

**DEVELOPMENT AGREEMENT
(A PORTION OF THE KILEY RANCH NORTH PROJECT)**

BILL NO.2654

INTRODUCED BY COUNCIL

ORDINANCE NO. 2473

AN ORDINANCE BY THE CITY OF SPARKS TO APPROVE A DEVELOPMENT AGREEMENT WITH KM2 DEVELOPMENT, INC. (AS "MASTER DEVELOPER") AND RISING TIDES LLC (AS "OWNER") FOR A PORTION OF THE KILEY RANCH NORTH PROJECT AND OTHER MATTERS PROPERLY RELATED THERETO.

WHEREAS, on October 18, 2004 the Sparks City Council entered into a development agreement (the "2004 Development Agreement") with the former owner and master developer of approximately 808 acres of land known as the Kiley Ranch North Project; and

WHEREAS, the 2004 Development Agreement was recorded against the Kiley Ranch North Project on May 27, 2005; and

WHEREAS, on August 26, 2010, the former owner of the Kiley Ranch North Project filed a voluntary petition for reorganization relief under Chapter 11 of the United States Bankruptcy Code; and

WHEREAS, pursuant to the terms of the 2004 Development Agreement, the bankruptcy proceedings involving the former owner constituted a default, a deficiency that could not be rectified; and

WHEREAS, on _____ the City of Sparks City Council adopted Ordinance 2472 canceling the 2004 Development Agreement; and

WHEREAS, Owner represents that pursuant to a separate agreement, Owner has authorized Master Developer to develop the Project. Also pursuant to a separate agreement, Master Developer has acquired an option to purchase the Property. Owner acquired the Property, including without limitation, all entitlements, government approvals, Handbooks and other rights, pursuant to

the Trustee Deed recorded on November 9, 2011 as Document Number 4057397 in Official Records of Washoe County, State of Nevada; and

WHEREAS, the City of Sparks approved the Kiley Ranch North Tentative Handbook on October 18, 2004, which establishes a development plan and design standards for improvements within the Kiley Ranch North Project; and

WHEREAS, the portion of the Kiley Ranch North Project presently under the legal or equitable control or ownership of Owner will be developed in one or more Phases and that, working with the Master Developer, Owner contemplates that it will obtain Final Approval of Handbook for each Phase. Prior to or in conjunction with each application for Final Approval, Master Developer shall request rezoning of the Phase from agricultural to NUD, if applicable; and

WHEREAS, the Project will be developed in phases over time, the City, Owner and Master Developer desire to enter into an agreement to establish enforceable planning principles, standards and procedures to (i) eliminate uncertainty in planning and guide the orderly development of the Project consistent with the Tentatively Approved Handbook, (ii) mitigate significant environmental impacts, (iii) ensure installation of necessary on-site and off-site public improvements, (iv) provide for the preservation of substantial permanent open space, (v) make provision for trail facilities, (vi) provide for traffic improvements, (vii) provide for public services, public uses and urban infrastructure, (viii) promote health, safety and general welfare of the City and its inhabitants, (xii) assure efficient utilization of resources at least economic costs to its citizens, and (x) otherwise achieve utilization of resources and accomplish the purposes of the Planned Development Law and SMC 20.101. A specific basis for the City desiring to enter into a comprehensive long-term agreement is to assure a planned community that would include the density and mixture of residential products, business park facilities, common area, open space and public facilities contemplated by the Tentatively Approved Handbook for Kiley Ranch North.

WHEREAS, Pursuant to NRS 278.0201 and SMC 20.101, the parties desire to enter into this development agreement to implement the foregoing principles and procedures, and to waive certain time requirements in order to permit simultaneous processing of entitlements.

WHEREAS, NRS 278.0203 allows the Sparks City Council to approve a development agreement by ordinance.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SPARKS DOES ORDAIN:

SECTION 1: The Development Agreement (A Portion of the Kiley Ranch North Project) between the City of Sparks, KM2 Development, Inc. and Rising Tides LLC is approved.

SECTION 2: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 3: The City Clerk is instructed and authorized to publish the title to this ordinance as provided by law and to record the approved Development Agreement as provided by law.

SECTION 4: This ordinance shall become effective upon passage, approval, publication and recordation.

SECTION 5: The provisions of this ordinance shall be liberally construed to effectively carry out its purposes in the interest of the public health, safety, welfare and convenience.

SECTION 6: If any subsection, phrase, sentence or portion of this section is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions.

SECTION 7: The City Council finds that this ordinance is not likely to impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business, or is otherwise exempt from Nevada Revised Statutes Chapter 237.

PASSED AND ADOPTED this _____ day of _____, 2013, by the following vote of the City Council:

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED this _____ day of _____,
2013 by:

GENO MARTINI, Mayor

ATTEST:

APPROVED AS TO FORM & LEGALITY:

Teresa Gardner, City Clerk

CHESTER H. ADAMS, City Attorney