

## **Community Development Department**

#### **MEMORANDUM**

Date:

To:

Mayor and City Council

Thru:

Doug Thornley, City Manager

From:

Arlo Stockham, Community Development Director AG

Subject:

Reno City Council - July 28, 2021 - Agenda Items C.4 and L.5.1 (0 Second

Street) and C.5 and L.5.2 (290 Keystone Avenue)

Amended and Restated Option Agreements for 0 West Second Street and 290

**Keystone Avenue** 

Attached please find the proposed amended and restated purchase option agreement for 0 West Second Street in support of Items C.4 and L.5.1, and the proposed amended and restated purchase option agreement for 290 Keystone in support of Items C.5 and L.5.2. Pursuant to City Council's request, also attached is a chart showing a 5-ytear history of discounted sale prices and other incentives that the City has provided in conjunction with development projects.

#### Attachments:

- 1. Amended and Restated Purchase Option Agreement for 0 West Second Street
- 2. Amended and Restated Purchase Option Agreement for 290 Keystone Avenue
- 3. City Property Disposition and Incentives chart

# AMENDED AND RESTATED PURCHASE OPTION AGREEMENT (0 West Second Street)

#### Between

## Reno Redevelopment Agency and City of Reno

#### And

## Reno Real Estate Development, LLC

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## Article 1 SCHEDULE OF TERMS

### § 1.01 Parties & Key Terms.

THIS AGREEMENT is by and between the following Parties involving the following terms and conditions.

#	Terms	Reference	
a.	Effective Date		July 31, 2019
Pa	rties and Definition	ons	
b.	Owners*		City of Reno, a municipal corporation
	City		And
	Agency		Redevelopment Agency of the City of Reno
			P.O. Box 1900
			One East First Street
			Reno, Nevada 89505
			Authorized Representative: City Manager

c.	Developer/ Optionee/ Buyer.		Reno Real Estate Development, LLC, a Delaware limited liability company, or its assigns
d.	Property		Authorized Representative: Jeff Jacobs/Chris Mazanec See Exhibit A 0 West Second Street APN 011-026-03
e.	Proposed Project:	§3.04 and §5.02	Construct an economic development or redevelopment project within the meaning of NRS 268.063 and has a minimum density of 30 units per acre for residential projects or a minimum intensity of a 2.0 floor area ratio (FAR) for mixed use or non-residential projects
Op	otion Terms		
f.	Option Expiration Date	§3.01	October31, 2021, unless extended under §1.02
g.	Option Fee	§3.02	\$25,000, which shall be in addition to the Purchase Price if option is exercised, and paid as follows: \$10,000 within 30 days from the Effective Date and \$15,000 within 30 days from the first anniversary of the Effective Date
Pu	rchase and Sale Ter	rms if option	n exercised
h.	Purchase Price of Property	§4.02	[TO BE DETERMINED BY COUNCIL, but not less than \$75,000].
i.	Escrow Officer	§4.03	Ticor Title of Nevada; 5110 Kietzke Lane, Suite 100, Reno NV 89511.
Ot	oligation to Constru	ct and Oper	rate the Proposed Project; Reverter of Title
j.	Condition of Sale; Reverter of Title	§4.04 §5.03 §5.04	Deed will include a covenant running with land and reserve to the Grantor a right of reverter (such reversion may not be subordinated to any financing, unless it is secured by a letter of credit for the difference between the Purchase Price and the Fair Market Value, and shall terminate on the Construction Completion Date and, upon breach of a covenant, the Property reverts back to City upon repayment of the Purchase Price less Option Fee to Buyer.
*		em may quite	d by Agency, but authorized to be quitclaimed to City. At claim its interest to the other who will assume all the rights under.

#### \$1.02

#### Schedule

#	Event	Reference	Deadline/Date*
a.	Obtain and Deliver Appraisal (s)	§3.05 §4.01	Appraisal(s) must be prepared before Notice of Intent to Exercise Option.
b.	Date Notice of Intent to Exercise Option.	§4.01	Must be before October 31, 2021`
c.	Closing Date	§4.03	30 calendar days after all conditions of sale have been satisfied.
d.	Automatic Termination Date	§4.06	October 31, 2021
e.	Building Permit Date	§5.02	Building permit must be applied for by the first business day of the 18 <sup>th</sup> month after closing unless (i) delayed by force majeure as provided in §6.01 or (ii) otherwise agreed by the City Manager.
f.	Construction Commencement Date	§5.02	Construction must commence by the first business day of the 6 <sup>th</sup> month after the building permit is issued unless (i) delayed by force majeure as provided in §6.01, or (ii) otherwise agreed by City Manager.
g.	Construction Completion Date	§5.02	Construction must be completed and a Certificate of Occupancy issued by the first business day of the 48 <sup>th</sup> month after the Effective Date of this Agreement unless (i) delayed by force majeure as provided in §6.01 or (ii) otherwise agreed by the City Manager.

\* If any decision of the City Manager or other matter is referred or appealed to the City Council, the deadline period for the matter being appealed or referred is extended to begin on the day after a decision is reached by the Council.

#### Article 2 RECITALS

- A. Owner owns the real property described in Exhibit A (the "Property") which is in the City of Reno Redevelopment District 1.
- B. Developer is acquiring multiple properties in Redevelopment District 1 with the intent of redeveloping them into a commercial/entertainment/ residential district extending southeast from the Fourth Street/Keystone intersection into downtown Reno. Developer's plan includes construction of an economic development or redevelopment project within the meaning of NRS 268.063
- C. Developer desires to conduct due diligence on the property and determine how it would fit into Developer's planned redevelopment project before committing to purchase the Property but is unwilling to invest funds and resources without having an option to purchase the Property at the end of the due diligence period.

D. If Developer desires to purchase the Property, the sale would be accomplished without first offering the Property for auction as generally required of the City by NRS 268.062 because the project would be within the exemption under NRS 268.063 for a redevelopment and economic development project.

NOW THEREFORE in consideration of the mutual covenants and benefits herein, the Parties agree as follows.

#### Article 3 OPTION TERMS AND CONDITIONS

### §3.01 Grant of option; Option Period.

- a. Owner owns and hereby grants to Developer an option to buy the above described Property according to the terms and conditions set forth in this Agreement.
- b. Developer may exercise its option and Owner agrees to sell the Property to Developer at any time during the Option Period which ends on the earlier of (i) the Option Expiration Date set forth in §1.01; (ii) a voluntary termination by Developer pursuant to this Agreement; (iii) service of Notice of Intent to Exercise Option by Developer pursuant to §3.07; or (iv) termination due to default or other circumstances as specifically provided in this Agreement.
- c. During the Option Period, and any extension thereof, Owner shall not directly or indirectly show, solicit or entertain offers for sale, or grant any right or option to acquire the Property to any other potential purchaser.
- d. Owner agrees that during the Option Period, Owner shall (i) maintain the Property in the same condition and repair as it is in on the date of this Agreement, reasonable wear and tear excepted; (ii) not make any physical changes to the Property without the prior written consent of Developer; and (iii) continue to operate and manage the Property as a parking lot and shall retain all revenues.

#### §3.02 Payment of Option Fee

Within thirty (30) days from execution of this Agreement by both Parties, Developer shall pay to the Authorized Agent of Owner the above stated \$10,000. Within thirty (30) days from the first anniversary of the execution of this Agreement by both Parties, Developer shall pay to the Authorized Agent of Owner the above stated \$15,000. The fee is not refundable but shall be applied to the purchase price of the Property if Developer purchases the Property.

#### §3.03 Due Diligence during Option Period.

a. Owner Document Delivery. Owner shall deliver or cause to be delivered to Developer within thirty (30) days from payment of the \$10,000: (i) a Preliminary Title Report; (ii) all

property condition reports that the Owner has in its possession; and (iii) Representations and Warranties that the Owner proposes to give to Developer upon closing.

#### b. Inspections.

- (1) During the Option Period, Developer shall promptly arrange for and complete all inspections it desires, including environmental investigations, pest control inspections, soils analysis, geotechnical inspections, and the like, to be conducted at Buyer's expense, unless otherwise agreed. Owner agrees to cooperate with the scheduling of each inspection so that all inspections (except final walkthrough) can be concluded during the Option Period.
- (2) Developer may request a walk through inspection at any time before Closing, and if requested, Owner agrees to be present or have an agent who is knowledgeable about the Property present for the walk through inspection.
- (3) Owner shall grant access to the Property to Developer and all contractors of Developer at any reasonable time and upon reasonable notice and Developer agrees not to unreasonably interfere with the operations of the Property.
- (4) Developer shall indemnify Owner and hold Owner harmless from all costs, claims or liability of any kind resulting from all acts or omissions of Developer, its contractors, agents and employees relating to access to the Property during inspections. This provision shall survive the termination of this Agreement for one year.
- (5) <u>Objections, questions.</u> Owner and Developer shall meet and confer during the due diligence process to negotiate possible remedies for objections to the condition of the Property.
- (6) <u>Subsequent Actions, Disclosures.</u> If, however, after the Developer's Notice of Intent to Exercise Option is given and Owner subsequently makes a correction or amendment to any representation or warranty or any disclosure regarding the title or condition of the property, or delivers any document required to be delivered to Developer, Developer shall have ten (10) days to consider the information provided and may rescind the Notice of Intent to Exercise Option or terminate this Agreement in its sole and absolute discretion.

#### §3.04 Establishing a Qualifying Project

- a. During the Option Period and at least two weeks before serving a Notice of Intent on Owner, Developer shall prepare and deliver to Owner a site plan and project description describing how the Property will be developed and used, if acquired, to:
  - (i) establish new commercial enterprises or facilities within the city;
  - (ii) support, retain or expand existing commercial enterprises or facilities within the city;
  - (iii) establish, retain or expand public, quasi-public or other facilities or operations within the city;

- (iv) establish residential housing needed to support the establishment of new commercial enterprises or facilities or the expansion of existing commercial enterprises or facilities; or
- (v) any combination of the activities described in subparagraphs (i) to (v), inclusive, 

  → to create and retain opportunities for employment for the residents of the city.
- b. The project must have a minimum density of 30 units per acre for residential projects or a minimum intensity of a 2.0 floor area ratio (FAR) for mixed use or non-residential projects.

#### §3.05 Appraisal and establishing value.

- a. During the Option Period, and before serving Notice of Intent to purchase, Developer and Owner's Authorized Representative shall determine the Fair Market Value of the Property .Fair Market Value will be established under NRS 268.059 by the average of two appraisals. The appraisers shall be retained by the City and the expense of the appraisal(s) shall be paid by Developer. The appraisers shall be selected from the list of appraisers maintained by the City under NRS 268.059.
- b. If a party reasonably challenges the methodology of an appraisal, a substitute appraisal may be obtained.
- c. The Fair Market Value of the Property must be established and agreed upon before Developer serves Notice of Intent to Exercise Option.
- d. Any dispute may be referred to the City Council and the deadline for the Notice of Intent shall be extended to 30 days after a decision is made.

#### §3.06 Notice of Intent to Exercise Option

- a. When Developer has completed its due diligence and the determination under §3.04 and the value has been agreed upon under §3.05, if Developer is ready to acquire the Property subject to the terms and conditions set forth below, it shall serve written notice on the Authorized Representative of the Owner. The Notice of Intent to Exercise Option must include:
  - (i) An agreement by Developer as to the Purchase Price; and
  - (ii) a statement that the Developer has completed due diligence on the Property and accepts the Property AS IS WITH ALL ITS FAULTS and is ready, willing and able to close the sale within the Closing Date.
- b. When Developer has served the Notice of Intent to Exercise Option on the Owner's Authorized Representative, the Option terminates and the Parties shall proceed to closing.

c. Agency or City may quitclaim its interest in the Property to the other who will assume all the rights and obligations of the Owners and complete the sale.

### Article 4 PURCHASE AGREEMENT; REVERTER

#### §4.01 Conditions Precedent

- a. If Developer provides Notice of Intent to Exercise Option to purchase the Property, the Parties shall meet and confer regarding the terms and conditions of this Purchase Agreement.
- b. <u>Conditions Precedent</u> Owners obligation to sell and Developer's obligation to purchase the Property is subject to all of the following conditions precedent:
- 1. It has been determined that the proposed project qualifies as an economic development or redevelopment project that warrants sale to Developer without a public auction as set out in §3.04, and the purchase price has been agreed upon under §3.05.
  - 2. The terms of the sale have been agreed upon by Developer and the City Manager.
- 3. Developer has prepared plans and specifications for the construction of the Proposed Project, and has commitments to finance the construction.
  - 4. The sale must be authorized and meet all the conditions of Nevada law.
- 5. All of the representations and warranties made by each party in this Agreement and in any closing certificate must be true in all material respects as of Closing Date.
- 6. Developer, in its sole discretion, must be satisfied as to the legal description, the status of title, title commitment, and the condition of and the suitability of the Property for its intended use, in Developer's sole discretion.

#### §4.02 Purchase Price; allocation of closing costs.

- a. The base purchase price for the Property is as set forth in §1.01 above.
- b. Closing costs shall be allocated and paid as follows:

Title Report	Developer pays 100%
Title Insurance	Developer pays 100%
Survey (if needed)	Developer pays 100%
Appraisals and reviews	Developer pays 100%
Soils Analysis	Paid by party who orders.
Environmental Assessments	Paid by party who orders.
Transfer Tax	Developer pays 100%

Property Taxes	Exempt. Developer to pay from closing.
Tenant Rents & Deposits	None
Escrow Agent Fees	Developer pays 50% Owner pays 50%
Recording Fees	Developer pays 100%

- c. <u>Payment of real estate commissions.</u> Owner represents to Developer that there are no real estate or brokerage commissions payable in connection with this sale to any party claiming through Owner, or arising out of the actions of Owner. Developer represents to Owner that there are no real estate or brokerage commissions payable in connection with this sale to any party claiming through Developer or arising out of actions of Developer. Each party shall indemnify and hold the other harmless from all costs, claims, damages, or liability of any kind in connection with the breach of this representation. The representations and indemnities in this paragraph shall survive the closing or earlier termination of this Agreement.
- e. <u>Payment of Purchase Price.</u> Developer agrees to pay the purchase price and its share of expenses in cash at Closing.

#### §4.03 Escrow

- a. <u>Escrow Instructions.</u> Escrow shall be established with the Escrow Agent indicated in §1.01 above and the Parties shall prepare joint escrow instructions.
- b. Preclosing. On the preclosing call of Escrow Agent: (i) Developer and Owner shall have duly executed and delivered to each other or to the Escrow Agent all the documents listed in the Escrow Instructions or otherwise required or contemplated by this Agreement, including closing certificates, and each receiving party shall have reviewed and approved the document; (ii) all documents necessary to accomplish any financing of the sale shall have been delivered and approved by the Parties; (iii) Escrow Agent shall prepare and deliver to both Parties a settlement statement indicating funds received or to be received and allocating such funds to payments to the Parties, taxes, assessments, closing expenses, and both Parties must approve the settlement statement; (iv) Owner shall have delivered all documents or agreements required by the Escrow Agent to insure title to the extent requested by Developer; and (v) Escrow Agent shall be irrevocably committed to issue or cause to be issued the title insurance required by Developer and Lender. At preclosing, the Parties shall instruct the Escrow Agent whether or not to close the escrow. If preclosing is not accomplished, the foregoing actions shall be accomplished at closing.
- c. <u>Closing Conditions.</u> Escrow shall not close until all conditions and provisions stated in §4.01 and §4.03 have been met, waived or reserved.
- d. <u>Closing.</u> If conditions have been met, closing shall occur on the Closing Deadline or other date agreed upon by the Parties. Closing shall occur at the offices of Escrow Agent. When all conditions of closing have been met: (i) Developer and Owner shall execute and deliver

Escrow Agent all documents listed in the Escrow Instructions or otherwise required to complete the intents and purposes of this Agreement; (ii) Developer and Owner shall deliver into escrow in collected funds the purchase price and all funds necessary to close the sale; (iii) the Escrow Agent shall record and distribute all documents as provided in the Escrow Instructions; and (iv) Escrow Agent shall disburse all funds as provided in the Escrow Instructions and settlement statements approved by both Parties. When all the foregoing events have been completed, "Closing" shall have occurred.

- e. <u>Escrow Agent Delays.</u> Provided that Developer and Owner have accomplished all that has been required of them as indicated in this Agreement, a delay in the settlement or closing caused by Escrow Agent or factors beyond the control of Escrow Agent shall not be considered as a default by Developer or Owner, and the Closing Deadline shall automatically be extended for a reasonable period of time not to exceed thirty (30) days to close. If escrow does not close within thirty (30) days from Closing Date through no fault of either Owner or Developer, the Parties may appoint a substitute who shall serve as the Escrow Agent for all purposes under this agreement and the Escrow Instructions.
- f. <u>Failure to close</u>. Except as provided next above, if closing does not occur by the Closing Deadline due to the default, actions or inactions of a party, the nondefaulting party may terminate this Purchase Agreement and seek any remedies available under this Agreement.

#### §4.04 Delivery of possession; Title to be conveyed subject to covenant.

- a. <u>Delivery of Possession.</u> Immediately upon closing, Owner shall deliver possession of the Property together with all keys, codes, and documents necessary for Developer to obtain and permanently enjoy full exclusive possession and title to the Property.
- b. <u>Removal of Personal Property.</u> On or before closing, Owner shall remove all personal property belonging to Owner which is not part of the sale. Unless otherwise agreed, all personal property left on the Property on the delivery of possession shall be presumed to be part of the sale, and title shall pass to Developer.
- c. <u>Conveyance of Title.</u> Upon closing, Owner shall deliver insurable fee title free of all encumbrances, liens, conditions, or other exceptions to or defects in title except those permitted exceptions agreed upon by Developer and further except for a covenant running with the land as provided in Article 5 of this Agreement.
- d. <u>Property Condition.</u> Upon closing, Developer has completed all its due diligence and shall accept the Property AS IS WITH ALL ITS FAULTS.

#### §4.05 Condition of Property; Risk of Loss

a. <u>Eminent Domain.</u> If proceedings under power of eminent domain are commenced before the Closing Deadline to take any portion of the Property, Owner shall promptly inform Developer and Developer may rescind this Purchase Agreement at any time

before closing. If Developer chooses to pay the Purchase Price and close the sale, unless otherwise agreed, Developer may appear in any eminent domain proceedings and the Parties shall proceed to closing upon the original terms stated herein and Developer shall be paid all eminent domain proceeds, except relocation benefits.

- Property Damage or Destruction. Owner does not insure its property with outside carriers. If the Property is damaged or destroyed before closing, and the Parties cannot agree on an adjustment of the sale price, Developer may rescind this Purchase Agreement.
- c. To the extent that the above provisions are inconsistent with the Uniform Vendor and Purchaser Act (NRS 113.030 – 113.050), they are intended to replace the provisions of the Act.

#### \$4.06 Automatic Termination Date.

Notwithstanding any other provision in this Agreement, if escrow does not close and if Property is not delivered by the "Automatic Termination Date" specified in §1.02 above, for any reason, this Agreement automatically terminates. The Parties may agree to extend the Automatic Termination Date.

#### OBLIGATIONS REGARDING PROPOSED PROJECT Article 5

#### \$5.01 Economic Development/Redevelopment Project.

- a. The sale is conditioned on compliance with NRS 268.063 and failure of that condition could render the sale to be void under NRS 268.063 (3). Accordingly, Developer shall construct and operate the Project as presented and approved.
- b. Hold Harmless. Both Parties have independently reviewed and believe that with the completion of the Proposed Project, the sale of the Property to Developer would qualify for an exemption under NRS 268.063 from the general requirement for the City to put its surplus property out for public auction. If it is determined by a court of competent jurisdiction that the Proposed Project is not so qualified and the sale hereunder is void under NRS 268.063 (3)(a), the Parties agree to hold each other harmless and not to sue each other for damages other than for a refund of the Base Purchase Price less the Option Fee, which would be payable upon the resale of the Property by Owner.

#### \$5.02 Obligation to Construct the Proposed Project.

When Developer has served the Notice of Intent to Exercise Option on the Owner Authorized Representative, the Parties may immediately begin negotiations to adjust commencement and completion dates for the Proposed Project as set in §1.02.

### §5.03 Covenant running with land and right of reverter.

- a. <u>Covenant running with the land.</u> Developer agrees that its obligation to construct the Proposed Project as provided in this Agreement constitutes a covenant running with the land which is binding on Developer as well as all future Owner of the land.
- b. Right of Reverter. In its deed to Developer, Owner shall reserve a right of reverter to reaquire title to the Property or to sue for injunctive relief if Developer or any future owner breaches the covenant running with the land to build the Proposed Project on the Property. This right of reverter may not be subordinated to any financing unless a letter of credit for the amount of the difference between the Purchase Price or Fair Market Value or other adequate security is received prior to subordination to assure that construction will be completed on the Proposed Project. The City Manager may determine whether such security is adequate or may refer the matter to City Council.. A meeting shall be held before the City Council to determine whether Developer or any future owner has breached the covenant running with the land to build the Proposed Project on the Property, and, if so, whether to exercise the right of reverter.
- c. <u>Remedies and Limitations by Owner.</u> If Developer or any successor owner of the Property does not construct the Proposed Project as agreed in this Agreement, the Owner shall give notice and opportunity to cure as provided in Article 6 of this agreement and if the default is not timely cured, the Owner may, in addition to relief afforded in Article 6:
- (i) Bring an action for injunctive relief if a building permit has been issued and construction has started; or
- (ii) If a building permit has not been issued and construction has not started, exercise its right of reverter and obtain title to the Property upon paying to Developer or the successive owner of the Property the amount paid by Developer to acquire the Property under this Agreement less the Option Fee, payable on resale of the Property. If the Property has been combined with other properties for the Proposed Project, the Owner may acquire a proportionate interest (percentage of square footage of Property to total square footage of combined properties) in the combined property as tenant in common with the current property owner.

#### §5.04 Termination of Covenant and Right of Reverter.

The covenant running with the land is satisfied and the right of reverter terminates when Developer and obtained a Certificate of Occupancy for the Proposed Project. Grantor shall execute and record a notice of termination if requested.

#### Article 6 DEFAULT AND REMEDIES.

#### *Excuse due to Force Majeure.*

a. Except as provided elsewhere herein, if an event of force majeure makes performance of an obligation or cure of a breach or default impossible, such performance or cure is excused for

the duration of the event of force majeure provided that the obligated party (i) within a reasonable time after the commencement of the force majeure notifies the other party of the nature of the event of force majeure, when it commenced, why it makes performance or cure impossible, and the expected duration (if known), and (ii) agrees to and does in fact diligently pursue remediation of the effects of the force majeure, and (iii) agrees to notify the other party immediately when it becomes possible to commence efforts to cure the default.

- b. An event of force majeure is defined as (i) without the fault of and beyond the reasonable control of the obligated party, a war; insurrection; riot; flood; earthquake; fire; casualty; act of God; act of a public enemy; quarantine restriction or other effect of epidemic or disease; freight embargo; delay caused by unusually severe or extreme weather; lack of transportation attributable to any of these; or (ii) labor strikes, boycotts or picketing (unless the labor action is taken because of an alleged violation of the prevailing wage requirement, if any, in this Agreement, if any); (iii) provided, however, that if the breach or default is the failure to pay money, the force majeure must actually prevent access to or payment from a bank account or payment mechanism, such as during a banking holiday, moratorium, or sabotage of wire or automated transfer systems. A force majeure does not include general economic or market conditions, or the financial condition of a party even if they are influenced by any of the foregoing.
- c. A force majeure is deemed to cease for purposes of this Agreement and a party is deemed to be in breach of an obligation or cure on the earlier of (i) when it becomes possible for the obligated party to commence to perform the obligation or cure and the obligated party fails to so commence the obligation to perform or cure, or (ii) one year from the commencement of the event of force majeure.

#### §6.02 Default

- a. A party shall be in default hereunder in any of the following events or circumstances (subject to force majeure and notice and opportunity to cure if specified):
- (i) The party repudiates, breaches, or fails to promptly and fully perform any covenant, condition or agreement contained in this Agreement (subject to force majeure and notice and opportunity to cure).
- (ii) Developer ceases construction for sixty (60) days, or ceases to operate the Proposed Project for sixty (60) days (subject to force majeure and notice and opportunity to cure).
- (iii) Any representation of a material fact expressed herein was false at the time it was made, or, if a continuing representation becomes false as a result of a subsequent event or occurrence; or any warranty made herein is breached at the time made or, if a continuing warranty, is breached as a result of a subsequent event or occurrence (subject to force majeure and notice and opportunity to cure).

- (iv) An event required to occur does not occur by the time required due to the lack of diligence or fault of a party (subject to force majeure and notice and opportunity to cure).
- (v) A party makes an assignment for the benefit of creditors or files or suffers the involuntary filing of a petition for appointment of a receiver, or for relief under the U.S. Bankruptcy Code or any federal or state law that provides relief to debtors from creditors and such petition is not rescinded or resolved within sixty (60) days from the date of filing (not subject to force majeure and notice and opportunity to cure).
- (vii) Any interest in the Property or any improvements on the Property, or any right to receive funds under the Proposed Project become an asset in a receivership or bankruptcy estate or become the subject of any proceedings (a) relating to prejudgment attachment of assets, (b) a judgment lien, (c) a mechanics lien or any claim for payment of amounts owed for the provision of services or materials to the Property or any Improvements thereon; (d) any execution proceedings for the enforcement of judgments; (e) any foreclosure or enforcement of a security interest; (f) any forfeiture action; or (g) any other action where a party may lose possession thereof (not subject to force majeure and notice and opportunity to cure).
- (viii) Any other circumstance or event specified in this Agreement (subject to force majeure and notice and opportunity to cure unless otherwise specified).

#### §6.03 Notice and Opportunity to cure.

For those events or circumstances of default listed above which are expressly subject to the notice and opportunity to cure, and unless otherwise specified in this Agreement, the party intending to declare a default shall first provide written notice to the defaulting party of such event or circumstance and the specific action required to cure it and the defaulting party shall have thirty (30) days from the date that the notice is deemed given to cure the default. If a party has commenced to and diligently pursues to cure the default, one or more extensions in time may be granted which may be revoked without advance notice if the defaulting party abandons the attempt to cure or if cure becomes impossible.

#### §6.04 Remedies

- a. In the event of default by a party, the non-defaulting party may pursue any one or combination of the following remedies:
- (i) Suspend, modify or terminate any counter-performance or other obligation hereunder.
  - (ii) Terminate this Agreement as a whole.
- (iii) To protect its interest and value in the performance of this Agreement, a non-defaulting party may advance funds and take actions to cure or mitigate the default and take and

receive proceeds and revenues generated by its corrective actions and recover attorneys fees and expenses.

- (iv) Appear in any proceeding (receivership, bankruptcy, forfeiture, judicial or other proceeding) to protect the non-defaulting party's interests.
- (v) Seek the appointment of a Receiver to operate any property and collect rents or revenues.
- (vi) Commence an action for damages, injunctive relief or equitable relief as provided under Nevada law.
  - (vii) Any other remedy provided in this Agreement or under applicable law.

#### §6.05 General Provisions regarding remedies

- a. <u>Cumulative remedies.</u> All remedies set forth above are cumulative with another and with any other remedy afforded by applicable law, and the pursuit of one remedy does not constitute an exclusive selection of that remedy or a waiver of or election not to pursue any other remedy.
- b. <u>Advances.</u> Any funds reasonably expended by a non-defaulting party to make repairs, cure defaults, protect property or an interest in property shall be reimbursed by the non-defaulting party together with interest as specified in this Agreement or as specified in NRS 99.040.

#### §6.06 Waivers.

Any forbearance, inaction, or failure to promptly pursue any remedy (whether intentional or negligent) shall not be deemed a waiver of any default or remedy and shall not be construed as in any manner estopping any party from enforcing in full the provisions hereof. Waivers must be expressed in writing signed by the waiving party, and a waiver of a default is limited to the specific default identified in the written waiver and does not constitute a course of dealing or implication that similar defaults will be waived in the future. A party's acceptance of partial performance shall not be deemed to be an accord and satisfaction or a waiver of or change to any term, covenant or condition of this Agreement.

#### §6.07 Attorney's fees and costs.

If an action is brought to interpret or enforce this Agreement, each party shall bear its own attorney's fees and costs regardless of the outcome.

#### Art. 7 GENERAL PROVISIONS

#### § 7.01 Assignment and Subletting

a. By Developer Developer shall not voluntarily or involuntarily assign (a "Transfer") all or any portion of the Developers rights or interest in this Agreement without first obtaining the approval of the City Manager, which approval shall not be unreasonably withheld based on an evaluation of the nature of the assignment and the character, credit and capacity of the assignee, the assignee's intentions to comply with the covenants running with the land, and its intentions and capacity to continue redeveloping the area. Any attempted Transfer without the City Manager's consent shall be void and shall constitute a material breach of this Agreement. The City Manager's decision to withhold consent may be appealed to the Reno City Council. Notwithstanding the forgoing, Developer may enter into leases and property management agreements in the operation of the Proposed Project.

#### §7.02 Authority.

Developer represents and warrants that it has full power and authority to execute and fully perform its obligations under this Agreement pursuant to its governing instruments, without the need for any further action. The persons who execute this Agreement represent and warrant that they have the actual authority to execute and bind their principals to this Agreement.

#### §7.03 Interpretation.

- a. The captions, headings and index appearing in this Agreement are inserted for convenience only and in no way define, limit, construe, or describe the scope or intent of the provisions of this Lease.
- b. The word "include" or "including" is not intended as a limitation and shall be construed to include the words "but not limited to."
- c. Any reference to the masculine genders includes, where appropriate in the context, the feminine gender. Any term in the singular includes, where appropriate in the context, the plural.
- d. The Parties hereto were each advised by counsel in drafting and negotiating this agreement, and each Party contributed to its contents. No presumptions against or in favor of any party are appropriate based on who drafted this Agreement or any provision herein.

#### *§7.04* Standards for approvals.

- a. Unless otherwise specified (such as with the words "sole discretion") wherever this Agreement requires the approval of a party, or any of a party's officers, agents or employees, such approval shall not be unreasonably withheld delayed or conditioned.
- b. The City Council of Owner is a governmental body whose decisions are legislative or administrative functions that may be subject to public hearings and input, and, except as otherwise provided herein, shall have sole and absolute discretion to approve or disapprove any matter submitted to it, provided, however, that decisions are not arbitrary, capricious or an abuse of discretion.

#### \$7.05 Notices.

- Whenever in this Agreement it shall be required or permitted that notice or demand be given or served by either party hereto to or on the other, such notice or demand shall be in writing, mailed or delivered to the other party at the addresses indicated in §1.01.
- h. Method of delivery. Mailed notices shall be sent by United States Postal Service, certified or registered mail, postage prepaid and shall be deemed to have been given, delivered and received three (3) business days after the date such notice or other communication is posted by the United States Postal Service. All other such notices or other communications shall be deemed given, delivered and received upon actual receipt. Either party may, by written notice delivered pursuant to this provision, at any time designate a different address to which notices shall be sent.
- Default Notices. Notwithstanding anything to the contrary contained within this Article, any notices that Owner is required or authorized to deliver to Developer in order to advise Developer of alleged violations of Developer's covenants under this Agreement must be in writing but shall be deemed to have been duly given or served upon Developer by Owner attempting to deliver at the Premises during normal business hours a copy of such notice to Developer or its managing employee and by Owner mailing a copy of such notice to Developer in the manner specified in the preceding Section.

#### \$7.06 Further acts and assurances; estoppel certificates.

- Each party agrees to take all necessary action to enter into, execute and deliver any and all written documents necessary to carry out the terms of this Agreement.
- b. Upon request, each party agrees to provide estoppel certificates or other documents indicating the status of this Agreement and whether or not the other party is in default.

#### \$7.07 Governing Law.

This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Nevada.

#### \$7.08 Contract Administration.

The Authorized Representative of Owner has the authority to (i) accept Developer's Notice of Intent to Exercise Option; (ii) negotiate the terms of the purchase and sale of the Property so long as they are not inconsistent with the provisions in this Agreement; (iii) execute all documents necessary to close the sale (representations and warranties, escrow instructions, closing certificates, declarations of value etc); (iv) make operational judgments and decisions regarding the administration and maintenance of the Property; (v) extend, modify accept or waive performances by Developer under this Agreement, (vi) execute and serve any notices and pursue any remedies hereunder,

b. **EXCEPT THAT** (i) the Mayor of the City must execute any deeds to the Property; and (ii) approval of the Reno City Council is required for any term that requires the commitment for the City to expend or waive the right to receive more than \$50,000.00.

#### *§7.09 Modification.*

The provisions of this Agreement may not be modified, except by a written instrument signed by both Parties.

#### *§7.10* Partial Invalidity.

- a. Each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law, taking into account permissible waivers or provisions which may be upon agreement of the Parties. If any term or provision of this Agreement or the application thereof shall be deemed by a court of competent jurisdiction to be in violation of law or public policy, or otherwise unenforceable, then it shall be deemed modified, ipso facto, to bring it within the limits of validity or enforceability, but if it cannot be so modified, then it shall be excised from this Agreement. In any event, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected.
- b. To prevent windfall or unintended consideration, if any term or provision of this Agreement is deemed invalid or unenforceable or enforceable only to a limited extent, the Parties agree to negotiate in good faith to adjust any counter-performance, condition, or corresponding consideration.

#### *§7.11* Timing provisions.

Time is of the essence in the performance of this Agreement. Unless otherwise specified, the term "days" means calendar days. If a deadline falls on a weekend or holiday then performance is due on the first business day of the recipient thereafter. Unless otherwise specified, performance is due by the later of 5 p.m. Reno, Nevada time or close of business of the recipient on the day it is due.

#### §7.12 Successors & Assigns.

This Agreement shall be binding on and inure to the benefit of the Parties and their successors and assigns, except as may otherwise be provided herein.

#### §7.13 Recording of Memorandum of Agreement.

The Parties agree that this Agreement shall not be recorded. If either party desires, a memorandum of agreement shall be executed by the Parties and recorded.

### §7.14 Entire Agreement; Exhibits; Counterparts.

- a. This Agreement, together with all addenda, exhibits and riders attached hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof, and all prior or contemporaneous agreements, understandings and representations, oral or written, are superseded. All exhibits referred to herein are attached hereto and incorporated by reference.
- b. This Agreement may be executed in counterparts and is binding when all counterparts have been signed and an original has been filed with the City Clerk.

Exhibit A Property Description

IN WITNESS WHEREOF, the Owner and Developer have duly executed this Agreement on the dates indicated below, but to be effective as of the date set forth in §1.01.

## Purchase Option Agreement (0 West Second Street)

## **Counterpart Signature Page**

Date	
D	
Date	
	Date

## Purchase Option Agreement (0 West Second Street)

## **Counterpart Signature Page**

Developer
Jacobs Investments, Inc., a Delaware corporation
By
Name:
Its:
Date

# Purchase Option Agreement (0 West Second Street)

#### Exhibit A

#### **Property Description**

A parcel of land, located in Section 10, Township 19 North, Range 19 East, M.D.M., described as follows:

Commencing at the northeasterly corner of land labeled as the Lane Property on Record of Survey Map No. 188, recorded May 6, 1952, Official Records of Washoe County;

THENCE, southerly along the easterly line of said parcel South 06°52' to the southerly line of Church Lane;

THENCE, westerly along said southerly line to the easterly right-of-way of Stevenson Street:

THENCE, southerly along said easterly right-of-way line to the northerly line of West Second Street;

THENCE, easterly along said northerly right-of-way line to the southwesterly corner of the parcel of land described in Document No. 3277623, recorded September 15, 2005, Official Records of Washoe County;

THENCE, northerly along the westerly line of said parcel to the northwesterly corner of said parcel;

THENCE, westerly to the TRUE POINT OF BEGINNING.

Containing an area of 39,057 SF of land, more or less.

#### **BASIS OF BEARING**

As shown on Record of Survey No. 188, recorded on May 6, 1952, Official Records of Washoe County.

Pursuant to NRS 111.312, this legal description was previously set forth in Document No. 3656379, Recorded on June 3, 2008, Official Records of Washoe County.

### AMENDED AND RESTATED PURCHASE OPTION AGREEMENT (290 Keystone)

### Between

### City of Reno and Redevelopment Agency of the City of Reno

### And

## Reno Property Manager, LLC

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## Article 1 SCHEDULE OF TERMS

## § 1.01 Parties & Key Terms.

THIS AGREEMENT is by and between the following Parties involving the following terms and conditions.

#	Terms	Reference	
a.	Effective Date		February 27, 2019
Pa	rties and Definition	ons	
b.	Owners* City		City of Reno, a municipal corporation "City" and

c.	Agency  Developer/ Optionee/		Redevelopment Agency of the City of Reno, "Agency" P.O. Box 1900 One East First Street Reno, Nevada 89505  Authorized Representative: City Manager Reno Property Manager, LLC, a Delaware limited liability company, or its assigns
	Buyer.		into may company, or its assigns
d.	Property		Authorized Representative: Jeff Jacobs/Chris Mazanec See Exhibit A 290 Keystone Avenue APN 011-640-02
e.	Proposed Project:	§3.04 §5.02	<ol> <li>Combine Property with two "Adjacent Parcels"         (APN 006-224-06 –810 W 4th St; and 006-224-07, 890 W 4<sup>th</sup> St) and;     </li> <li>Construct an economic development or redevelopment project that is consistent with NRS 268.063 and has a minimum density of 30 units per acre for residential projects or a minimum intensity of a 2.0 floor area ratio (FAR) for mixed use or non-residential projects</li> </ol>
Or	otion Terms		
f.	Option Expiration Date	§3.01	October 31, 2021
g.	Option Fee	§3.02	\$25,000, which shall be in addition to Purchase Price if option is exercised, and paid as follows: \$10,000 within 30 days from the Effective Date and \$15,000 within 30 days from the first anniversary of the Effective Date
Pu	rchase and Sale Te	rms if optio	n exercised
h.	Purchase Price of Property	§4.02	[TO BE DETERMINED BY COUNCIL]
i.	Escrow Officer	§4.03	Ticor Title of Nevada; 5110 Kietzke Lane, Suite 100, Reno NV 89511.
Ot	oligation to Constru	ct and Ope	rate the Proposed Project; Reverter of Title
j.	Condition of Sale; Reverter of Title	§4.04 §5.03 §5.04	Deed will include a covenant running with land and reserve to the Grantor a right of reverter (such reversion may not be subordinated to any financing, unless it is secured by a letter of credit for the difference between the Purchase Price and the Fair Market Value, and shall terminate on the Construction Completion Date and, upon breach of a covenant, the Property reverts back to

	City upon repayment of the Purchase Price le	ess Option	
	Fee to Buyer.		
*	The Property is jointly owned by City and Agency. At any time, one of them may quitclaim its interest to the other who will assume all the rights and obligations of Owner.		
	hereunder.		

### §1.02 Schedule

#	Event	Reference	Deadline/Date
a.	Obtain and Deliver	§3.06	Appraisals shall be prepared before Notice of Intent to
	Appraisal (s)	§4.01	Exercise Option.
b.	Date Notice of	§4.01	Must be before October 31, 2021
	Intent to Exercise		
	Option.		
c.	Closing Date	§4.03	30 calendar days after Notice of Intent to Exercise
			Option
d.	Automatic	§4.06	October 31, 2021
	Termination Date		
e.	Building Permit	§5.02	Developer must apply for building permit by first
	Date		business day of the 18th month after closing unless (i)
1			delayed by force majeure as defined in §6.01 or (ii)
			extended by the City Manager
f.	Construction	§5.02	Construction must commence by the first business day
	Commencement		of the 6 <sup>th</sup> month after the Building Permit is issued
	Date		unless (i) delayed by force majeure as defined in §6.01
			or (ii) extended by the City Manager
g.	Construction	§5.02	Construction must be completed and a Certificate of
	Completion Date		Occupancy issued by the first business day of the 48th
			month after the Effective Date of this Agreement
			unless (i) delayed by force majeure as defined in §6.01
			or (ii) extended by the City Manager

#### Article 2 RECITALS

- A. Owners own the real property described in Exhibit A (the "Property") which is in the City of Reno Redevelopment District 1.
- B. Developer is acquiring multiple properties in Redevelopment District 1 with the intent of redeveloping them into a commercial/entertainment/ residential district extending southeast from the Fourth Street/Keystone intersection into downtown Reno. Developer's plan includes combining the Property described in Exhibit A with two Adjacent Parcels being acquired by Developer and building a multiple story multifamily housing complex to provide housing for workers in the new commercial sites being built in the Reno area, including Redevelopment Districts 1 and 2.

- C. Developer desires to conduct due diligence on the property and determine how it would fit into Developer's planned redevelopment project before committing to purchase the Property but is unwilling to invest funds and resources without having an option to purchase the Property at the end of the due diligence period.
- D. The proposed sale would be accomplished without first offering the Property for auction as generally required of the City by NRS 268.062 because the combination of properties and building the project within the parameters set forth herein would be within the exemption under NRS 268.063 for a redevelopment and economic development project.

NOW THEREFORE in consideration of the mutual covenants and benefits herein, the Parties agree as follows.

#### **Article 3 OPTION TERMS AND CONDITIONS**

#### §3.01 Grant of option; Option Period.

- a. Owners own and hereby grant to Developer an option to buy the above described Property according to the terms and conditions set forth in this Agreement.
- b. Developer may exercise its option and Owners agree to sell the Property to Developer at any time during the Option Period which ends on the earlier of (i) the Option Expiration Date set forth in §1.01; (ii) a voluntary termination by Developer pursuant to this Agreement; (iii) service of Notice of Intent to Exercise Option by Developer pursuant to §3.07; or (iv) termination due to default or other circumstances as specifically provided in this Agreement.

#### §3.02 Payment of Option Fee

Within thirty (30) days from execution of this Agreement by both Parties, Developer shall pay to the Authorized Agent of Owners the above stated \$10,000. Within thirty (30) days from the first anniversary of the execution of this Agreement by both Parties, Developer shall pay to the Authorized Agent of Owners the above stated \$15,000. The fee is not refundable but shall be applied to the purchase price of the Property if Developer purchases the Property.

#### §3.03 Due Diligence during Option Period.

- a. Owners Document Delivery. Owners shall deliver or cause to be delivered to Developer within thirty (30) days from payment of the \$10,000: (i) a Preliminary Title Report; (ii) all property condition reports that the Owners have in their possession; and (iii) Representations and Warranties that the Owners propose to give to Developer upon closing.
- b. <u>Inspections.</u>

- (1) During the Option Period, Developer shall promptly arrange for and complete all inspections it desires, including environmental investigations, pest control inspections, soils analysis, geotechnical inspections, and the like, to be conducted at Buyer's expense, unless otherwise agreed. Owners agree to cooperate with the scheduling of each inspection so that all inspections (except final walkthrough) can be concluded during the Option Period.
- (2) Developer may request a walk through inspection at any time before Closing, and if requested, Owners agree to be present or have an agent who is knowledgeable about the Property present for the walk through inspection.
- (3) Owners shall grant access to the Property to Developer and all contractors of Developer at any reasonable time and upon reasonable notice and Developer agrees not to unreasonably interfere with the operations of the Property.
- (4) Developer shall indemnify Owners and hold Owners harmless from all costs, claims or liability of any kind resulting from all acts or omissions of Developer, its contractors, agents and employees relating to access to the Property during inspections. This provision shall survive the termination of this Agreement for one year.
- (5) <u>Objections, questions.</u> Owners and Developer shall meet and confer during the due diligence process to negotiate possible remedies for objections to the condition of the Property.
- (6) <u>Subsequent Actions, Disclosures.</u> If, however, after the Developer's Notice of Intent to Exercise Option is given and Owners subsequently make a correction or amendment to any representation or warranty or any disclosure regarding the title or condition of the property, or deliver any document required to be delivered to Developer, Developer shall have ten (10) days to consider the information provided and may rescind the Notice of Intent to Exercise Option or terminate this Agreement in its sole and absolute discretion.
- c. During the Option Period, Development may secure the Property, at Developer's cost, with fencing approved by the City Manager.

#### §3.04 Acquisition of adjacent parcels.

- a. During the option period, Developer shall acquire title to, obtain an option to purchase, or otherwise gain control over the Adjacent Parcels needed for the Proposed Project as described in §1.01 above and shall deliver proof with the Notice of Intent to Exercise Option. Developer shall keep the Owners Authorized Representative informed of Developer's progress on a quarterly basis from the effective date of this Agreement.
- b. If during the Option Period it is determined that Developer will be unable to acquire title to, obtain an option to purchase, or otherwise gain control of the Adjacent Parcels, Developer shall inform Owners and this Option shall automatically terminate, but the Parties may negotiate an alternative to the Proposed Project for presentation to the Owners for approval as an amendment to this Agreement.

### §3.05 Establishing a Qualifying Project

- a. During the Option Period and at least two weeks before serving a Notice of Intent on Owner, Developer shall prepare and deliver to Owner a site plan and project description describing how the Property will be developed and used, if acquired, to:
  - (i) establish new commercial enterprises or facilities within the city;
  - (ii) support, retain or expand existing commercial enterprises or facilities within the city;
  - (iii) establish, retain or expand public, quasi-public or other facilities or operations within the city;
  - (iv) establish residential housing needed to support the establishment of new commercial enterprises or facilities or the expansion of existing commercial enterprises or facilities; or
  - (v) any combination of the activities described in subparagraphs (i) to (v), inclusive, 

    → to create and retain opportunities for employment for the residents of the city.
- b. The project must have a minimum density of 30 units per acre for residential projects or a minimum intensity of a 2.0 floor area ratio (FAR) for mixed use or non-residential projects.

#### §3.06 Appraisal and establishing value.

- a. During the Option Period, Developer and Owners' Authorized Representative shall determine the fair market value of the Property. Fair Market Value will be established under NRS 268.059 by the average of two appraisals. The appraiser(s) shall be retained by the City and the expense of the appraisal(s) shall be paid by Developer. The appraiser(s) shall be selected from the list of appraisers maintained by the City under NRS 268.059.
- b. If a party reasonably challenges the methodology of an appraisal, a substitute appraisal may be obtained.
- c. The fair market value of the Property must be established and agreed upon before Developer serves a Notice of Intent to Exercise the Option.
- d. Any dispute may be referred to the City Council and the deadline for the Notice of Intent shall be extended to 30 days after a decision is made.

### §3.07 Notice of Intent to Exercise Option

- a. When Developer has completed its due diligence and is ready to acquire the Property subject to the terms and conditions set forth below, it shall serve written notice on the Authorized Representative of the Owners. The Notice of Intent to Exercise Option must include:
  - (i) an agreement by Developer as to the Purchase Price;

- (ii) proof that Developer has acquired title to, an option to purchase, or has otherwise gained site control of the Adjacent Parcels; and
- (iii) a statement that Developer has completed due diligence of the Property and is ready, willing and able to accept the Property AS IS WITH ALL ITS FAULTS and close the sale within the Closing Date.
- b. When Developer has served the Notice of Intent to Exercise Option on the Owners Authorized Representative, the Option terminates and the Parties shall immediately begin negotiations under the Purchase Agreement set forth below.
- c. Agency or City may quitclaim its interest in the Property to the other who will assume all the rights and obligations of the Owners and complete the sale.

### Article 4 PURCHASE AGREEMENT; REVERTER

#### §4.01 Conditions Precedent

- a. If Developer provides Notice of Intent to Exercise Option to purchase the Property, the Parties shall meet and confer regarding the terms and conditions of this Purchase Agreement.
- b. <u>Conditions Precedent</u> Owners obligation to sell and Developer's obligation to purchase the Property is subject to all of the following conditions precedent:
- 1. It has been determined that the proposed project qualifies as an economic development or redevelopment project that warrants sale to Developer without a public auction as set out in §3.04, and the purchase price has been agreed upon under §3.05.
  - 2. The terms of the sale have been agreed upon by Developer and the City Manager.
- 3. Developer has prepared plans and specifications for the construction of the Proposed Project, and has commitments to finance the construction.
  - 4. The sale must be authorized and meet all the conditions of Nevada law.
- 5. All of the representations and warranties made by each party in this Agreement and in any closing certificate must be true in all material respects as of Closing Date.
- 6. Developer, in its sole discretion, must be satisfied as to the legal description, the status of title, title commitment, and the condition of and the suitability of the Property for its intended use, in Developer's sole discretion.

#### §4.02 Purchase Price; allocation of closing costs.

a. The base purchase price for the Property is as set forth in §1.01 above.

b. Closing costs shall be allocated and paid as follows:

Title Report	Developer pays 100%
Title Insurance	Developer pays 100%
Survey (if needed)	Developer pays 100%
Appraisals and reviews	Developer pays 100%
Soils Analysis	Paid by party who orders.
Environmental Assessments	Paid by party who orders.
Transfer Tax	Developer pays 100%
Property Taxes	Exempt. Developer to pay from closing.
Tenant Rents & Deposits	None
Escrow Agent Fees	Developer pays 50% Owners pay 50%
Recording Fees	Developer pays 100%

- c. Payment of real estate commissions. Owners represent to Developer that there are no real estate or brokerage commissions payable in connection with this sale to any party claiming through Owners, or arising out of the actions of Owners. Developer represents to Owners that there are no real estate or brokerage commissions payable in connection with this sale to any party claiming through Developer or arising out of actions of Developer. Each party shall indemnify and hold the other harmless from all costs, claims, damages, or liability of any kind in connection with the breach of this representation. The representations and indemnities in this paragraph shall survive the closing or earlier termination of this Agreement.
- Payment of Purchase Price. Developer agrees to pay the purchase price and its share of expenses in cash at Closing.

#### §4.03 Escrow

- Escrow Instructions. Escrow shall be established with the Escrow Agent indicated in §1.01 above and the Parties shall prepare joint escrow instructions.
- b. Preclosing. On the preclosing call of Escrow Agent: (i) Developer and Owners shall have duly executed and delivered to each other or to the Escrow Agent all the documents listed in the Escrow Instructions or otherwise required or contemplated by this Agreement, including closing certificates, and each receiving party shall have reviewed and approved the document; (ii) all documents necessary to accomplish any financing of the sale shall have been delivered and approved by the Parties; (iii) Escrow Agent shall prepare and deliver to both Parties a settlement statement indicating funds received or to be received and allocating such funds to payments to the Parties, taxes, assessments, closing expenses, and both Parties must approve the settlement statement; (iv) Owners shall have delivered all documents or agreements required by the Escrow Agent to insure title to the extent requested by Developer; and (v) Escrow Agent shall be irrevocably committed to issue or cause to be issued the title insurance required by

Developer and Lender. At preclosing, the Parties shall instruct the Escrow Agent whether or not to close the escrow. If preclosing is not accomplished, the foregoing actions shall be accomplished at closing.

- c. <u>Closing Conditions.</u> Escrow shall not close until all conditions and provisions stated in §4.01 and §4.03 have been met, waived or reserved.
- d. <u>Closing.</u> If conditions have been met, closing shall occur on the Closing Deadline or other date agreed upon by the Parties. Closing shall occur at the offices of Escrow Agent. When all conditions of closing have been met: (i) Developer and Owners shall execute and deliver Escrow Agent all documents listed in the Escrow Instructions or otherwise required to complete the intents and purposes of this Agreement; (ii) Developer and Owners shall deliver into escrow in collected funds the purchase price and all funds necessary to close the sale; (iii) the Escrow Agent shall record and distribute all documents as provided in the Escrow Instructions; and (iv) Escrow Agent shall disburse all funds as provided in the Escrow Instructions and settlement statements approved by both Parties. When all the foregoing events have been completed, "Closing" shall have occurred.
- e. <u>Escrow Agent Delays.</u> Provided that Developer and Owners have accomplished all that has been required of them as indicated in this Agreement, a delay in the settlement or closing caused by Escrow Agent or factors beyond the control of Escrow Agent shall not be considered as a default by Developer or Owners, and the Closing Deadline shall automatically be extended for a reasonable period of time not to exceed thirty (30) days to close. If escrow does not close within thirty (30) days from Closing Date through no fault of either Owners or Developer, the Parties may appoint a substitute who shall serve as the Escrow Agent for all purposes under this agreement and the Escrow Instructions.
- f. <u>Failure to close</u>. Except as provided next above, if closing does not occur by the Closing Deadline due to the default, actions or inactions of a party, the nondefaulting party may terminate this Purchase Agreement and seek any remedies available under this Agreement.

#### §4.04 Delivery of possession; Title to be conveyed subject to covenant.

- a. <u>Delivery of Possession.</u> Immediately upon closing, Owners shall deliver possession of the Property together with all keys, codes, and documents necessary for Developer to obtain and permanently enjoy full exclusive possession and title to the Property.
- b. <u>Removal of Personal Property.</u> On or before closing, Owners shall remove all personal property belonging to Owners which is not part of the sale. Unless otherwise agreed, all personal property left on the Property on the delivery of possession shall be presumed to be part of the sale, and title shall pass to Developer.
- c. <u>Conveyance of Title.</u> Upon closing, Owners shall deliver insurable fee title free of all encumbrances, liens, conditions, or other exceptions to or defects in title except those permitted exceptions agreed upon by Developer and further except for a covenant running with the land as provided in Article 5 of this Agreement.

d. <u>Property Condition.</u> Upon closing, Developer has completed all its due diligence and shall accept the Property AS IS WITH ALL ITS FAULTS.

#### §4.05 Condition of Property; Risk of Loss

- a. <u>Eminent Domain.</u> If proceedings under power of eminent domain are commenced before the Closing Deadline to take any portion of the Property, Owners shall promptly inform Developer and Developer may rescind this Purchase Agreement at any time before closing. If Developer chooses to pay the Purchase Price and close the sale, unless otherwise agreed, Developer may appear in any eminent domain proceedings and the Parties shall proceed to closing upon the original terms stated herein and Developer shall be paid all eminent domain proceeds, except relocation benefits.
- b. <u>Property Damage or Destruction.</u> Owners do not insure its property with outside carriers. If the Property is damaged or destroyed before closing, and the Parties cannot agree on an adjustment of the sale price, Developer may rescind this Purchase Agreement.
- c. To the extent that the above provisions are inconsistent with the Uniform Vendor and Purchaser Act (NRS 113.030 113.050), they are intended to replace the provisions of the Act.

#### §4.06 Automatic Termination Date.

Notwithstanding any other provision in this Agreement, if escrow does not close and if Property is not delivered by the "Automatic Termination Date" specified in §1.02 above, for any reason, this Agreement automatically terminates. The Parties may agree to extend the Automatic Termination Date.

#### Article 5 OBLIGATIONS REGARDING PROPOSED PROJECT

#### §5.01 Economic Development/Redevelopment Project.

- a. <u>Economic Development.</u> At the time this Agreement is negotiated, there is a substantial increase in commercial activity in and near the Reno area, including new commercial activity being brought in by Developer and others in Redevelopment Districts 1 and 2, and as a result there is strong demand for residential housing in the vicinity of the Property. The purpose of the Proposed Project is to provide residential housing needed to support the establishment of new commercial enterprises or facilities or the expansions of existing of existing commercial activities or facilities within the City within the meaning of NRS 268.063.
- b. <u>Redevelopment.</u> The Property is within the City of Reno Redevelopment District No. 1 and was acquired by the Owners as part of its ReTraq redevelopment project for downtown Reno. The Property was formerly occupied as an ironwork facility and required some

clean up, and has since been vacant. Redeveloping the Property into the Proposed Project would serve as a redevelopment project within the meaning of NRS 279.408.

d. <u>Hold Harmless.</u> Both Parties have independently reviewed and believe that with the completion of the Proposed Project, the sale of the Property to Developer would qualify for an exemption under NRS 268.063 from the general requirement for the City to put its surplus property out for public auction. If it is determined by a court of competent jurisdiction that the Proposed Project is not so qualified and the sale hereunder is void under NRS 268.063 (3)(a), the Parties agree to hold each other harmless and not to sue each other for damages other than for a refund of the Base Purchase Price less the Option Fee.

#### §5.02 Obligation to Construct the Proposed Project.

- a. Developer shall combine the Property with Adjacent Properties and apply for a building permit to construct the Proposed Project within the deadline established in §1.02 above.
- b. Developer shall commence and complete the construction of the Proposed Project within the deadlines established in §1.02.

#### §5.03 Covenant running with land and right of reverter.

- a. <u>Covenant running with the land.</u> Developer agrees that its obligation to construct the Proposed Project constitutes a covenant running with the land which is binding on Developer as well as all future owners of the land.
- b. Right of Reverter. In its deed to Developer, the Grantor of the Deed (Owners or the City or the Agency as the case may be) shall reserve a right of reverter to reaquire title to the Property or to sue for injunctive relief if Developer or any future owner breaches the covenant running with the land to build the Proposed Project on the Property. This right of reverter may not be subordinated to any financing unless a letter of credit for the amount of the difference between the Purchase Price and Fair Market Value or other adequate security is received prior to subordination to assure that construction will be completed on the Proposed Project. The City Manager may determine whether such security is adequate or may refer the matter to City Council. A meeting shall be held before the City Council to determine whether Developer or any future owner has breached the covenant running with the land to build the Proposed Project on the Property, and, if so, whether to exercise the right of reverter.
- c. <u>Remedies and Limitations by Owners.</u> If Developer or any successor owner of the Property does not construct the Proposed Project, the Grantor shall give notice and opportunity to cure as provided in Article 6 of this agreement and if the default is not timely cured, the Grantor may, in addition to relief afforded in Article 6:
- (i) Bring an action for injunctive relief if a building permit has been issued and construction has started; or

(ii) If a building permit has not been issued and construction has not started, exercise its right of reverter and obtain title to the Property upon paying to Developer or the successive owner of the Property the amount paid by Developer to acquire the Property under this Agreement less the Option Fee. If the Property has been combined with other properties for the Proposed Project, the Grantor may acquire a proportionate interest (percentage of square footage of Property to total square footage of combined properties) in the combined property as tenant in common with the current property owner. A hearing shall be held before the City Council to determine whether Developer or any future owner has breached the covenant running with the land to build the Proposed Project on the Property, and, if so, whether to exercise the right of reverter.

#### §5.04 Termination of Covenant and Right of Reverter.

The covenant running with the land is satisfied and the right of reverter terminates when Developer has obtained a Certificate of Occupancy for the Proposed Project. Grantor shall execute and record a notice of termination if requested.

#### Article 6 DEFAULT AND REMEDIES.

### §6.01 Excuse due to Force Majeure.

- a. Except as provided elsewhere herein, if an event of force majeure makes performance of an obligation or cure of a breach or default impossible, such performance or cure is excused for the duration of the event of force majeure provided that the obligated party (i) within a reasonable time after the commencement of the force majeure notifies the other party of the nature of the event of force majeure, when it commenced, why it makes performance or cure impossible, and the expected duration (if known), and (ii) agrees to and does in fact diligently pursue remediation of the effects of the force majeure, and (iii) agrees to notify the other party immediately when it becomes possible to commence efforts to cure the default.
- b. An event of force majeure is defined as (i) without the fault of and beyond the reasonable control of the obligated party, a war; insurrection; riot; flood; earthquake; fire; casualty; act of God; act of a public enemy; quarantine restriction or other effect of epidemic or disease; freight embargo; delay caused by unusually severe or extreme weather; lack of transportation attributable to any of these; or (ii) labor strikes, boycotts or picketing (unless the labor action is taken because of an alleged violation of the prevailing wage requirement, if any, in this Agreement, if any); (iii) provided, however, that if the breach or default is the failure to pay money, the force majeure must actually prevent access to or payment from a bank account or payment mechanism, such as during a banking holiday, moratorium, or sabotage of wire or automated transfer systems. A force majeure does not include general economic or market conditions, or the financial condition of a party even if they are influenced by any of the foregoing.
- c. A force majeure is deemed to cease for purposes of this Agreement and a party is deemed to be in breach of an obligation or cure on the earlier of (i) when it becomes possible for the obligated party to commence to perform the obligation or cure and the obligated party fails to so

commence the obligation to perform or cure, or (ii) one year from the commencement of the event of force majeure.

## §6.02 Default

- a. A party shall be in default hereunder in any of the following events or circumstances (subject to force majeure and notice and opportunity to cure if specified):
- (i) The party repudiates, breaches, or fails to promptly and fully perform any covenant, condition or agreement contained in this Agreement (subject to force majeure and notice and opportunity to cure).
- (ii) Developer ceases construction for sixty (60) days, or ceases to operate the Proposed Project for sixty (60) days (subject to force majeure and notice and opportunity to cure).
- (iii) Any representation of a material fact expressed herein was false at the time it was made, or, if a continuing representation becomes false as a result of a subsequent event or occurrence; or any warranty made herein is breached at the time made or, if a continuing warranty, is breached as a result of a subsequent event or occurrence (subject to force majeure and notice and opportunity to cure).
- (iv) An event required to occur does not occur by the time required due to the lack of diligence or fault of a party (subject to force majeure and notice and opportunity to cure).
- (v) A party makes an assignment for the benefit of creditors or files or suffers the involuntary filing of a petition for appointment of a receiver, or for relief under the U.S. Bankruptcy Code or any federal or state law that provides relief to debtors from creditors and such petition is not rescinded or resolved within sixty (60) days from the date of filing (not subject to force majeure and notice and opportunity to cure).
- (vii) Any interest in the Property or any improvements on the Property, or any right to receive funds under the Proposed Project become an asset in a receivership or bankruptcy estate or become the subject of any proceedings (a) relating to prejudgment attachment of assets, (b) a judgment lien, (c) a mechanics lien or any claim for payment of amounts owed for the provision of services or materials to the Property or any Improvements thereon; (d) any execution proceedings for the enforcement of judgments; (e) any foreclosure or enforcement of a security interest; (f) any forfeiture action; or (g) any other action where a party may lose possession thereof (not subject to force majeure and notice and opportunity to cure).
- (viii) Any other circumstance or event specified in this Agreement (subject to force majeure and notice and opportunity to cure unless otherwise specified).

# §6.03 Notice and Opportunity to cure.

For those events or circumstances of default listed above which are expressly subject to the notice and opportunity to cure, and unless otherwise specified in this Agreement, the party intending to declare a default shall first provide written notice to the defaulting party of such event or circumstance and the specific action required to cure it and the defaulting party shall have thirty (30) days from the date that the notice is deemed given to cure the default. If a party has commenced to and diligently pursues to cure the default, one or more extensions in time may be granted which may be revoked without advance notice if the defaulting party abandons the attempt to cure or if cure becomes impossible.

# §6.04 Remedies

- a. In the event of default by a party, the non-defaulting party may pursue any one or combination of the following remedies:
- (i) Suspend, modify or terminate any counter-performance or other obligation hereunder.
  - (ii) Terminate this Agreement as a whole.
- (iii) To protect its interest and value in the performance of this Agreement, a non-defaulting party may advance funds and take actions to cure or mitigate the default and take and receive proceeds and revenues generated by its corrective actions and recover attorneys fees and expenses.
- (iv) Appear in any proceeding (receivership, bankruptcy, forfeiture, judicial or other proceeding) to protect the non-defaulting party's interests.
- (v) Seek the appointment of a Receiver to operate any property and collect rents or revenues.
- (vi) Commence an action for damages, injunctive relief or equitable relief as provided under Nevada law.
  - (vii) Any other remedy provided in this Agreement or under applicable law.

## §6.05 General Provisions regarding remedies

a. <u>Cumulative remedies.</u> All remedies set forth above are cumulative with another and with any other remedy afforded by applicable law, and the pursuit of one remedy does not constitute an exclusive selection of that remedy or a waiver of or election not to pursue any other remedy.

b. <u>Advances.</u> Any funds reasonably expended by a non-defaulting party to make repairs, cure defaults, protect property or an interest in property shall be reimbursed by the non-defaulting party together with interest as specified in this Agreement or as specified in NRS 99.040.

#### §6.06 Waivers.

Any forbearance, inaction, or failure to promptly pursue any remedy (whether intentional or negligent) shall not be deemed a waiver of any default or remedy and shall not be construed as in any manner estopping any party from enforcing in full the provisions hereof. Waivers must be expressed in writing signed by the waiving party, and a waiver of a default is limited to the specific default identified in the written waiver and does not constitute a course of dealing or implication that similar defaults will be waived in the future. A party's acceptance of partial performance shall not be deemed to be an accord and satisfaction or a waiver of or change to any term, covenant or condition of this Agreement.

## §6.07 Attorney's fees and costs.

If an action is brought to interpret or enforce this Agreement, each party shall bear its own attorney's fees and costs regardless of the outcome.

#### Art. 7 GENERAL PROVISIONS

### § 7.01 Assignment and Subletting

a. <u>By Developer</u> Developer shall not voluntarily or involuntarily assign (a "Transfer") all or any portion of the Developers rights or interest in this Agreement without first obtaining the approval of the City Manager, which approval shall not be unreasonably withheld based on an evaluation of the nature of the assignment and the character, credit and capacity of the assignee, the assignee's intentions to comply with the covenants running with the land, and its intentions and capacity to continue redeveloping the area. Any attempted Transfer without the City Manager's consent shall be void and shall constitute a material breach of this Agreement. The City Manager's decision to withhold consent may be appealed to the Reno City Council. Notwithstanding the forgoing, Developer may enter into residential leases and property management agreements in the operation of the Proposed Project.

#### *§7.02* Authority.

Developer represents and warrants that it has full power and authority to execute and fully perform its obligations under this Agreement pursuant to its governing instruments, without the need for any further action. The persons who execute this Agreement represent and warrant that they have the actual authority to execute and bind their principals to this Agreement.

## §7.03 Interpretation.

- a. The captions, headings and index appearing in this Agreement are inserted for convenience only and in no way define, limit, construe, or describe the scope or intent of the provisions of this Lease.
- b. The word "include" or "including" is not intended as a limitation and shall be construed to include the words "but not limited to."
- c. Any reference to the masculine genders includes, where appropriate in the context, the feminine gender. Any term in the singular includes, where appropriate in the context, the plural.
- d. The Parties hereto were each advised by counsel in drafting and negotiating this agreement, and each Party contributed to its contents. No presumptions against or in favor of any party are appropriate based on who drafted this Agreement or any provision herein.

# §7.04 Standards for approvals.

- a. Unless otherwise specified (such as with the words "sole discretion") wherever this Agreement requires the approval of a party, or any of a party's officers, agents or employees, such approval shall not be unreasonably withheld delayed or conditioned.
- b. The governing bodies of Owners are governmental bodies whose decisions are legislative or administrative functions that may be subject to public hearings and input, and, except as otherwise provided herein, shall have sole and absolute discretion to approve or disapprove any matter submitted to it, provided, however, that decisions are not arbitrary, capricious or an abuse of discretion.

#### §7.05 Notices.

- a. Whenever in this Agreement it shall be required or permitted that notice or demand be given or served by either party hereto to or on the other, such notice or demand shall be in writing, mailed or delivered to the other party at the addresses indicated in §1.01.
- b. <u>Method of delivery.</u> Mailed notices shall be sent by United States Postal Service, certified or registered mail, postage prepaid and shall be deemed to have been given, delivered and received three (3) business days after the date such notice or other communication is posted by the United States Postal Service. All other such notices or other communications shall be deemed given, delivered and received upon actual receipt. Either party may, by written notice delivered pursuant to this provision, at any time designate a different address to which notices shall be sent.
- c. <u>Default Notices</u>. Notwithstanding anything to the contrary contained within this Article, any notices Owners are required or authorized to deliver to Developer in order to advise Developer of alleged violations of Developer's covenants under this Agreement must be in writing but shall be deemed to have been duly given or served upon Developer by Owners

attempting to deliver at the Premises during normal business hours a copy of such notice to Developer or its managing employee and by Owners mailing a copy of such notice to Developer in the manner specified in the preceding Section.

#### §7.06 Further acts and assurances; estoppel certificates.

- a. Each party agrees to take all necessary action to enter into, execute and deliver any and all written documents necessary to carry out the terms of this Agreement.
- b. Upon request, each party agrees to provide estoppel certificates or other documents indicating the status of this Agreement and whether or not the other party is in default.

## §7.07 Governing Law.

This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Nevada.

#### §7.08 Contract Administration.

- a. The Authorized Representative of Owners has the authority to (i) accept Developer's Notice of Intent to Exercise Option; (ii) negotiate the terms of the purchase and sale of the Property so long as they are not inconsistent with the provisions in this Agreement; (iii) execute all documents necessary to close the sale (representations and warranties, escrow instructions, closing certificates, declarations of value etc); (iv) make operational judgments and decisions regarding the administration and maintenance of the Property; (v) extend, modify accept or waive performances by Developer under this Agreement, (vi) execute and serve any notices and pursue any remedies hereunder,
- b. **EXCEPT THAT** (i) the Mayor of the City and Chair of Agency must execute any deeds to the Property; and (ii) approval of the Reno City Council is required for any term that requires the commitment for the City to expend or waive the right to receive more than \$25,000.

#### §7.09 Modification.

The provisions of this Agreement may not be modified, except by a written instrument signed by both Parties.

#### §7.10 Partial Invalidity.

a. Each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law, taking into account permissible waivers or provisions which may be upon agreement of the Parties. If any term or provision of this Agreement or the application thereof shall be deemed by a court of competent jurisdiction to be in violation of law or public

policy, or otherwise unenforceable, then it shall be deemed modified, ipso facto, to bring it within the limits of validity or enforceability, but if it cannot be so modified, then it shall be excised from this Agreement. In any event, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected.

b. To prevent windfall or unintended consideration, if any term or provision of this Agreement is deemed invalid or unenforceable or enforceable only to a limited extent, the Parties agree to negotiate in good faith to adjust any counter-performance, condition, or corresponding consideration.

# §7.11 Timing provisions.

Time is of the essence in the performance of this Agreement. Unless otherwise specified, the term "days" means calendar days. If a deadline falls on a weekend or holiday then performance is due on the first business day of the recipient thereafter. Unless otherwise specified, performance is due by the later of 5 p.m. Reno, Nevada time or close of business of the recipient on the day it is due.

## §7.12 Successors & Assigns.

This Agreement shall be binding on and inure to the benefit of the Parties and their successors and assigns, except as may otherwise be provided herein.

#### §7.13 Recording of Memorandum of Agreement.

The Parties agree that this Agreement shall not be recorded. If either party desires, a memorandum of agreement shall be executed by the Parties and recorded.

### §7.14 Entire Agreement; Exhibits; Counterparts.

- a. This Agreement, together with all addenda, exhibits and riders attached hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof, and all prior or contemporaneous agreements, understandings and representations, oral or written, are superseded. All exhibits referred to herein are attached hereto and incorporated by reference.
- b. This Agreement may be executed in counterparts and is binding when all counterparts have been signed and an original has been filed with the City Clerk.

#### Exhibit A Property Description

IN WITNESS WHEREOF, the Owners and Developer have duly executed this Agreement on the dates indicated below, but to be effective as of the date set forth in §1.01.

# **Counterpart Signature Page**

City		
CITY OF RENO, a municipal corporation		
By Mayor	Date	
Attest:		
ByCity Clerk	Date	_

# Counterpart Signature Page

Agency	
REDEVELOPMENT AGENCY OF THE CITY	Y OF RENO
By Chair	Date
Attest:	
Agency Secretary	Date

# Counterpart Signature Page

Developer	
Real Property Manager, LLC, a Delaward	e limited liability company
Ву	i,
Name:	
Its:	3
Date	

#### Exhibit A

# **Property Description**

All that Real Property located in the City of Reno, County of Washoe, State of Nevada more particularly described as:

Parcel 10B, Record of Survey 5397, recorded as Document 4100111 on April 4, 2012, Official Records of Washoe County.

#### CITY OF RENO RECENT LAND SALES AND INCENTIVES RECEIVED

Effective Date	Project / Program	Owner / Development	APN	land (Acres)	Building (SF)	Disposal Process	Devalopment Size		Market / Appraised Value		ncentive <sup>*</sup> Provided	Nes	Payment	Bassefiça Received/Notes	Stetus
01/01/14	NA .	Incevation Center	011-501-01	0,85	24,946	Public Entity	24,946 SF Tech Comput	\$	1,475,000	5.	(463,496)		1,930,496	Expansion of Higher Learning	Completed
10/26/17	NA	Maverick	010-610-04 010-610-09	1.39	NA	Economic Development	New Maverick Gas and Convenience Store	\$	730,000	\$		5	730,000	Business Development 15 FT Jobs	Completed
11/16/17	NA	Chisholm Mobile Home Park	010-031-08 010-031-09 010-031-10	1,42	NA	Adjacent Owner	The Eliza Estate - An Event Venue	5	185,514	5		\$	185,514	Business Expansion	Completed
12/15/17	NA	Silverado Cyan LLC	155-060-01	6.50	NA	Auction	51 Units - Market Rate Single Family	\$	2,100,000	\$	(310,000)	\$	2,410,000	51 Units - Market Rate Single Family	Completed
04/06/18	Student Housing	1457-1461 N Virginia Street LLC	007-015-07	0.16	1,674	Economic Development	12-story Student Housing 3-story Garage Ground Floor Commercial	5	304,000	\$	TIE.	\$	304,000	Student Housing Ground Floor Commercial	Planned
01/23/19	Affordable Housing	Truckee Meadows Housing Solutions	010-610-19	0,37	NA	Nonprofit	9 Units - Affordable Single Family Senior/Youth	\$	130,000	\$	129,999	\$	1	9 Units - Affordable	Planned
10/11/19	NA	Oscar Enterprises	010-610-16	1.54	MA	Economic Development	10,000 SF Commercial Building	\$	470,000	5		5	470,000	Business Expansion	Planned
12/09/19	Affordable Housing	HOPES <sup>3</sup>	008-381-41	0.92	NA	Nonprofit	30 Units - Individual Shelter Project 3,200 SF - Community Center	\$	160,024	\$	160,023	\$	1	30 Units - Bridge-housing	Completed
12/17/19	Community Land Trust	Village on Sage Street	008-881-40	4.56	NA	Nonprofit	216 Units - Affordable Dorma	5	1,021,993	\$	1,021,932	\$	- 1	216 Units - Affordable	Completed
03/10/20	NA	PF Reno III LLC	010-610-17	3.26	18,196	Auction	Proposed Flex Space	\$	1,715,000	\$		\$	1,715,000	NA	Completed
09/04/20	NA	EFO State Street	012-131-01	0.34	NA	Economic Development	64 Units - Market Rate Apartments	s	500,000	5	310,000	5	180,000	6 Units - Affordable Incentive driven by appraisal yielding a lower land value	Planged
09/09/20	NA	Cunningham & Hammers LLC	008-252-16	0.77	9,300	Economic Development	Existing Business	\$	575,000	\$	2	\$	575,000	NA	Completed
10/28/20	NA	Nevada Land - ReTrac Sliver East of Ballpark	013-450-28	1 26	NA	Adjacent Owner	NA.	5	45,000	\$		5	45,000	Potential for Business Expansion	Planned
12/09/20	Affordable Housing	Greenstreet Development, Inc.	011-640-05 011-640-06 011-640-07	2 08	31,312	Economic Development	205 Units - Affordable Senior Housing	\$	1,937,500	\$	1,512,500	\$	425,000	200 Units @ 60% AMI 5 Units @ 45% AMI	Planned
01/08/31	NA	Eldorado Resorts	007-292-14	0.09	NA	Economic Development	NA .	5	131,110	5		5	131,110	NA:	Completed
01/08/21	NA	Tolles Development Company	007-214-26	0.17	NA	Economic Development	10,000 SF Commercial	\$	495,000	\$	120,001	\$	374,999	New Commercial	Planned
01/29/71	Community Land Trust	Community Foundation	082-295-02 082-392-28	2.46	RA	Nonprofit	19 Units - Affairtable Single Family	\$	500,600	5	499,999	3	1	19 Units - Alfordable	Planned
03/12/21	NA	Chisholm Mobile Home Park	010-610-01 010-610-02 010-610-03	3.22	NA	Adjacent Owner	NA	\$	650,000	\$	200,000	\$	450,000	Potential for Business Expansion	Completed

#### Attachment 2

# CITY OF RENO RECENT LAND SALES AND INCENTIVES RECEIVED

Total			000 370 33					\$ 13.69	98 236	c a:	375 057	¢ 10	372.279	Townshires	
Under Contract	NA	Canon Investment Group	011-450-30 008-370-33	2,47	NA	Economic Development	300 Units - Market Rate Townhomes	\$ 43	30,656	\$	- 54	5	430,656	300 Units - Market Rate	Planned
04/15/21	Community Land Trust	Duffy	010-430-12	0,35	NA	Auction	NA U	\$ 14	42,500	\$	135,000	\$	7,500	Provided grant funds for affondable housing	Completed

<sup>1.</sup> Incentive Provided is the difference between the Assumed Morket / Appraised Value and the Net Payment, it does not include fee deferrals/waivers or financial subsidies outside of the property transfer.

2. The Hapes project included and additional \$250,000 donation to help affset the project costs.

3. The Village on Sage Street project received a donation and water rights totaling \$347,044 to help affset the project costs.

#### Attachment 2

# CITY OF RENO DEVELOPMENT INCENTIVES

Effective Date	Project/ Program	Owner / Development	Development Size	Development Total	Incentive Value	Incentive Provided	Incentive Nates	Status
11/21/16	Economic Development	Park Lane / RED	1,300 Units - Market Rate Apartments 70,000 SF Retail 170-Key Hotel 400,000 Office/Campus	\$ 600,000,000	\$ 3,500,0	000 Fee Walver	While walver was provided, City received a new sewer pipe with expanded capacity. Benefit was provided during construction.	Under Construction
03/13/19	Economic Development	Reno Orthopedic Clinic	80,000 SF Medical	\$ 65,000,000	\$ 46,0	00 Financial	Payment provided to offset the improvement costs to public infrastructure. Benefit provided during construction.	Completed
09/12/18	Affordable Housing	Hopes	30 Units - Individual Shelter Project 3,200 SF - Community Center	\$ 350,000	\$ 250,0	00 Donation	Does not include public benefit Every person served saves \$20K in public costs	Completed
08/15/18	Affordable Housing	Dorms at Sage	216 Units - Affordable Dorms	\$ 3,000,000	\$ 347,0	44 Donation Water Rights	Does not include public benefit	Completed
03/01/21	1,000 Homes Program	700 Riverside Drive	34 Units - Market Rate	\$ 10,200,000	\$ 27,	335 Fee Deferral	NPV of deferral	Under Construction
7/1/2020	1,000 Homes Program	422 California Avenue	36 Units - Market Rate	\$ 10,800,000	\$ 27,	082 Fee Deferral	NPV of deferral	Under Construction
Total				\$ 689,350,000	\$ 699,	660		