

RECORDING REQUESTED BY:

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

FINANCIAL INCENTIVE AGREEMENT

AMENDMENT NO. 2

DATED as of _____, 2018

RECITALS

A. A “Financial Incentive Agreement” (the “Agreement”) was entered into on February 27, 2017 between the **CITY OF SPARKS** (“City”) and **SYUFY ENTERPRISES** (“Syufy”). Pursuant to that Agreement the City agreed to pay Syufy up to \$1,500,000 provided Syufy and Galaxy Victorian, LLC (“Galaxy”), Syufy’s tenant, collectively invest at least \$6,100,000 to renovate and re-open the Victorian Square theater property owned by Syufy (the “Property”) and re-open the Property to the public.

B. The Agreement specifies that Syufy and Galaxy shall: renovate all fourteen of the Property’s auditoriums with luxury recliners and state-of-the-art digital sound systems; renovate the Project’s lobby entrance and concession areas with finishes comparable to the quality found at Galaxy Theatres’ cinema facility located at 1170 Scheels Drive, Sparks, Nevada; and, the Project is to be completed and open to the public prior to December 31, 2017 (the “Project”).

C. “Amendment No. 1” to the Agreement was approved by the City and Syufy on October 9, 2017. Amendment No. 1: changed the date for the Project to be completed and open to the public to September 30, 2018; changed the termination date of the Agreement from January 1, 2018 to October 1, 2018; changed the Project anniversary year from 2017 to 2018; and, reduced the minimum number of required auditoriums in the Project from fourteen (14) to thirteen (13).

D. Syufy and Galaxy have experienced additional delays in their renovations to the Property that will likely cause the Property’s re-opening to occur after the September 30, 2018 deadline set in Amendment No. 1. For this reason, Syufy has requested additional extensions of the dates for completion of the renovation and re-opening of the Property and termination of the Agreement.

E. The parties desire to amend the terms of the Agreement to provide additional time for renovation and re-opening of the Theatre.

NOW THEREFORE, the parties agree as follows:

¶A.1.A Extension of Completion Date. The Agreement is hereby changed in Article I, Subsection B (The Project), and Article III, Subsection A.1 (City Conditions), to delete the completion date of September 30, 2018 and insert a completion date of November 14, 2018.

¶A.1.B Extension of Termination Date. The Agreement is hereby changed in Article V, Subsection A (Default and Termination; Term) to delete the termination date of October 1, 2018 and insert a termination date of November 15, 2018.

WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

City of Sparks

By: _____ Date: _____
Geno R. Martini, Mayor

Attest:

By: _____ Date: _____
City Clerk

Approved as to form:

By: _____ Date: _____
City Attorney

Syufy Enterprises, LP

By: _____ Date: _____

Print Name: _____

Its: _____