020

 **CHRISTY**
CORPORATION
1000 Kiley Pkwy | Sparks, Nevada 89436
775.502.8552

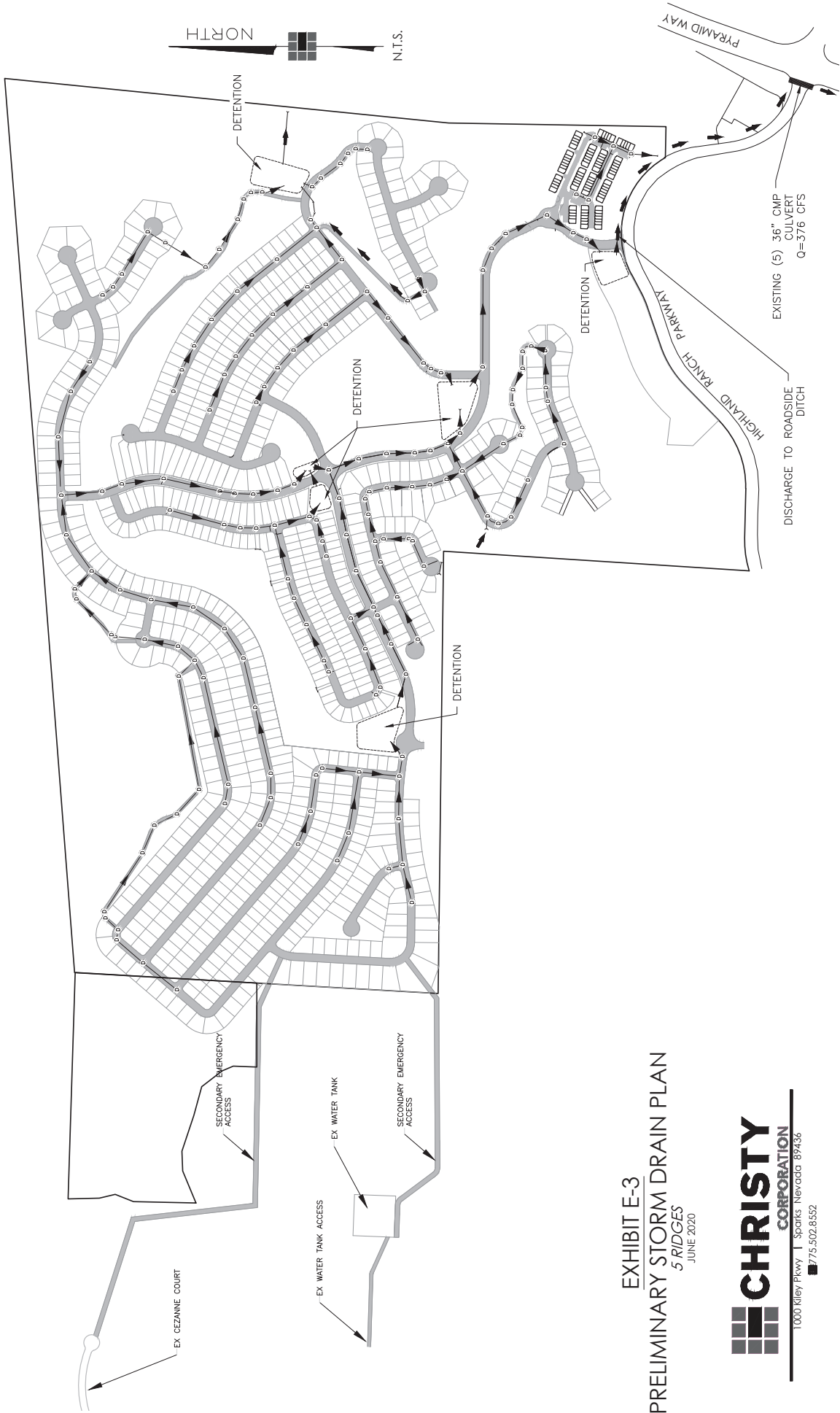


EXHIBIT E-3
 PRELIMINARY STORM DRAIN PLAN
 5 RIDGES
 JUNE 2020

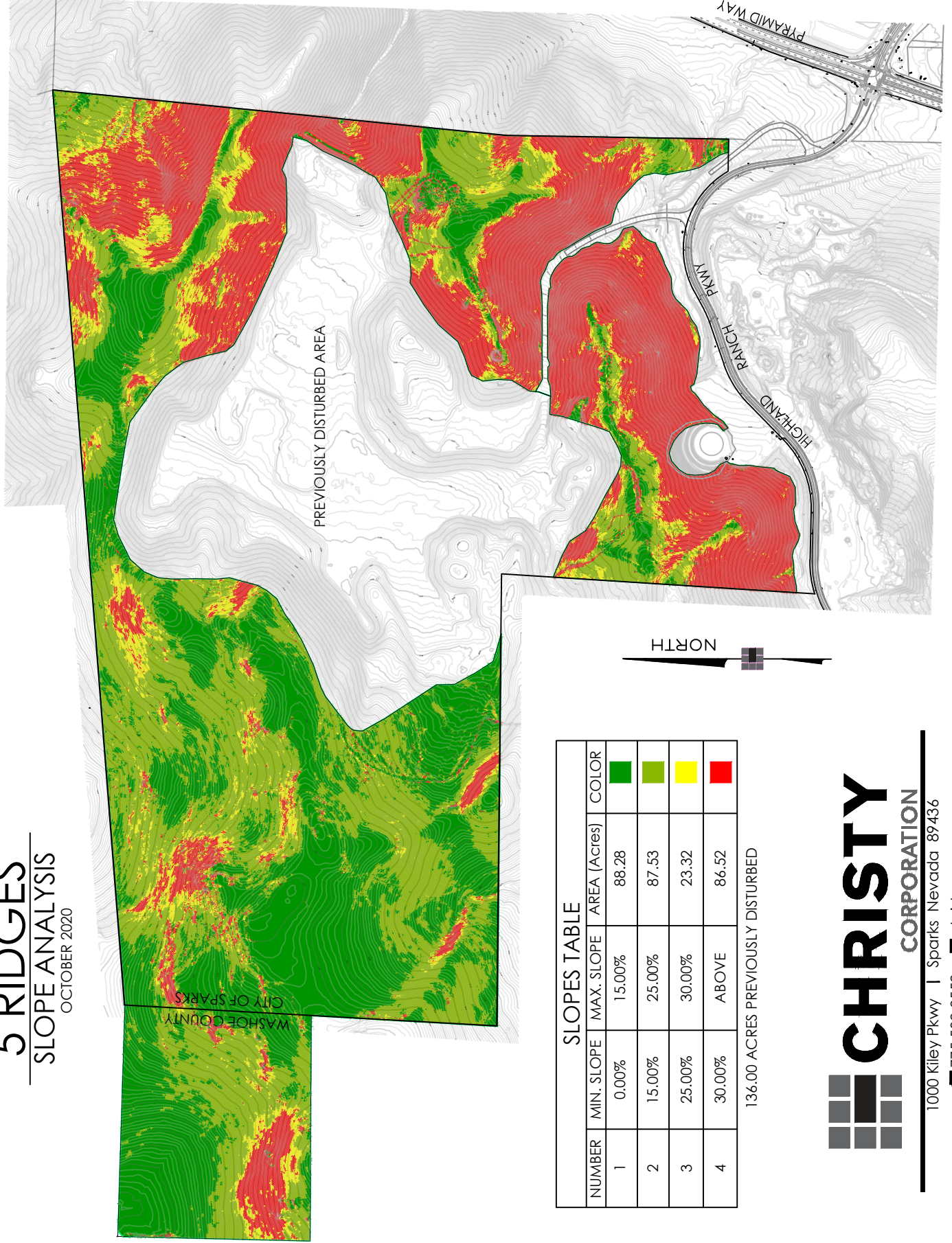
CHRISTY CORPORATION
 1000 Kiley Pkwy | Sparks, Nevada 89436
 775.502.8552

EXHIBIT F

5 RIDGES

SLOPE ANALYSIS

OCTOBER 2020



SLOPES TABLE

NUMBER	MIN. SLOPE	MAX. SLOPE	AREA (Acres)	COLOR
1	0.00%	15.00%	88.28	
2	15.00%	25.00%	87.53	
3	25.00%	30.00%	23.32	
4	30.00%	ABOVE	86.52	

136.00 ACRES PREVIOUSLY DISTURBED



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