

RECORDING REQUESTED BY:

Teresa Gardner, City Clerk
City of Sparks
431 Prater Way
Sparks, NV 89431

DISPOSITION AND DEVELOPMENT AGREEMENT

AMENDMENT NO. 1

DATED as of _____, 2017

Recitals

A. A "Disposition and Development Agreement" (the "DDA") dated June 13, 2016 was entered into between SWD-Quarry Bridges, LLC ("Developer"), the Redevelopment Agency of the City of Sparks ("Agency") and the City of Sparks, Nevada ("City"). The DDA granted the Developer the ability to acquire and develop two (2) parcels from the Agency on which the Developer is to construct a mixed-use project, named The Bridges (the "Project"). The Washoe County Assessor Parcel Numbers for the parcels are currently 032-341-34 (the "Northern Parcel") and 032-341-35 (the "Southern Parcel") (jointly the "Project Property").

B. As provided for in the DDA, on the Northern Parcel, Developer shall build a mixed-use structure that includes three stories of structured parking, two floors of apartment residences and approximately 5,000 square feet of office/retail space. On the Southern Parcel, Developer shall build a mixed-use structure that includes a single-story parking structure, four floors of apartment residences and approximately 14,600 square feet of office/retail space, a portion of which will be used to provide private amenities to project residents. Developer has sole discretion as to the size and mix of the units on the Project Property.

C. In accordance with the DDA, the Developer concluded its purchase of the Project Property and has commenced construction of the Project. The Project includes 194 apartments and a total of 202 parking stalls for apartment tenants. The number of parking stalls complies with the City's municipal code (SMC 20.04.009) requiring a minimum of one (1) parking space per dwelling unit. However, based on its experience with leasing and managing the recently completed Fountainhouse at Victorian Square project, also located in Victorian Square, Developer anticipates tenants of apartment units in the Project will own more cars than can be parked on the Project Property.

D. The City owns a parking garage with approximately 696 parking spaces (the “City Parking Garage”) directly north of and adjacent to the Northern Parcel that it manages as public parking. The Developer has requested an airspace easement to physically connect their parking structure on the Northern Parcel to the City Parking Garage to facilitate access for a limited number of apartment tenants of the Project to park in the City Parking Garage.

E. The City commissioned and has received a parking analysis for the Victorian Square district of the Town Center Redevelopment Area. The analysis concludes that there is sufficient parking within this district, inclusive of the City Parking Garage and other public and private parking, to accommodate existing and prospective land uses and permit a limited number of the Project’s residential tenants to routinely park in the City Parking Garage.

F. In consideration for the grant of the airspace easement and this amendment to the DDA, Developer promises to maintain the cleanliness of the parking lot area used by its tenants, invitees and tenant’s invitees and to reimburse the City for all amounts the City has to expend in order to repair or maintain the parking lot area due to the act of Developer, a tenant of Developer, an invitee of Developer, invitee of tenant, or any related party thereto.

G. The parties desire to amend the terms of the DDA to permit the Developer to construct, at its sole expense, a permanent bridge connecting its parking structure on the Northern Parcel to the City Parking Garage and to permit a limited number of apartment tenants of the Project to park in the City Parking Garage. The City reserves a right to charge the Developer a fee for such use of the City Parking Garage.

NOW THEREFORE, the parties agree as follows:

§A.1 Changes in Project Description

¶A.1.A Bridge Access Easement. The DDA is hereby changed in Article 3.1 (Modification of Parcel Boundaries; Location Map; Airspace Easements) and all relevant places to provide for the City to grant an additional airspace easement (the “Bridge Access Easement”), in the location delineated in Exhibit 1 to this Amendment No. 1, across that portion of the City Parking Garage parcel that separates the City Parking Garage structure from the mixed-use structure on the Northern Parcel to provide for a pedestrian bridge connecting the two structures. The pedestrian bridge will provide residents of the Project direct access from the top deck of the City Parking Garage to the structure on the Northern Parcel, except that the City shall have the right to reject the design of any pedestrian bridge that, in the sole determination of the City, will result in an unreasonable risk of danger to public health or safety.

¶A.1.B Project Resident Parking in City Parking Garage. The DDA is hereby changed to add Article 3.9 to Article 3 (Project Description) and all relevant places to provide for

the City to grant the Developer the option of obtaining passes for Project Residents to park up to fifty (50) passenger vehicles in the City Parking Garage. The City shall retain the right to charge a fee for parking in the City Parking Garage, on a permanent or intermittent basis. The annual fee for each parking pass will equal the pro rata share of the City's annual operation and maintenance costs for the City Parking Garage. Alternatively, the City and the Developer may, subject to mutual agreement, determine an annual fee for the actual number, not to exceed fifty, of parking passes granted to the Developer. Within ten (10) business days of any decision by the City to require payment for parking in the City Parking Garage, the City shall notify Developer of the decision in writing and shall provide at least thirty (30) days' notice to Developer prior to implementing a charge for parking.

¶A.1.C Addition to Developer Indemnification. The DDA is hereby changed in Article 6.3.1 (Indemnifications; By Developer) and all relevant places to add the following section:

Developer, tenant, invitee, or related party shall not use or occupy the City Parking Garage for any unlawful or illegal business use or purpose or in a manner to constitute a nuisance of any kind and shall not suffer or permit any waste upon the City Parking Garage. Developer to the fullest extent permitted by law shall indemnify, hold harmless and defend the City of Sparks, its employees, officers, agents and contractors, successors and assigns against all liability caused in whole or in part by any act or omission of Developer, its employees, tenants, or invitees, or any other related party arising out of the use of the City Parking Garage.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK

IN WITNESS WHEREOF the parties have caused this Amendment to the DDA to be executed on the dates indicated below.

Developer

SWD-Quarry Bridges, LLC

By  Date 2/11/17
J Carter Witt III, President

Agency

Redevelopment Agency of the City of Sparks, Nevada

By _____ Date _____
_____, Chair

Attest:

By _____ Date _____
Teresa M. Gardner, Agency Clerk

City

City of Sparks, Nevada

By _____ Date _____
Geno R. Martini, Mayor

Attest:

By _____ Date _____
Teresa Gardner, City Clerk

Approved as to Form and Legality

By _____ By _____
Agency Attorney City Attorney



Land Information Solutions

TRI STATE SURVEYING, LTD.

1925 E. Prater Way
Sparks, Nevada 89434

Telephone (775) 358-9491 ♦ FAX (775) 358-3664
Toll Free: 1-800-411-3752

August 17, 2017
Job No. 16023.02.RM

EXHIBIT "A" Legal Description

BRIDGE ACCESS EASEMENT

All that certain easement situate within a portion of the southeast One-Quarter (1/4) of Section 5, Township 19 North, Range 20 East, Mount Diablo Meridian, City of Sparks, Washoe County, Nevada, being a portion of Parcel H-1 as shown on Record of Survey Map No. 5787, File No. 4652090 in the Official Records of Washoe County, Nevada, being more particularly described as follows:

COMMENCING at the southeast corner of said Section 5;

THENCE North 64°15'01" West, 1316.54 feet to the POINT OF BEGINNING, said point being on the southerly line of said Parcel H-1, being coincident with the northerly line of Parcel 1-A as shown on said Record of Survey Map No. 5787;

THENCE along said southerly line, North 88°40'36" West, 5.50 feet;

THENCE leaving said southerly line, North 01°19'24" East, 12.00 feet;

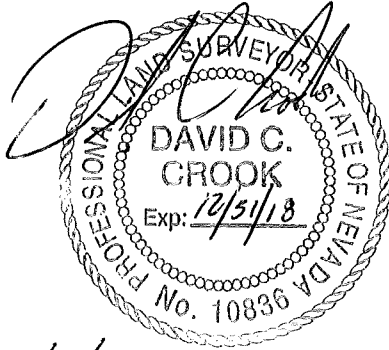
THENCE South 88°40'36" East, 5.50 feet;

THENCE South 01°19'24" West, 12.00 feet to the POINT OF BEGINNING

Said Bridge Access Easement contains 66 square feet, more or less.

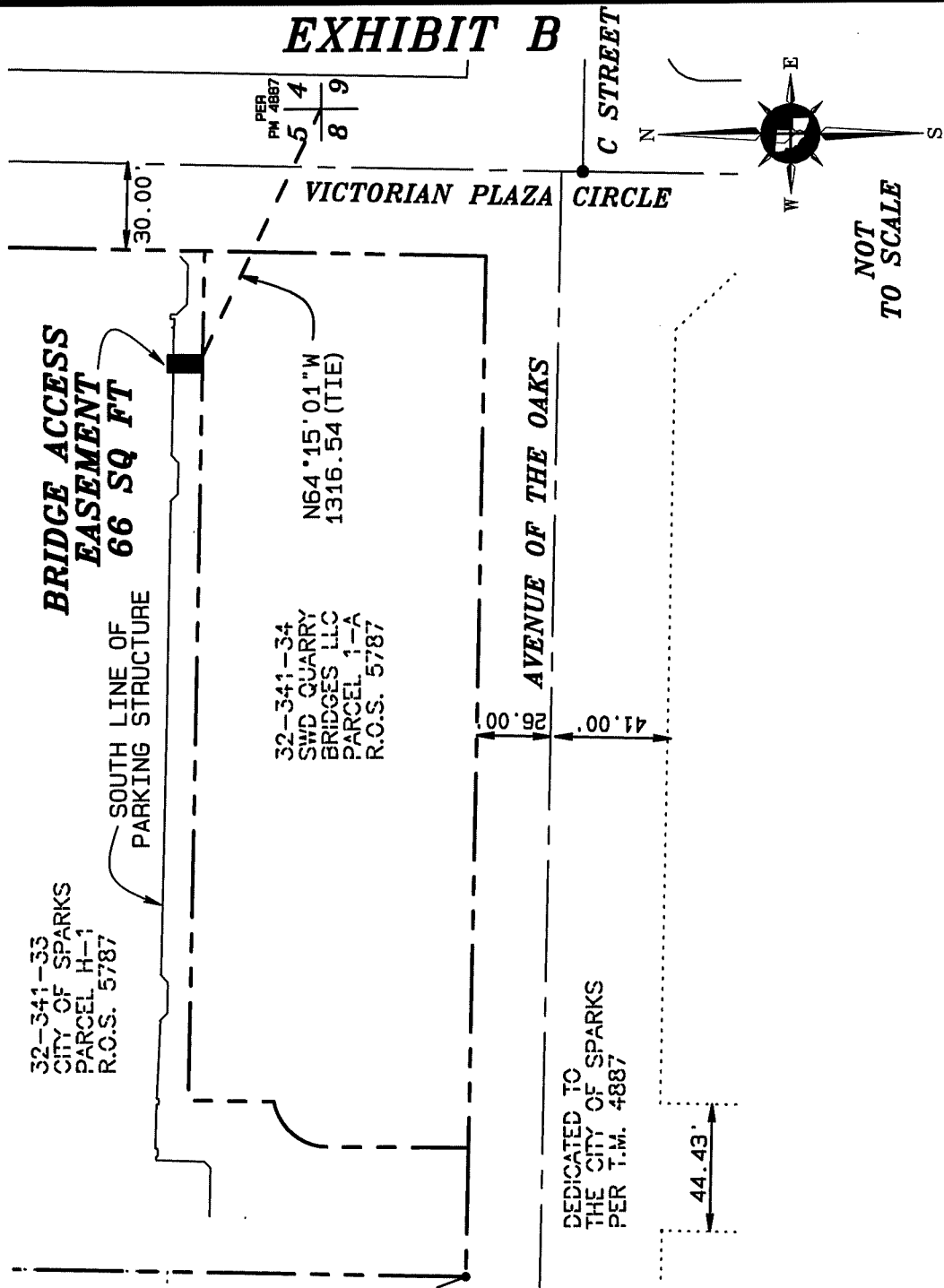
BASIS OF BEARING:

The Grid bearing of North 87°02'39" East, between Washoe County G.P.S. monuments "R2057" and "S2010", based on the North American Datum of 1983/1994 High Accuracy Reference Network (NAD '83/'94 HARN). Grid to Ground factor = 1.000197939.



Date 03/17/2017
David C. Crook, P.L.S.
Nevada Certificate No. 10836

EXHIBIT B



BRIDGE ACCESS EASEMENT TRI STATE SURVEYING, LTD



1925 E. PRATER WAY
SPARKS, NEVADA 89434

(775) 358-9491 * FAX: (775) 358-3664 JOB #16023.02.RM