



290 Keystone Avenue and 0 Second Street Option Agreements

Presented by

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on behalf of **Jacobs Entertainment, Inc.**

JULY 28, 2021 - RENO CITY COUNCIL

290 Keystone Avenue and 0 W. Second Street



PROPOSED AMENDED AND RESTATED OPTION TERMS (290 Keystone Avenue)

1. Purchase Price: \$631,600
2. Property: ±48,584 square feet, but only ±37,284 square feet is not encumbered and developable.
3. Closing: Exercise notice sent by October 31, 2021 and closing occurs 30 days later.
4. Right of Reverter: City may exercise right of reverter if Jacobs does not apply for a building permit within 18 months of closing -- plus Jacobs must commence construction within 6 months after permit issuance and complete construction within 48 months.
5. Profit Sharing: Additionally, if Jacobs sells this combined residential site (with Chevron and Meineke parcels) to a third party residential developer, Jacobs will pay the City an additional purchase price of 25% of all net sales proceeds above Jacobs basis in the two properties. **Innovative Public/Private Partnership**

PROPOSED AMENDED AND RESTATED OPTION TERMS (0 Second Street)

1. Purchase Price: \$2,440,000
2. Property: The property will be incorporated into Reno's Neon Line District master plan for residential and commercial uses.
3. Closing: Exercise notice sent by October 31, 2021 and closing occurs 30 days later.
4. Timelines: Jacobs shall: (i) apply for a building permit within 18 months of closing; (ii) commence construction within 6 months after permit issuance; and (iii) complete construction within 48 months.
5. Profit Sharing: Additionally, if Jacobs sells all of a portion of this combined residential site (with Townhouse parcel) to a third party residential developer, Jacobs will pay the City an additional purchase price of 25% of all net sales proceeds above Jacobs basis in all properties. **Innovative Public/Private Partnership**

SUMMARY

- Jacobs will pay the City of Reno ***over \$3,000,000*** by the end of November 2021
- The City of Reno will participate in “Profit Sharing” on both residential projects
- This public-private partnership will contribute to the development and success of Reno’s Neon Line District and the redevelopment of downtown Reno.