

N/A

DOC # 0712635
11/06/2007 10:21 AM Deputy: GB
OFFICIAL RECORD
Requested By:
DC/DISTRICT ATTORNEY

Assessor's Parcel Number: N/A

Date: NOVEMBER 5, 2007

Recording Requested By:

Douglas County - NV
Werner Christen - Recorder
Page: 1 Of 38 Fee: 0.00
BK-1107 PG- 1574 RPTT: 0.00

Name: ROBERT MORRIS, DA'S OFFICE

Address: _____

City/State/Zip: _____

Real Property Transfer Tax: \$ N/A



DEVELOPMENT AGREEMENT #2007.232

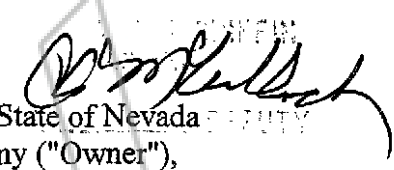
(Title of Document)

FILED

2007.232

RIVERWOOD PARTNERS LLC
DEVELOPMENT AGREEMENT

2007 NOV -5 AM 10:14



On October 11, 2007, Douglas County, a political subdivision of the State of Nevada ("County"), and Riverwood Partners, LLC, a Nevada limited liability company ("Owner"), entered into this development agreement ("Agreement") to ensure the development of land in accordance with Douglas County requirements and to ensure certain vested development rights for the real property proposed for development by Owner pursuant to this Agreement, which real property is more specifically described in **Exhibit "A"** attached to this Agreement (the "Property").

1. RECITALS

1.1 The County is authorized, pursuant to Nevada Revised Statutes 278.0201 to 278.0207, inclusive, and Douglas County Code 20.400.010 to 20.400.060 to enter into a binding development agreement with persons having legal or equitable interests in real property located within the County to establish long range plans for the development of such property free from uncertainties to the greatest extent possible.

1.2 Owner holds a legal or equitable interest in the property. Owner's interest in the property is described in the attached **Exhibit "A-1."**

1.3 The property is currently zoned "GC" General Commercial, "NC" Neighborhood Commercial, and Public Facilities – Open Space, and has a Master Plan designation of Commercial. Owner has applied for TC zoning, a Gaming District overlay, an amendment to the North Douglas County Specific Plan (NDCSP), a special use permit and certain major variances for a portion of the property and has received the NDCSP amendment, a special use permit and several of the major variances for such portion of the property. On September 6, 2007, the owner received an approval for a tentative commercial subdivision map with conditions. The letter with the conditions of approval is attached as **Exhibit "G."** On October 11, 2007 there will be a second reading of the ordinance pertaining to the zoning map amendment (TC zoning) and Gaming District overlay for a portion of the property.

1.4 The Owner understands and agrees that the project will create a need for new and additional on-site and off-site public facilities and subdivision improvements to serve the project.

1.5 The Owner agrees to finance, install, warranty and maintain these on-site and off-site public facilities and subdivision improvements in accordance with sections 4 and 6 of this agreement on the condition that certain development rights in the project vest in accordance with section 5 of this agreement.

1.6 Owner acknowledges and agrees that prior to entering into this Agreement appropriate legal advice and counsel was sought, and that Owner made a voluntary informed business decision to enter into this Agreement in good faith. Owner further acknowledges and

agrees that substantial benefits will accrue to Owner as a result of entering into this Agreement, including a vested development right to develop the project in accordance with this Agreement, a certainty in the particular on-site and off-site improvements, and a certainty in the land use fees or obligations which may be imposed by the County.

1.7 The County acknowledges that certain public objectives it wishes to attain will be furthered by this Agreement, including facilitating the implementation of the Master Plan. Completion of the project will further the comprehensive planning objectives contained in the Master Plan and provide public benefits such as fulfilling long term economic goals for the County, providing commercial development with quality design features, providing for short-term construction employment and long-term permanent employment, and coordinating the phasing of infrastructure with development.

The County and the Owner agree as follows:

2. SELECTED DEFINITIONS

2.1 "Conditions of Approval" means conditions imposed by the County in connection with any governmental approval for the Property, including, but not limited to, tentative map conditions and special use permit conditions.

2.2 "Existing Development Approvals" means all permits and other entitlements approved, issued, or otherwise in existence on or before the effective date, which includes, without limitation, Master Plan and zoning designations, tentative or final subdivision maps, parcel maps, design review, site improvement permits, variances, special use permits, and building permits.

2.3 "Land use fee" means any County imposed fees or obligations applicable to the Owner's Project, including but not limited to, any water and sewer fees, commercial construction tax impositions, and water and land dedications.

2.4 "Master Plan" means the Douglas County Master Plan adopted April 18, 1996 by Resolution 96R-17, as amended from time to time.

2.5 "Owner" means Riverwood Partners, LLC, and other persons or entities or associations which hold any legal or equitable interest in the property. "Owner" also includes any successors-in-interest to any or all of the foregoing.

2.6 "Phase" means a phase of the project as described in this section. The project is presently contemplated to include four phases, which are more specifically depicted on the phasing map attached as **Exhibit "B"** and incorporated by this reference.

2.7 "Project" means the development of the property as contemplated by this Agreement and approved by the County. The project is generally described in section 3 of this Agreement.

2.8 "Public Facilities" are facilities that will be offered for dedication to the County. "Public Facilities" include, but are not limited to, on-site or off-site sewage treatment facilities and water systems facilities together with all lines, mains, holding and disposing areas, tanks, and easements; traffic signals, bike paths, curbs, streets, sidewalks, drainage facilities, drainage, flood and erosion easements; fire stations, fire suppression equipment, and land for fire stations; gutters, meridians, all off-site roads, all on-site and off-site parks and improvements, park ways, pedestrian easements, public health facilities, public libraries, public easements, rights-of-way, schools, school sites, sheriff's station and equipment, street lights, storm drains, and traffic signals.

2.9 "Public Utilities" include, but are not limited to, water, sewer, natural gas, electricity, telephone, cable television, and telecommunication or fiber optics, together with all equipment and easements dedicated for these utilities.

2.10 "Reservation of Authority" means the rights and authority exempted from the vested development rights in section 5 of this Agreement and reserved to the County under further County approvals in section 8 of this Agreement.

2.11 "Subdivision improvements" means any on-site or off-site improvements or facilities relating to the subdivision. Subdivision improvements include but are not limited to all streets, curbs, gutters, meridians, parkways, pedestrian and bike paths, sidewalks, street lights, storm drains, and traffic signals or directional devices.

2.12 "Vested Development Rights" means the irrevocable right to develop the project in accordance with this Agreement and the existing development approvals. The County, however, may unilaterally modify or amend vested development rights to comply with future State or Federal laws or regulations that supersede this Agreement.

3. PROJECT DESCRIPTION

The project includes approximately 89 acres of property located generally to the east of US-395 between Topsy Lane and North Sunridge Drive. The Property is currently zoned General Commercial, Neighborhood Commercial, and Public Facilities – Open Space, by the County. The project is a commercial subdivision under NRS 278.325 and after approval of the final map the project may be divided into lots by record of survey in conformance with that statute and section 4.2 of this agreement. The project will consist of a broad variety of commercial uses. The project may be developed to the density and intensity permitted by the existing development approvals and any future development approvals. The height and size of structures to be constructed on the property will be in accordance with the major variance approvals, design review, and any development handbook approved by the County for the property, and will be in compliance with the applicable provisions of the Douglas County Code set forth in section 4.4. Certain portions of the property will be offered for dedication to the County for public use; these offers of dedication will be made pursuant to the phasing schedule as set forth in section 4.1 of this Agreement. A more thorough description of the project will be set out in a tentative and final map, and in improvement plans submitted for approval by the County Engineer.



4. OWNER'S OBLIGATIONS

4.1 Public Facilities: Concurrently with this Agreement, the County has approved the phasing plan that contains 4 phases for the project set forth in **Exhibit "B"**, which provides a plan for the phasing and development of the project. The phasing plan also sets forth the plan for the phasing of construction and installation of the public facilities to be offered for dedication to the County under this Agreement. The public facilities that are required under this Agreement are described in this section 4.1. Upon completion, each of the public facilities must be offered for dedication to the County.

4.1.1 Road and Traffic Improvements: Owner must construct or cause to be constructed and financially contribute to the road and traffic improvements, as identified in Exhibit "B-1" as set forth below, subject to the County's performance of its obligations specified in section 7.

Owner's Obligations: Prior to completion of each phase of the Project, Owner must construct or cause to be constructed the road and traffic improvements, as identified in Exhibit "B-1" for the phase or as may be required for a change in land use that requires a greater level of capacity.

4.1.2 Sanitary Sewer: Owner must construct sanitary sewer improvements as set forth below subject to the County's performance of its obligations in section 7:

Owner's obligations: Owner agrees to comply with the conditions of the January 19, 2007 "wastewater will serve" letter as amended by letter of May 21, 2007, both attached as **Exhibit "E"**. Prior to completion of the Project, Owner must construct a sanitary sewer lift station, force main and collection system extending to the property in conformance with the North County regional sewer system. Excluding pads A through E (Phase 1) facing Highway 395 and shown on Exhibit B that must pay the full sewer connection fee with issuance of a building permit, sewer connection fees may be paid by Owner or its successor in interest to the County in equal installments payable over 5 years commencing on the date that each building permit is issued for such improvements. The first year payment is due with issuance of the building permit.

4.1.3 Open Space and Public Pathways: Owner must construct and maintain the public open space and pathway improvements generally described in **Exhibit "D"** attached and incorporated by this reference or as shown on any final design review within the project.

4.1.4 Water and Water Infrastructure: Owner must construct and financially contribute to the water infrastructure improvements as set forth below, subject to the County's performance of its obligations in section 7.

Owner's Obligations: Prior to completion of Phase 1 of the Project, Owner must construct a water line from Topsy Lane to Sunridge Drive of the capacity and at the location approved by the County to meet the regional needs of the North County water system. Future



phases of the Project will be required to comply with the conditions of the January 19, 2007 "water will serve" letter, as amended by letter of July 2, 2007, both attached as **Exhibit "F"** ("water will serve letter").

Excluding pads A through E (Phase 1) facing Highway 395 and shown on **Exhibit "B"** that must pay the full connection fee with issuance of a building permit, water connection fees may be paid by the Owner to the County in equal installments payable over 5 years commencing on the date that each building permit is issued for such improvements. The first year payment is due with issuance of the building permit.

4.2 Commencement and Completion Periods. Owner must commence and complete construction of the subdivision improvements and the public facilities and public utilities, which are the subject of this Agreement, or secure for the improvements as provided in section 4.3, as follows:

(a) All of the Phase 1 requirements described in section 4.1 and any design review, except for the design review for pads A through E of Phase 1, and site improvement permit requirements for Phase 1 must be satisfied prior to recording the final map.

(b) Before a lot may be created by record of survey or a building permit issued for a structure for any subsequent phase any required subdivision improvements, public facilities and public utilities for Phase 2 (as defined in the tentative map approval, **Exhibit "G"**) and for that phase's area must be constructed, or secured pursuant to section 4.3. As an exception, the Owner may create lots without a change in ownership (including transfers to an affiliate) but may not transfer the ownership of a lot until all the required subdivision improvements, public facilities and public utilities are constructed, or secured pursuant to section 4.3, for that phase's area.

(c) Before a certificate of occupancy for any structure or facility built on any phase of the project may be issued a certificate of occupancy all of the public facilities described in section 4.1 required for that phase must be completed and receive a notice of completion.

Commencement and completion of the public facilities must conform to the applicable requirements of Nevada Revised Statutes and the Douglas County Code. The final map for the project must be recorded within 3 years of the effective date of the applicable commercial tentative map approval. Owner may request extensions under section 8.2 of this Agreement.

4.3 Security: Owner may provide financial security for the completion of improvements to secure the Owner's performance of obligations in this Agreement for the project pursuant to Douglas County Code 20.720.101 *et seq.*

4.4 Douglas County Code: The Owner shall comply with all ordinances and fees adopted by the County now and in the future. The project will comply with all applicable County ordinances and to title 20 of the Douglas County Code.

5. VESTED DEVELOPMENT RIGHTS

5.1 General Right to Develop: Subject to the terms of this Agreement, Owner has the right to develop the project in accordance with the vested development rights. The permitted uses of the Property, the density and intensity of use, the provisions for reservation or dedication of land for public purposes, the phasing of the project and public facilities, the standards for the design, improvements, and construction of the project, and other terms and conditions of development applicable to the project are those set forth in this Agreement and in the existing development approvals. Any amendment to the land use or zoning may be processed according to County Code and the North Douglas County Specific Plan.

5.2 Master Plan: Owner has a vested development right to the Master Plan designation for the property and the land use designations shown in the North Douglas County Specific Plan for the property that are in effect on the effective date of this agreement.

5.3 Zoning: Owner has a vested development right to the zoning designations for the Property and the zoning designations shown in the North Douglas County Specific Plan for the property that are in effect on the effective date of this agreement.

5.4 Tentative Map Approval: Owner has a vested development right to any and all tentative map approvals that are in effect on the effective date of this agreement; provided that Owner must file, in compliance with all applicable time limitations and other requirements (including completeness of the application), a final map in accordance with section 8 of this agreement.

5.5 Land Use Regulations: The Owner agrees to pay or fulfill all land use fees or obligations required on the effective date of this agreement when due in accordance with the development of each phase of the project. If a land use fee or obligation has not yet been determined, the Owner agrees to pay or fulfill the fee or obligation at the time the fee or obligation is determined by the County and its payment is due and payable. The Owner and the County agree that complete payment or fulfillment of a land use fee or obligation at or before the time required by the County, whether the fee or obligation is operative on the effective date of this agreement or later determined, freezes the amount of the Owner's responsibility for payment or the fulfillment of a particular fee or obligation, and precludes the County from increasing that particular fee or obligation paid or fulfilled by the Owner at or before the time required by the County. The Owner agrees not to seek a refund of any land use fee or judicially contest an obligation paid or otherwise made pursuant to this agreement.

6. WARRANTY AND MAINTENANCE

6.1 Warranty: Owner warrants that all improvements required as a condition for approval of any map ("Map Improvements"), public facilities, and public utilities, which Owner installs or causes to be installed will be free from defects in material, construction, and design for 1 calendar year from the date the improvement, facility, or utility is accepted by the County, as

certified by a notice of completion issued by the County Engineer. The acceptance procedure will work in the following manner:

6.1.1 At the completion of improvements, facilities, or utilities specified by the County, Owner must request in writing that the County inspect the completed improvements, facilities, or utilities.

6.1.2 The County must then conduct the requested inspection within 20 calendar days of receipt of the request for inspection or 23 calendar days from the date of mailing, if Owner mails the request for inspection.

6.1.3 The improvements, facilities, or utilities to be inspected must be ready and prepared for inspection and must not be covered up or otherwise obscured or concealed. If the improvements, facilities, or utilities are covered up, obscured, or are otherwise concealed, Owner shall uncover and make them ready for inspection at Owner's expense. The time for County inspection begins after the Owner makes the improvements available for inspection.

6.1.4 If the County finds the improvements, facilities, or utilities or any portion thereof to be unacceptable, the County must describe the defective work or materials in writing and set forth a reasonable time in which Owner must cure such defective work or materials. Upon completion of such cure, Owner may request in writing another inspection and such inspection must be conducted in accordance with the provisions of this section 6.1.

6.1.5 If the County fails to conduct the requested inspection within the time period set forth in section 6.1.2, above, the 1 calendar year warranty period begins to run 20 calendar days from receipt of the request for inspection, or 23 calendar days from the date of mailing if Owner mails the request for inspection; provided the County still retains the right to inspect and to accept the improvements, facilities, or utilities during the one (1) year warranty period.

6.2 Maintenance: Owner must maintain all Map Improvements, Public Facilities, and Public Utilities for the warranty period specified in section 6.1 of this Agreement, or for the length of time the Owner retains custody or control over each Map Improvement, Public Facility or Public Utility, whichever is longer. Upon notice from the County that a Map Improvement, Public Facility or Public Utility has not been maintained or is in need of repair or modification during the warranty period, Owner shall expeditiously maintain, repair or modify the improvement, facility or utility; provided, however, that Owner shall not be responsible to repair or replace improvements damaged by persons other than Owner or its contractors, representatives, employers, or agents.



7. COUNTY'S OBLIGATIONS

7.1 Public Facilities

7.1.1 Road and Traffic Improvements: County agrees to reimburse Owner its pro-rata share of the actual project costs of the road and traffic improvements within 30 days after issuance of notice of completion of the road and traffic improvements by the County. The County participation amount is based on a pro-rata share of the costs, identified as "County" in Exhibit "C" of this Agreement and based on the North County Traffic Study, as may be amended.

7.1.2 Sanitary Sewer: County agrees to reimburse Owner for construction, design, and all directly related engineering services for the sewer system in excess of the capacity required by the project. The County will reimburse Owner within 30 days after final completion and acceptance of the sewer improvements by the County.

7.1.3 Water and Water Infrastructure: The County will provide water service from its existing North County water system for Phase 1 and the initial phase of development of Phase 4 (as currently proposed) of the project, subject to the water will serve letter, payment for water specified in subsection (a), and payment of connection fees as specified in section 4.1.5. The County will provide water service for the remaining portion of the project in accordance with the water will serve letter.

(a) The County will provide Owner with sufficient water rights for the development of the property and adjoining property not to exceed 70 acre-feet of potable water at a cost of \$10,000 per acre-foot, which Owner may use for the project or transfer to a separate adjoining project served by the water system.

(b) The County will provide Owner with construction water at a price to be determined by the county engineer, provided that the timing and amounts do not impair the County's ability to serve its customers.

7.2 Periodic Review: The County must review the progress of the project at least once every 24 months to ensure that Owner has complied with the terms of this Agreement. Upon completion of this review, the County must notice the Owner in writing of the results of the review. Within 30 days of mailing this written notice to the Owner, the County must place a copy of the results of this review on the agenda of the board of county commissioners for Douglas County, Nevada for consideration and action. If the board determines that Owner has not complied with the terms of this Agreement, the Board may cancel or amend this Agreement as provided in NRS 278.0205 and Douglas County Code section 20.720.060.

7.3 Cooperation: The County agrees that it will cooperate with Owner in the implementation of this Agreement.

8. FURTHER COUNTY APPROVALS

8.1 Final Map: The County retains a reservation of authority to review, in accordance with NRS 278.320 *et seq.*, the final map, and to disapprove any application for a final map if the final map is not prepared in accordance with the tentative map conditions and application requirements for a final map. The County grants to the Owner a period of 3 years for the presentation of the final map prepared in accordance with the tentative map for the entire area for which a tentative map has been approved. The time requirements set forth in NRS 278.468 apply to this Agreement unless a longer time for filing is permitted by this Agreement.

8.2 Extension for filing final commercial subdivision map: The County retains a reservation of authority to approve, on a showing of good cause, or disapprove an extension of the filing of the final subdivision map in accordance with NRS 278.360 and Douglas County Code. Should the County approve an extension of the filing of any final map, the Owner's vested development rights, land use regulation, or land use fees if any re-vest as of the date of the extension.

8.3 The director of community development is designated the authority for approving minor modifications to the phasing of the project. A minor modification in phasing includes the request to change to the timing of phases for public facilities after the final map has been filed. The request may be approved if it results in no impact to public health, safety, makes no changes to the map boundaries, or redesigns the public facilities involving more than 10% of the total area of the project. Requests for modification of the tentative map must follow Douglas County Code section 20.768.020.

9. CONSISTENT WITH MASTER PLAN

The County agrees that the terms of this Agreement are consistent with the Master Plan, as amended from time to time.

10. TERM

The term of this Agreement will be 10 years from the effective date of approval or until all fees have been paid, whichever is later.

11. BINDS ONLY PARTIES AND SUCCESSORS-IN-INTEREST

The terms of this Agreement bind only the parties to this Agreement and their successors and assigns. This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. This Agreement does not create, and may not be construed as creating, any third-party rights of action in any other person or entity.



12. EVENTS OF DEFAULT

12.1 Default Procedure. In the event of an alleged default or breach of any material terms or conditions of this Agreement, the party alleging a default or breach must give the other party not less than 90 days' notice in writing, which must specify the nature of the alleged default and the manner in which the default may be satisfactorily cured. After notice and expiration of the 90 day period, the non-defaulting party to this Agreement, at its option, may determine that the default has been cured, may institute legal proceedings pursuant to this Agreement. The County is the non-defaulting party, it may give notice of intent to terminate pursuant to NRS 278.0205; provided, if the default is not of the type that could reasonably be cured within 90 days, no action against the defaulting party may be taken during such time that the defaulting party is diligently working to cure the default. If notice of intent to terminate is given by the County, the matter must be scheduled for consideration and review by the board. Following consideration of the facts and evidence presented in the review before the board, the County may give written notice of termination of this Agreement to Owner. Owner will have the opportunity to be heard orally or in writing before the board prior to any unilateral termination by County.

12.2 Events of Default. The following constitute events of default under this agreement:

(a) Owner's failure to commence or complete construction in accordance with section 4.2 of this Agreement.

(b) Owner's failure to cure any defective construction of any improvement, facility, or utility that is found to be defective within the 1 year warranty period and of which Owner is notified by the County in writing.

(c) Owner's failure to perform work on the project for a period of 180 consecutive days. Notwithstanding the preceding sentence, Owner may not be deemed to be in default, and timely performance will be excused, where delays or defaults are caused by war, insurrection, strikes, walkouts, riots, floods, earthquakes, fires, casualties, acts of God, restrictions imposed by governmental entities other than the County or by entities providing utilities, enactment of new and conflicting state or federal laws or regulations, litigation, or similar matters beyond the control of Owner. Owner must give the County written notice of any such delay and must indicate the phases or areas of work that are affected by the delay.

(d) The Owner's insolvency, the appointment of a receiver for the Owner or the filing of a voluntary or involuntary petition in bankruptcy court regarding Owner.

(e) The completion of any foreclosure proceedings with respect to any lien against the Property or any conveyance of the Property in lieu of foreclosure.

(f) A material breach by Owner or by the County of any provision of this Agreement.

(g) An action taken by the County which is not related to health, safety or welfare, and which directly and substantially affects Owner's rights under this Agreement or Owner's ability to fully perform its obligations under this Agreement.

13. REMEDIES

13.1 No Monetary Damages: The County and the Owner agree that neither party would have entered into this agreement if it were to be liable for damages under or with respect to this agreement, except for the amounts obligated in this Agreement. Accordingly, the County and the Owner may pursue any remedy at law or equity available for breach, except that the County will not be liable to the Owner or to any other person for any monetary damages whatsoever, except for the amounts obligated in this Agreement, or any costs or attorney's fees.

13.2 Specific Performance: The County and the Owner agree that neither party would have entered into this agreement if they were unable to obtain the approvals cited in this agreement, the vested rights and public facilities as consideration for this agreement. Accordingly, each party may sue the other party for specific performance of the approvals. The County may also sue for the installation of those facilities that are necessary to the health, safety or welfare of any constructed or partially constructed portion or portions of the project if Owner defaults under this agreement and fails or refuses to perform as required in this agreement.

14. NOTICES

All notices under this agreement shall be sent, via first class certified return receipt mail, to the following addresses:

County: Director
Community Development Department
Post Office Box 218
Minden, Nevada 89423

Owner: Riverwood Partners, LLC
Attn: Jay Timon
P.O. Box 18475
Reno, Nevada 89511

15. HOLD HARMLESS

Regardless of the coverage provided by any insurance, Owner agrees to indemnify and save and hold the County, its agents, and employees harmless from any and all claims, causes of action or liability arising from the performance of this Agreement by Owner or Owner's agents or employees. Owner shall indemnify and defend and hold harmless the County, its officials, employees, and authorized representatives and their employees from and against any and all suits, actions, legal or administrative proceedings, arbitrations, claims, demands, damages, liabilities, attorneys' fees, court costs, interest, and expenses of whatsoever kind or nature,

including those arising out of injury to, or death of, Owner's agents or employees, or third parties, whether arising before or after completion of the work under this Agreement, that are in any manner caused, occasioned, or contributed to in whole or in part by reason of any negligent act, negligent omission, or fault or willful misconduct, whether active or passive, of Owner or of anyone who is acting under Owner's direction or control or on its behalf in connection with the performance of this Agreement. Notwithstanding any provision to the contrary, Owner's indemnity, defense, and hold harmless obligations shall not apply in the event of the sole negligence, whether active or passive, or the willful misconduct of the County.

16. MERGER

This Agreement constitutes the entire understanding of the parties and all prior negotiations and understandings are merged into this Agreement. This Agreement does not modify any presently existing conditions of approval for the Project.

17. AMENDMENTS

This Agreement may be amended by the parties by a written agreement that is adopted by the County through an ordinance in compliance with NRS 278.020 through 278.0207, inclusive. Within the limits granted by the County Code, the director of Community Development may make and approve minor modifications to this Agreement that are requested by Owner; provided that minor modifications will not affect the term of this Agreement, the permitted uses of the Property, or the dedication of the Public Facilities required by this Agreement.

18. SEVERABILITY

It is declared to be the intention of the parties that the sections, paragraphs, sentences, clauses, and phrases of this Agreement, or of the County ordinance adopting same, are severable. If any phrase, clause, sentence, paragraph, or section of this Agreement, or of the County ordinance adopting same, is declared unconstitutional or invalid by a valid and final judgment of a court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Agreement, or of the County ordinance adopting same.

19. EFFECTIVE DATE

This Agreement is effective as of the effective date of the County ordinance that adopts this Agreement.

20. RECITALS AND EXHIBITS

The Recitals and all Exhibits to this Agreement are incorporated herein by this reference.



21. LAW AND FORUM

The laws of Nevada shall govern the interpretation and enforcement of this Agreement. Owner and County agree that the Ninth Judicial District Court, located in Douglas County, Nevada, will be the forum for any litigation arising as a result of this Agreement.

[signature page follows.]

COPY

IN WITNESS WHEREOF, the parties execute this Agreement as of the date below written.

**Douglas County,
a political subdivision of the State of
Nevada**

**Riverwood Partners, LLC
a Nevada limited liability company**

By: *Doug N. Johnson*
Its: Chair, Board of County Commissioners
Date: 10/18/07

By: *Jan E*
For: Manager, Riverwood Douglas MANAGER LLC
Its: Manager, Riverwood Douglas MANAGER LLC
Date: 11/1/07

Approved as to content:

By: *Mina Hass*
Its: Community Development Director,
Douglas County

By: _____
Its: _____
Date: _____

Approved as to form:

By: *Robert J. Mann*
Its: District Attorney, Douglas County

Exhibit "A"
Legal Description

”

DESCRIPTION OF Riverwood Development

All that certain real property situate within the east ½ of Section 6, and the west ½ of Section 5, Township 14 North, Range 20 East, MDM, Douglas County, Nevada, more particularly described as follows:

COMMENCING at the BLM Brass Cap located at the west ¼ corner of said Section 5 as shown on that certain Record of Survey in Support of a Boundary Line Adjustment for Carson Auto Mall, LLC and Project LM, LLC, Recorded as Document No. 703021 in the Official Records of Douglas County, Nevada;

THENCE N 29°39'19" W a distance of 1427.28 feet to the **TRUE POINT OF BEGINNING**;

THENCE S 82°10'53" E a distance of 154.62 feet;

THENCE along a curve to the left having a radius of 1068.00 feet, arc length of 140.91 feet, delta angle of 07°33'34", a chord bearing of S 85°57'40" E, and a chord length of 140.81 feet;

THENCE S 89°44'27" E a distance of 433.93 feet;

THENCE S 89°08'56" E a distance of 101.48 feet;

THENCE along a curve to the left having a radius of 514.50 feet, arc length of 79.79 feet, delta angle of 08°53'06", a chord bearing of N 86°24'31" E and a chord length of 79.71 feet;

THENCE along a reverse curve to the right having a radius of 485.50 feet, arc length of 75.29 feet, delta angle of 08°53'06", a chord bearing of N 86°24'31" E and a chord length of 75.21 feet;

THENCE S 89°08'56" E a distance of 407.29 feet;

THENCE S 00°55'28" W a distance of 223.44 feet;

THENCE N 89°11'16" W a distance of 331.77 feet;

THENCE S 00°58'09" W a distance of 331.68 feet;

THENCE S 89°13'35" E a distance of 332.03 feet;

THENCE S 00°55'28" W a distance of 331.46 feet;

THENCE N 89°15'58" W a distance of 332.29 feet;

THENCE S 00°58'09" W a distance of 331.68 feet;

THENCE S 89°18'07" E a distance of 332.55 feet;

THENCE S 01°01'33" W a distance of 662.56 feet;

THENCE S 01°01'33" W a distance of 649.57 feet;

THENCE N 89°19'38" W a distance of 557.87 feet;

THENCE S 00°00'00" W a distance of 104.04 feet;

THENCE along a curve to the right having a radius of 330.00 feet, arc length of 166.30 feet, delta angle of 28°52'28", a chord bearing of S 14°26'14" W and a chord length of 164.55 feet;

THENCE S 16°10'52" W. a distance of 33.69 feet;

THENCE along a curve to the right having a radius of 339.00 feet, a delta angle of 37°40'10", arc length of 222.88 feet, a chord bearing of S 53°16'23" W and chord length of 218.88 feet;

THENCE S 72°06'28" W a distance of 101.30 feet;

THENCE along a curve to the left having a radius of 174.50 feet, arc length of 26.29 feet, delta angle of 08°37'57", a chord bearing of S 67°47'29" W and a chord length of 26.27 feet;

THENCE along a compound curve to the left having a radius of 139.50 feet, arc length of 119.91 feet, delta angle of 47°15'01", a chord bearing of S 38°51'00" W and a chord length of 116.25 feet;

THENCE S 14°13'30" W a distance of 140.96 feet;

THENCE along a curve to the left having a radius of 35.00 feet, arc length of 56.60 feet, delta angle of 92°39'38", a chord bearing of S 32°06'19" E and a chord length of 50.63 feet;

THENCE N 78°26'08" W a distance of 62.77 feet;

THENCE along a curve to the right having a radius of 296.00 feet, arc length of 172.46 feet, delta angle of 33°22'59", a chord bearing of N 61°44'39" W and a chord length of 170.03 feet;

THENCE N 45°03'09" W a distance of 105.86 feet;

THENCE along a curve to the left having a radius of 554.00 feet, arc length of 417.02 feet, delta angle of 43°07'43", a chord bearing of N 66°37'01" W and a chord length of 407.24 feet;

THENCE N 88°10'52" W a distance of 50.44 feet;

THENCE N 01°49'59" E a distance of 69.23 feet;

THENCE S 89°41'40" E a distance of 361.56 feet;

THENCE N 00°57'47" E a distance of 330.89 feet;

THENCE N 89°43'28" W a distance of 356.54 feet;

THENCE N 01°49'57" E a distance of 136.52 feet;

THENCE along a curve to the right having a radius of 4800.00 feet, arc length of 561.18 feet, delta angle of 36°41'55", a chord bearing of N 05°10'56" E and a chord length of 560.86 feet;

THENCE N 08°31'54" E a distance of 301.87 feet;

THENCE S 89°43'20" E a distance of 274.03 feet;

THENCE N 00°59'50" E a distance of 331.33 feet;

THENCE N 89°43'27" W a distance of 230.13 feet;

THENCE N 08°31'54" E, a distance of 1249.87 feet to the **POINT OF BEGINNING**.

EXCEPTING THEREFROM: All that certain real property situate within the east ½ of Section 6, Township 14 North, Range 20 East, MDM, Douglas County, Nevada, more particularly described as follows:

COMMENCING at the BLM Brass Cap located at the aforementioned west ¼ corner of said Section 5;

THENCE N 15°39'14" W a distance of 752.99 feet to the **TRUE POINT OF BEGINNING**;

THENCE N 89°55'23" W a distance of 55.50 feet;

THENCE N 00°00'00" W a distance of 32.40 feet;

THENCE S 89°58'09" W a distance of 218.13 feet;

THENCE S 36°53'53" W a distance of 43.33 feet;

THENCE S 90°00'00" W a distance of 229.33 feet;

THENCE N 21°14'08" E a distance of 165.63 feet;

THENCE along a curve to the left having a radius of 20.00 feet, arc length of 7.41 feet, delta angle of 21°14'09", a chord bearing of N 10°37'04" E and a chord length of 7.37 feet;

THENCE N 00°00'00" W a distance of 45.96 feet;

THENCE, along a curve to the right having a radius of 100.00 feet, arc length of 32.93 feet, delta angle of 18°52'00", a chord bearing of N 09°26'00" E and a chord length of 32.78 feet;

THENCE N 18°52'00" E a distance of 77.46 feet;

THENCE along a curve to the right having a radius of 165.00 feet, arc length of 204.85 feet, delta angle of 71°08'00", a chord bearing of N 54°26'00" E and a chord length of 191.94 feet;

THENCE N 90°00'00" E a distance of 248.57 feet;

THENCE along a curve to the right having a radius of 45.00 feet, arc length of 70.69 feet, delta angle of 90°00'00", a chord bearing of S 45°00'00" E and a chord length of 63.64 feet;

THENCE S 00°00'00" E a distance of 349.01 feet;

THENCE S 90°00'00" W a distance of 12.50 feet;



BK- 1107
PG- 1591

THENCE S 00°00'00" E a distance of 28.56 feet to the POINT OF BEGINNING.

CONTAINING: 89.10 acres, more or less.

PREPARED BY: Manhard Consulting, LTD
P.O. Box 3750
Carson City, NV 89702

COPY

Exhibit "A-1"

The Owner's interest in the Property is an equitable interest pursuant to the terms of the Operating Agreement for Riverwood Partners, LLC.

CONFIDENTIAL



NTS

U.S. HIGHWAY 395

N. SUNNIDGE DRIVE

TOPSY LANE

LYLA LANE

RIVERWOOD DRIVE PHASE 1

RIVERWOOD DRIVE PHASE 2

PHASE 4

PHASE 4

NOT A PART

NOT A PART

DETENTION # / COMMON #

NOT A PART

NOT A PART

DETENTION # / COMMON #

NOT A PART

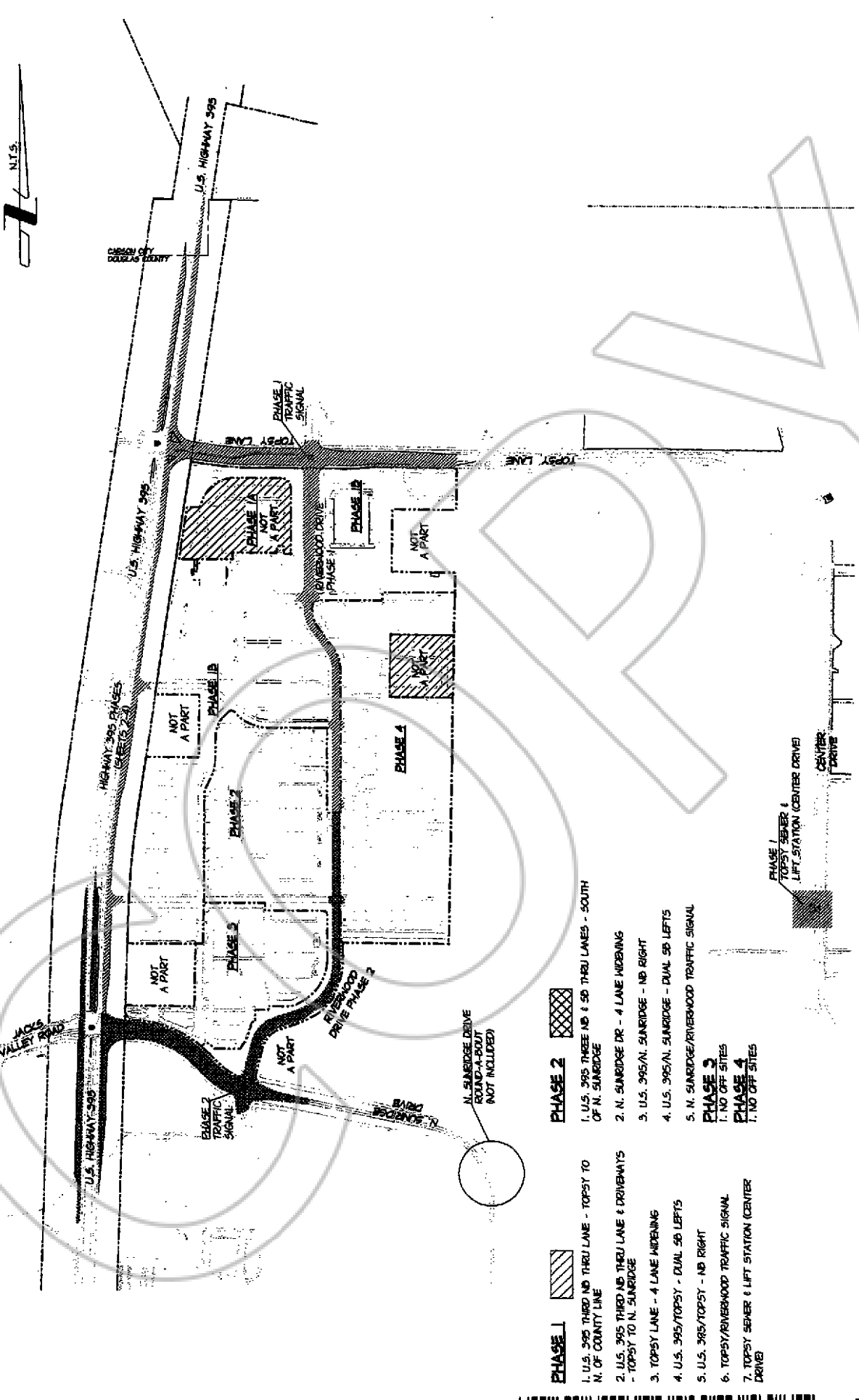
EXHIBIT B

RIVERWOOD - DEVELOPMENT AGREEMENT
PHASING MAP
Douglas County, Nevada

CAPITAL ENGINEERING
P.O. Box 3750
Carson City, NV 89702
(775) 882-5630



BTW 0000

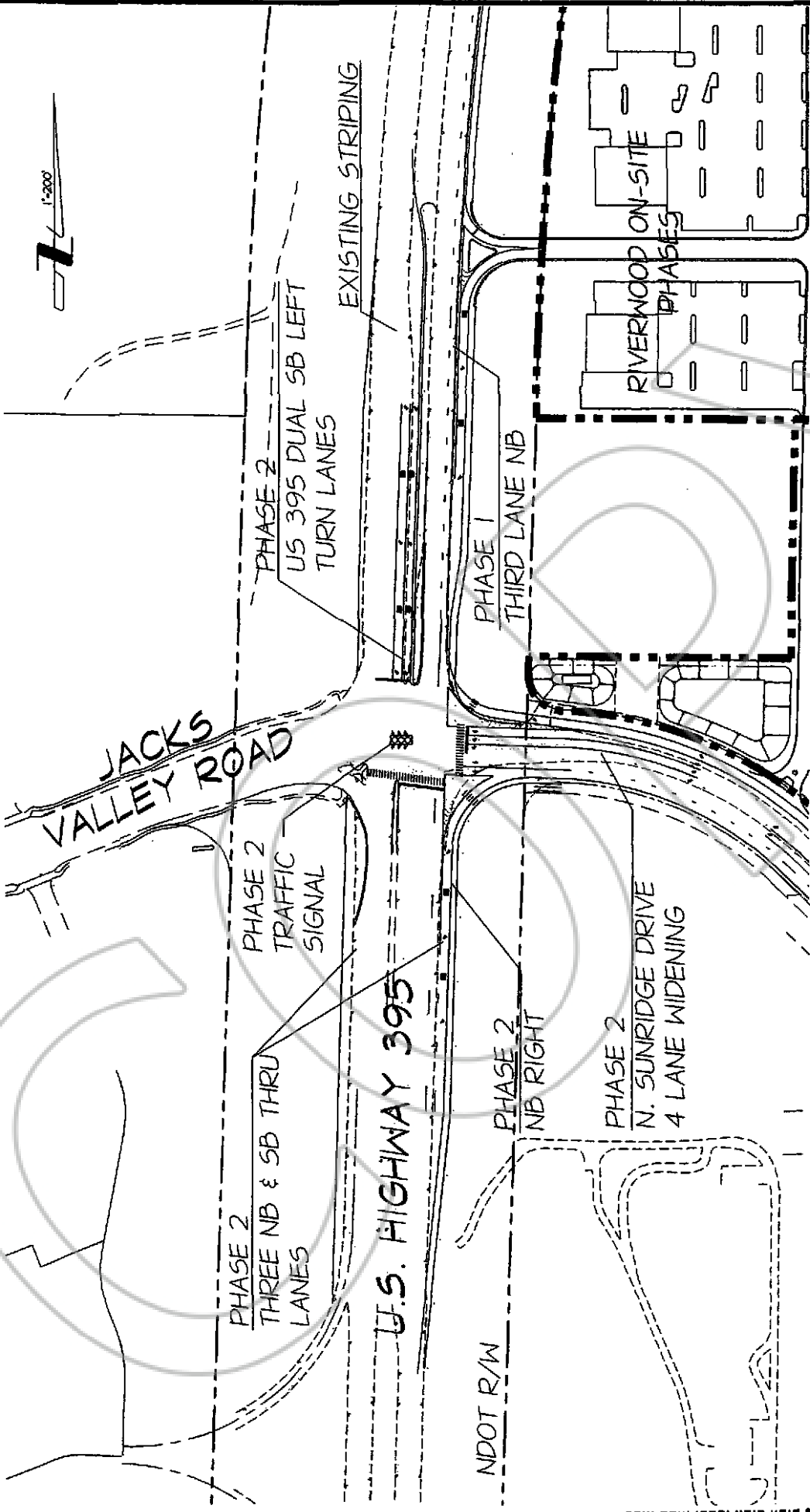


- PHASE 1** 1. U.S. 395 THIRD NB THRU LANE - TOPSY TO N. OF COUNTY LINE
 2. U.S. 395 THIRD NB THRU LANE & DRIVEWAYS - TOPSY TO N. SUNRIDGE
 3. TOPSY LANE - 4 LANE WIDENING
 4. U.S. 395/TOPSY - DUAL SB LEFTS
 5. U.S. 395/TOPSY - NB RIGHT
 6. TOPSY/RIVERWOOD TRAFFIC SIGNAL
 7. TOPSY SENNER & LIFT STATION (CENTER DRIVE)
- PHASE 2** 1. U.S. 395 THREE NB & SB THRU LANES - SOUTH OF N. SUNRIDGE
 2. N. SUNRIDGE DR - 4 LANE WIDENING
 3. U.S. 395/N. SUNRIDGE - NB RIGHT
 4. U.S. 395/N. SUNRIDGE - DUAL SB LEFTS
 5. N. SUNRIDGE/RIVERWOOD TRAFFIC SIGNAL
- PHASE 3**
 1. NO OFF SITES
- PHASE 4**
 1. NO OFF SITES

EXHIBIT B1 **RIVERWOOD-DEVELOPMENT AGREEMENT** **Douglas County, NV**

Manhard CONSULTING LTD.
 3478 Buxatke Pkwy, Suite 12, Carson City, NV 89208 Tel: (775) 882-6930 Fax: (775) 882-7282 www.manhard.com
 Civil Engineers · Surveyors · Water Resources Engineers · Water & Wastewater Engineers
 Construction Managers · Environmental Scientists · Landscape Architects · Planners

AUGUST, 2007
 SHEET 1 OF 4
 P:\301\DWG FINAL\EXHIBITS



- PHASE 1 STRIPING
- PHASE 2 STRIPING
- EXISTING STRIPING

EXHIBIT B1	RIVERWOOD-DEVELOPMENT AGREEMENT	Douglas County, NV
<small>3478 Executive Plaza Way, Suite 112, Carson City, NV 89708 Tel: (775) 882-9530 Fax: (775) 885-7282 www.manhard.com Civil Engineers · Surveyors · Water Resources Engineers · Water & Wastewater Engineers Construction Managers · Environmental Scientists · Landscape Architects · Planners</small>		
AUGUST, 2007	SHEET 2 OF 4	
P:\301\DWG\FINAL\EXHIBITS		

1"=200'



PHASE I
THIRD LANE NB

EXISTING STRIPING

NDOT R/W

U.S. HIGHWAY 395

PHASE I
NB RIGHT

RIVERWOOD ON-SITE
PHASES




-  PHASE I STRIPING
-  PHASE 2 STRIPING
-  EXISTING STRIPING



EXHIBIT B1

RIVERWOOD-DEVELOPMENT AGREEMENT

Douglas County, NV



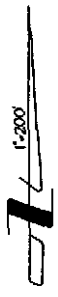
Manhard
CONSULTING LTD

3478 Executive Plaza Way, Suite 12, Carson City, NV 89706 Tel: (775) 892-6690 Fax: (775) 896-7982 www.manhard.com
Civil Engineers · Surveyors · Water Resources Engineers · Water & Wastewater Engineers
Construction Managers · Environmental Scientists · Landscape Architects · Planners

AUGUST, 2007

SHEET 3 OF 4

P:\301\DWG FINAL\EXHIBITS



CARSON CITY
DOUGLAS COUNTY

NDOT R/W

EXISTING STRIPING

U.S. HIGHWAY 395

PHASE 1
TRAFFIC
SIGNAL

PHASE 1
US 395 DUAL SB LEFT
TURN LANES

PHASE 1
THIRD LANE NB

PHASE 1
TOPSY LANE
4 LANE WIDENING

PHASE 1
STRIPING

PHASE 2
STRIPING

EXISTING
STRIPING



EXHIBIT B1 RIVERWOOD-DEVELOPMENT AGREEMENT

Douglas County, NV

Manhard
CONSULTING LTD

3478 Executive Park Way, Suite 118, Carson City, NV 89708 Tel: (775) 885-7888 Fax: (775) 885-7889 www.manhard.com
Civil Engineers • Surveyors • Water Resources Engineers • Water & Wastewater Engineers
Construction Managers • Environmental Scientists • Landscape Architects • Planners

AUGUST, 2007

SHEET 4 OF 4

P:\3071\DWG FINAL\EXHIBITS

EXHIBIT "C"

Preliminary Opinion of Probable Cost
Participation Summary - Phases 1 & 2
 Prepared by Meinhard Consulting, LTD
 JULY 24, 2007

Improvement	Phase	Cost	County		Hohl North		Hohl South		Riverwood	
			Participation	Cost	Participation	Cost	Participation	Cost	Participation	Cost
U.S. 395 Third NB Thru Lane - Topsy to N. of County Line	1	\$321,569	36.7%	\$118,016	13.8%	\$44,377	4.9%	\$15,757	44.6%	\$143,420
U.S. 395 Third NB Thru Lane & Driveways - Topsy to N. Sunridge	1	\$1,283,070	0.0%	\$0	0.0%	\$0	0.0%	\$0	100.0%	\$1,283,070
U.S. 395 Three NB & SB Thru Lanes - South of N. Sunridge	2	\$787,582	38.5%	\$303,219	14.6%	\$114,987	3.9%	\$30,716	43.0%	\$338,660
Topsy Lane - 4 Lane Widening	1	\$1,634,164	7.4%	\$120,928	34.6%	\$565,421	0.5%	\$8,171	57.5%	\$939,644
N. Sunridge Dr. - 4 Lane Widening	2	\$808,352	62.7%	\$506,837	0.0%	\$0	7.2%	\$58,201	30.1%	\$243,314
U.S. 395/Topsy - Dual SB Lefts	1	\$75,363	6.6%	\$4,974	22.2%	\$16,731	0.6%	\$452	70.6%	\$53,206
U.S. 395/Topsy - NB Right	1	\$112,383	0.0%	\$0	94.4%	\$106,089	0.0%	\$0	5.6%	\$6,293
U.S. 395/N. Sunridge - Dual SB Lefts	2	\$134,884	73.5%	\$99,140	0.0%	\$0	8.0%	\$10,791	18.5%	\$24,953
U.S. 395/N. Sunridge - NB Right	2	\$63,097	71.1%	\$44,862	0.0%	\$0	6.1%	\$3,849	22.8%	\$14,386
Topsy/Riverwood Traffic Signal	1	\$225,000	11.8%	\$26,550	28.8%	\$64,800	3.2%	\$7,200	56.2%	\$126,450
N. Sunridge/Riverwood Traffic Signal	2	\$225,000	54.1%	\$121,725	0.9%	\$2,025	9.1%	\$20,475	35.9%	\$80,775
N. Sunridge Drive Roundabout	2	Not Included	100.0%	Not Included	0.0%	Not Included	0.0%	Not Included	0.0%	Not Included
Phase 1		\$3,651,549		\$270,468		\$797,417		\$31,580		\$2,552,084
Phase 2		\$2,018,914		\$1,075,782		\$117,012		\$124,032		\$702,089
Total		\$5,670,463		\$1,346,250		\$914,429		\$155,612		\$3,254,172



NTS

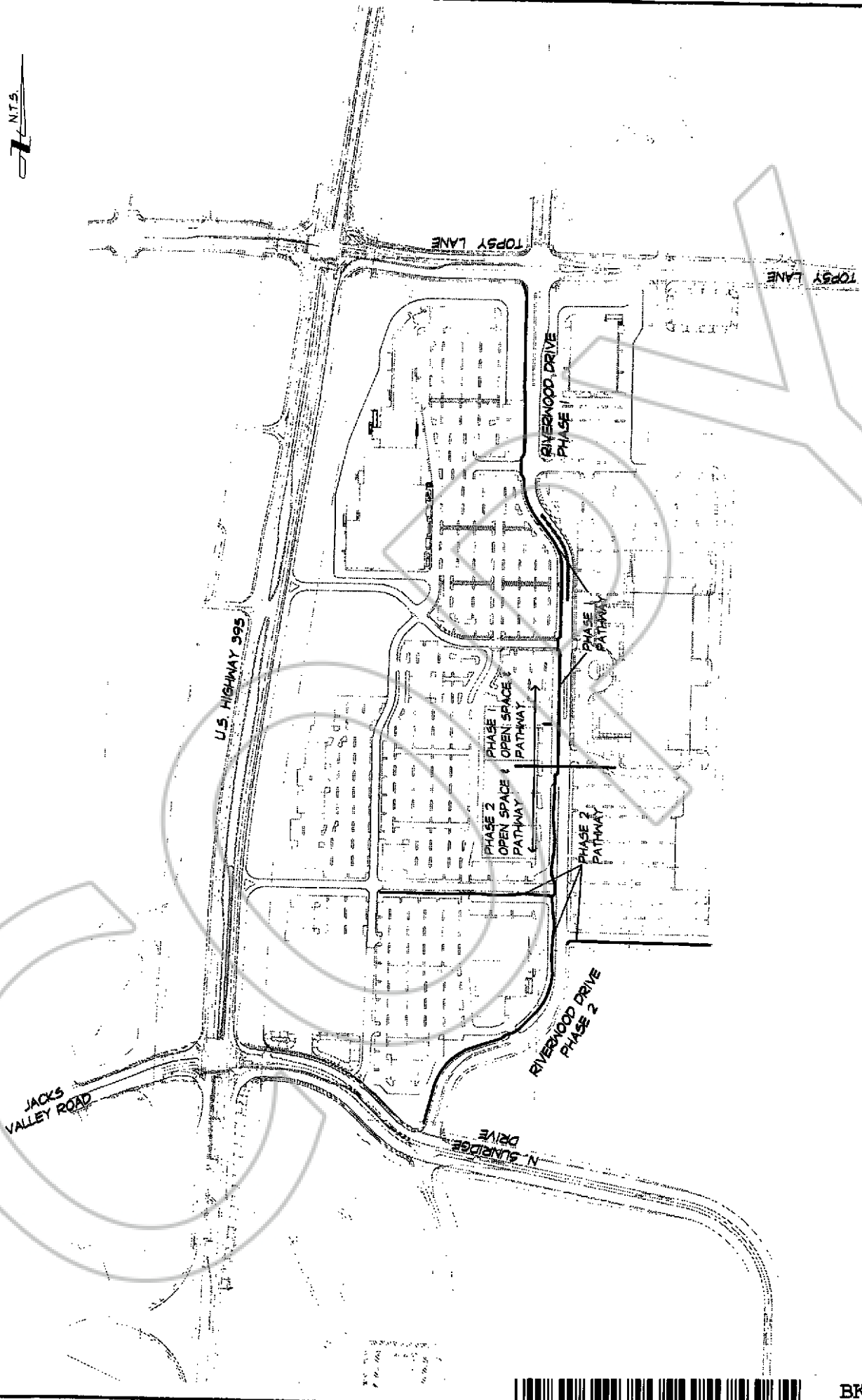



EXHIBIT D

RIVERWOOD - DEVELOPMENT AGREEMENT
 OPEN SPACE AND PUBLIC PATHWAYS
 Douglas County, Nevada

 CAPITAL ENGINEERING
 P.O. Box 3750
 Carson City, NV 89702
 (775) 882-5630

JULY 2007



COMMUNITY DEVELOPMENT

1594 Esmeralda Avenue, Minden, Nevada 89423

Carl Ruschmeyer, P.E.
Engineering Manager / County Engineer

775-782-6227

FAX: 775-782-6297

website: www.co.douglas.nv.us

Planning Division
Engineering Division
Building Division
Regional Transportation
Water/Sewer Utility
Road Maintenance
Code Enforcement



DOUGLAS COUNTY

May 21, 2007

Jay Timon
Riverwood Partners, LLC
P.O. Box 18475
Reno, NV 89511

RE: Amendment to Wastewater "Will Serve" - Riverwood

Dear Mr. Timon:

This is an amendment to the original will serve letter dated January 19, 2007. Condition number one (#1) shall be deleted in its entirety and replaced with the following:

1. This "Will Serve" for wastewater service is applicable only to APNs 1420-06-701-004, 1420-06-601-001, 1420-06-601-002, 1420-05-201-001, and 1420-06-701-002 and is not transferable.

All other conditions shall remain in full force and affect. Please call me at 782-6227 if you have any questions.

Sincerely,



Carl Ruschmeyer, PE
County Engineer

c: Mimi Moss, Assistant Community Development Director
Mark Rotter, PE - Capital Engineering
Don Smit, Project One, 2206 Arrowhead Drive Suite C, Carson City, NV 89706



0712635

Page: 28 OF 38

BK- 1107
PG- 1601
11/06/2007

EXHIBIT E

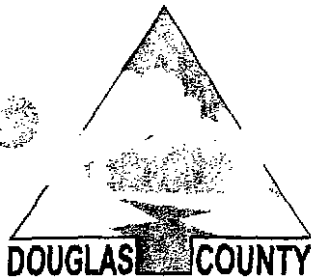
COMMUNITY DEVELOPMENT

1594 Esmeralda Avenue, Minden, Nevada 89423

Carl Ruschmeyer, P.E.
Engineering Manager / County Engineer

775-782-6227
FAX: 775-782-6297
website: www.co.douglas.nv.us

Planning Division
Engineering Division
Building Division
Regional Transportation
Water/Sewer Utility
Road Maintenance
Code Enforcement



January 19, 2007


Jay Timon
Riverwood Partners, LLC
P.O. Box 18475
Reno, NV 89511

Re: Wastewater "Will Serve" – Riverwood

Dear Mr. Timon:

Douglas County, a political subdivision of the State of Nevada, hereinafter referred to, as "COUNTY" will provide sewer service to Riverwood Partners, LLC, APN 1420-05-201-006, hereinafter referred to as "DEVELOPMENT" subject to the following terms and conditions:

1. This "Will Serve" for water service is applicable only to APNs 1420-06-701-003, 1420-06-601-001, 1420-06-601-002 and 1420-06-701-002 and is not transferable.
2. This "Will Serve" is conditioned upon the DEVELOPMENT receiving tentative map approval. In the event the DEVELOPMENT does not receive tentative map approval, or the tentative map expires, or the COUNTY is legally unable to provide water service, or is prevented from further providing the same, this letter shall terminate and become of no force and effect and the COUNTY shall have no further obligation to provide water service or capacity to the DEVELOPMENT.
3. The DEVELOPMENT agrees to pay all rates, fees and charges in place at the time of issuance of the connection permit.
4. The DEVELOPMENT agrees to provide all engineering design and analysis for construction of the sewer system. The Development shall construct on-site and off-site sewer improvements, including but not limited to collection system, lift station and force main, conforming to the County's North Valley "North County" regional sewer system..
5. This will serve is contingent upon the DEVELOPMENT making a perpetual offer of dedication to the COUNTY of all, pipelines, related appurtenances and other such infrastructure necessary to provide sewer service to the subject development. Furthermore, the DEVELOPMENT shall warranty all work for one year from the date of written acceptance of work by the COUNTY.

 BK- 1107
PG- 1602
0712635 Page: 29 Of 38 11/06/2007

6. The work shall be performed under a Douglas County Site Improvement Permit (SIP). A Nevada licensed contractor shall perform the work. The work performed by the DEVELOPMENT shall be in conformance with the Douglas County Design Criteria and Improvement Standards, and subsequent amendments, including any special specifications as directed by the COUNTY to meet unique conditions that may arise on the DEVELOPMENT.

Please call me at 782-6227 if you have any questions.

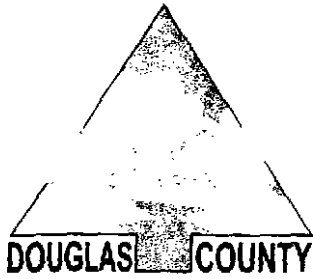
Sincerely,



Carl Ruschmeyer, PE
County Engineer

C: Mitch Dion, Community Development Director
Mimi Moss, Assistant Community Development Director
Mark Rotter, Capital Engineering
File -- Will Serves





COMMUNITY DEVELOPMENT

1594 Esmeralda Avenue, Minden, Nevada 89423

Carl Ruschmeyer, P.E.
Engineering Manager / County Engineer

775-782-6227
FAX: 775-782-6297
website: www.co.douglas.nv.us

Planning Division
Engineering Division
Building Division
Regional Transportation
Water/Sewer Utility
Road Maintenance
Code Enforcement

July 2, 2007

Jay Timon
Riverwood Partners, LLC
P.O. Box 18475
Reno, NV 89511

RECEIVED

AUG 16 2007

DOUGLAS COUNTY
DISTRICT ATTORNEY

Re: Water "Will Serve" – Riverwood

Dear Mr. Timon:

Section 5 of the January 19, 2007 water "will serve" letter is hereby amended to read as follows:

- 5. The DEVELOPMENT agrees to provide all engineering design and analysis for the construction of the on-site water system. Douglas County will serve Phase I from the County's existing "North County" water system, conditioned upon DEVELOPMENT paying all related fees and charges. Future phases of the DEVELOPMENT will construct, or participate through a development agreement their pro-rata share for 1-new well, well control building, off-site water lines and all related appurtenances conforming to the North County/West Valley regional water system.

All remaining sections of the January 19, 2007 water "will serve" remain in effect.

If you have any questions, please call me at 782-6227.

Sincerely,

Carl Ruschmeyer, PE
County Engineer

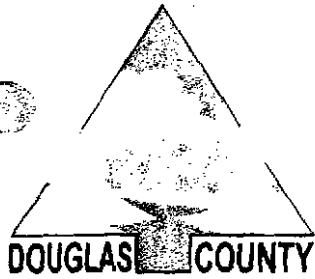
- C: Bob Morris, Chief Deputy District Attorney ✓
- Mark Jackson, Senior Planner
- Cathe Pool, PE, Senior Engineer



0712635 Page: 31 Of 38 11/06/2007

BK- 1107
PG- 1604

EXHIBIT F



COMMUNITY DEVELOPMENT

1594 Esmeralda Avenue, Minden, Nevada 89423

Carl Ruschmeyer, P.E.
Engineering Manager / County Engineer

775-782-6227
FAX: 775-782-6297
website: www.co.douglas.nv.us

Planning Division
Engineering Division
Building Division
Regional Transportation
Water/Sewer Utility
Road Maintenance
Code Enforcement

January 19, 2007

Jay Timon
Riverwood Partners, LLC
P.O. Box 18475
Reno, NV 89511

Re: Water "Will Serve" – Riverwood

Dear Mr. Timon:

Douglas County, a political subdivision of the State of Nevada, hereinafter referred to, as "COUNTY" will provide water service to Riverwood Partners, LLC, hereinafter referred to as "DEVELOPMENT" subject to the following terms and conditions:

1. This "Will Serve" for water service is applicable only to APNs 1420-06-701-003, 1420-06-601-001, 1420-06-601-002 and 1420-06-701-002 and is not transferable.
2. This "Will Serve" is conditioned upon the DEVELOPMENT receiving tentative map approval. In the event the DEVELOPMENT does not receive tentative map approval, or the tentative map expires, or the COUNTY is legally unable to provide water service, or is prevented from further providing the same, this letter shall terminate and become of no force and effect and the COUNTY shall have no further obligation to provide water service or capacity to the DEVELOPMENT.
3. The DEVELOPMENT agrees to pay all rates, fees and charges in place at the time of issuance of the connection permit.
4. The DEVELOPMENT shall satisfy the requirements of County Code Title 20, Subsection 20.100.040 b "Dedication of water rights or fee in lieu of dedication," prior to issuance of a building permit.
5. The DEVELOPMENT agrees to provide all engineering design and analysis for the construction of the water system. DEVELOPMENT agrees to construct 1-new well, well control building, on site and off-site water lines, and all related appurtenances conforming to the East Valley "North County" regional water system.
6. This will serve is contingent upon the DEVELOPMENT making a perpetual offer of dedication to the COUNTY of all pipelines, related appurtenances and other such infrastructure necessary to provide water service to the subject development.



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BK- 1107
PG- 1605

Furthermore, the DEVELOPMENT shall warranty all work for one year from the date of written acceptance of said work by the COUNTY.

7. Work performed by DEVELOPMENT shall be performed under a Douglas County Site Improvement Permit (SIP). The work shall be performed by a Nevada Licensed contractor and shall be in conformance with the Douglas County Design Criteria and Improvement Standards, as amended, including any special specifications as directed by the COUNTY to meet unique conditions that may arise on the DEVELOPMENT.

Please call me at 782-6227 if you have any questions.

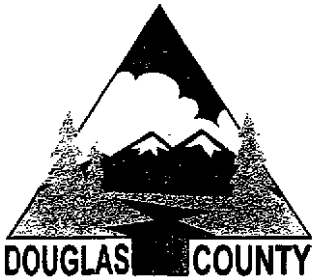
Sincerely,



Carl Ruschmeyer, PE
County Engineer

- C: Mitch Dion Community Development Director
Mimi Moss, Assistant Community Development Director/Planning Manager
Mark Rotter, Capital Engineering
File -- Will Serves





COMMUNITY DEVELOPMENT

1594 Esmeralda Avenue, Minden, Nevada 89423

Mimi Moss

COMMUNITY DEVELOPMENT DIRECTOR

775-782-6201

FAX: 775-782-6297

website: www.douglascountynv.gov

Planning Division
Engineering Division
Building Division
Regional Transportation
Water/Sewer Utility
Road Maintenance
Code Enforcement

September 10, 2007

Mr. Jay Timon
Riverwood Partners, LLC
P.O. Box 18475
Reno, NV 89511

RE: Land Development Application (LDA) 07-025, a Tentative Commercial Subdivision Map for the Carson Auto Mall, LLC, Riverwood Partners, LLC, and Max Baer Productions. The project is located on the east side of U.S. 395 between Topsy Lane and N. Sunridge Drive, Indian Hills, NV (APNs 1420-06-701-002, 1420-06-701-005, and 1420-05-201-001).

Dear Mr. Timon:

On September 6, 2007, the Douglas County Board of Commissioners conditionally approved LDA 07-025, a Tentative Commercial Subdivision Map for the Carson Auto Mall, LLC, Riverwood Partners, LLC, and Max Baer Productions subject to the following conditions:

CONDITIONS THAT MUST BE MET PRIOR TO FINAL MAP OR RECORD OF SURVEY SUBMITTAL:

1. The applicant shall submit plans for review and approval. The plans must be in conformance with the Douglas County Design Criteria and Improvement Standards (DCDCIS) and shall also include the following project-specific items:
 - a. Civil improvement plans shall be submitted in conformance with Division 7 "Improvement Plans."
 - b. The applicant shall submit a final technical drainage report and plans meeting the requirements of Division 6 "Storm Drainage" and Appendix D "Storm Drainage Details" and shall also include the following project-specific items:



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BK- 1107
PG- 1607

EXHIBIT G

- i) The plans shall show all necessary drainage easements and identify them as private.
 - ii) The plans shall incorporate the intent of the North Douglas County Specific Plan (NDCSP) into the design for the open space area (e.g. provide "park-like" setting for detention facilities).
 - iii) This development is part of the Douglas County Clear Creek Stormwater Management Plan. Two levels of treatment shall be provided for all points of stormwater discharge, including a sand-oil interceptor.
 - iv) The applicant shall demonstrate there is downstream capacity from the proposed development to the major watercourse at Lyla Lane.
 - v) Provide documentation for public drainage maintenance and an access easement for runoff and pipeline improvements along Lyla Lane. Provide documentation for a private drainage easement for the outlet and pond improvements at the end of Lyla Lane on APN 1420-06-501-003 to be maintained by the Riverwood development.
 - vi) The applicant shall provide paved access to all the detention facilities and ensure adequate access easements are provided to maintain such facilities.
 - vii) The drainage detention ponds shall be designed to retain the 2-year design storm event at the Lyla Lane outlet.
 - viii) The applicant shall submit information that the water quality of all existing private wells south of the Topsy Lane detention basin is not impacted by this basin.
- c. The applicant shall submit a final soils (geotechnical) report and plans meeting the requirements of Division 3 "Soils Engineering Report," and address any earthquake faults on or within 50 feet of the property.
- d. The applicant shall submit improvement plans for streets and traffic per Division 2 of the DCDCIS and shall also include the following project-specific items:
- i) The applicant shall be required to improve Riverwood Drive for Phase 1, per the phasing plan, as shown on the site improvement plans dated April 2007.
 - ii) Riverwood Drive is proposed as a private road which shall be maintained by the property owner.
 - iii) The applicant shall be required to provide pedestrian, bike, and equestrian improvements in future phases for connectivity as indicated in the NDCSP.
 - iv) Prior to approval of a site improvement permit or building permit, the applicant shall provide designs of subsequent phases of Riverwood LLC and Project One Riverwood Partners LLC properties to provide road and multi-purpose path connections to the "Big George" (APN 1420-05-201-006) and Serpa (APN 1420-08-101-004) properties to the east and south.
 - v) The applicant shall dedicate adequate right-of-way and improve Topsy Lane with 4 travel lanes from US 395 to the intersection at Riverwood Drive with bike lanes.

- vi) The applicant shall provide a smooth transition on Topsy Lane from the 4-lane improvements at the Topsy Lane/Riverwood Drive intersection east to the existing Topsy Lane travel lanes.
- vii) Dual left-turn lanes shall be provided at Topsy Lane's westbound approach to U.S. 395.
- viii) Dual left-turn lanes shall be provided on U.S. 395 southbound to Topsy Lane.
- ix) A free right turn lane from Topsy Lane onto northbound U.S. 395 shall be constructed.
- x) The traffic signal at the Topsy Lane/U.S. 395 intersection shall be redesigned to accommodate the new lane configurations meeting the requirements of the Nevada Department of Transportation (NDOT).
- xi) Free right turn lanes shall be provided on U.S. 395 to the two access roads proposed.
- xii) A third travel lane on U.S. Highway 395 shall be provided from just north of North Sunridge Drive to Topsy Lane and widening to the County line to accommodate the ultimate third lane, meeting the requirements of NDOT and Douglas County.
- xiii) The applicant shall ensure that existing legal access to APN 1420-06-801-001 is maintained.
- xiv) The applicant shall extend Topsy Lane as a paved 2 lane road section from the Topsy Lane/Riverwood Drive intersection along the property frontage to the east property boundary.
- xv) The applicant shall construct intersection improvements at the Topsy Lane/Riverwood Drive intersection in accordance with the North County Traffic Analysis, exclusive of the north approach.
- xvi) The applicant shall submit traffic signal plans for the Topsy Lane/Riverwood Drive with Phase 1 and the North Sunridge/Riverwood Drive intersection with Phase 2.
- xvii) The applicant shall construct intersection improvements at North Sunridge Drive/Riverwood Drive in accordance with the latest North County Traffic Analysis with Phase 2.
- xviii) The applicant shall provide a blanket utility easement and a recorded copy of this easement shall be provided to the County.
- xix) The applicant shall enter into a development agreement with Douglas County for their pro-rata share of improvements as identified in the revised traffic analysis. In addition, applicant shall provide a phased improvement schedule per the traffic analysis.

2. The development will be served by a public water system, and the following conditions shall apply:
 - a. The applicant shall meet the requirements of the "Water Will Serve" letter dated January 19, 2007, May 21, 2007, and the amended letter dated July 2, 2007.
 - b. Water lines shall meet the requirements of DCDCIS, Division 4 "Water Systems" and Appendix B "Water System Details" or standards from other applicable agencies.

- c. For Douglas County water systems, the applicant will submit a water system model data pursuant to DCDCIS, Division 4 Section 4.2, including fire district fire flow requirements.
3. The development will be served by a public sewer system, and the following conditions shall apply:
 - a. The applicant shall meet the requirements of the "Sewer Will Serve" letter dated January 19, 2007 and the amended letter dated May 21, 2007.
 - b. Sewer lines shall meet the requirements of Division 5 "Sewer Systems" and Appendix C "Water System Details" or standards from other applicable standards.
 - c. For Douglas County sewer systems, the applicant will submit a sewer study and main analysis pursuant to DCDCIS, Division 5 Section 5.1.2.
4. The applicant shall provide documentation that all required improvements are constructed or secured for each Phase.
5. The applicant shall provide documentation that all utilities are installed or have been secured for each Phase.
6. The applicant shall provide evidence that NDOT has approved any work or any increase in use within their jurisdiction.
7. **Each Record of Survey shall show the following:**
 - a. The applicant shall separately identify and delineate all the following features that apply; earthquake faults on or within 50 feet of the property.
 - b. Drainage easements as necessary for mitigating onsite, offsite, and cross-lot drainage impacts. All drainage easement shall be shown as private.
8. **Each Record of Survey shall provide notes that read as follows:**
 - a. Any further division of these parcels may be subject to subdivision improvements as provided under NRS 278.462(3).
 - b. The Community Development Certificate shall state the County rejects the offer of dedication for the public roads with the reservation to accept the offer at a later date.
 - c. Douglas County does not insure the development of any lot where wells and septic systems are required for water and sewer service.
 - d. Maintenance of all drainage facilities and easements shall be the responsibility of the individual property owners or other private entity, including a homeowner's association. Douglas County rejects any offer of dedication of drainage facilities or drainage easements.
 - e. Obstructing the flow or altering the course of a drainage channel is prohibited, unless permitted by authorizing agency.



THE FOLLOWING CONDITIONS ARE APPLICABLE TO THE RECORDED FINAL MAP THROUGHOUT THE LIFE OF THE PROJECT:

9. *This Tentative Map approval shall expire three years from the date of approval if a final map application that conforms to all the conditions of approval is not recorded prior to the expiration date. Extensions of time may be granted in accordance with Douglas County Code Section 20.30.020.*

Please include a copy of this letter with your building permit application and plans to expedite the building permit review process.

Sincerely,



Mark A. Jackson, Senior Planner
Douglas County Community Development

Cc: Carson Auto Mall, LLC
Max Baer Productions
Manhard Consulting
Engineering
Building
County Clerk
File: LDA 07-025

SEAL

CERTIFIED COPY

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office.

DATE: November 15, 2007
Clerk of the 9th Judicial District Court
of the State of Nevada, in and for the County of Douglas.

By Carol M. Plutsky Deputy