

**City of Carson City
Agenda Report**

Date Submitted: December 5, 2014

Agenda Date Requested: December 18, 2014

Time Requested: 20 minutes

To: Mayor and Board of Supervisors

From: Parks and Recreation Department

Subject Title: For Possible Action: To accept the Parks and Recreation Commission and staff's recommendation to approve and accept the Schulz Ranch Landscape Maintenance District Petition for the planned Schulz Ranch Development with the stipulation that monies raised by the proposed assessment be dedicated solely to the maintenance of the proposed Schulz Ranch Development and to direct the Mayor to sign the agreement. (Roger Moellendorf, Parks and Recreation Director and Chris Baker, Manhard Consulting LTD.)

Staff Summary: Attached is the signed and notarized Schulz Ranch Landscape Maintenance District Petition which is an agreement between the developers of Schulz Ranch (Schulz Ranch, LLC and Ryder-Duda Carson, LLC) and the City of Carson City for the formation of a landscape maintenance district. The petition provides the instrument to create a landscape maintenance district that obligates the City to assume the maintenance of parks, recreation facilities, pathways, open space areas, and landscape improvements funded by developers of a subdivision by assessing property owners an annual fee to cover the maintenance costs. Assessments will be sent with property tax notifications. The petition was brought to the Parks and Recreation Commission at their December 2, 2014 meeting. The Commission approved unanimously a recommendation for approval by the Board for acceptance with the added stipulation that all revenue derived from the landscape maintenance district to be dedicated solely to the maintenance of the proposed Schulz Ranch Development.

Type of Action Requested: (check one)

Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes () No

Recommended Board Action: I move to accept the Parks and Recreation Commission and staff's recommendation to approve and accept the Schulz Ranch Landscape Maintenance District Petition for the planned Schulz Ranch Development with the stipulation that monies raised by the proposed assessment be dedicated solely to the maintenance of the proposed Schulz Ranch Development and to direct the Mayor to sign the agreement.

Explanation for Recommended Board Action: On July 5, 2007 the Board of Supervisors adopted and amended Municipal Code Title 17, by establishing Chapter 17.18 that allows for the creation of landscape maintenance districts. A landscape maintenance district is a defined area within a future or existing residential development that has the ability to assess property owners for city maintenance of landscape improvements contained within the borders of the district. Developers are allowed to request the formation of a maintenance district through a petition process. The petition process is specifically and explicitly outlined in Section 17.18.050 of the Carson City Municipal Code. Parks and Recreation staff has worked closely with the petitioner, Manhard Consulting, Ltd., since September of 2014 and is now satisfied that the petition is satisfactorily complete and provides a sufficient mechanism that will provide attractive landscaping, adequate parks and recreational facilities for the Schulz Ranch Development and the residents of Carson City at large as well as a means to fund their maintenance.

Applicable Statute, Code, Policy, Rule or Regulation: Nevada Revised Statutes 278.4787, CCMC 17.18 Landscape Maintenance Districts.

Fiscal Impact: N/A

Explanation of Impact: There is no fiscal impact at this time. Future assessments from property owners will fund the maintenance of the Schulz Ranch Development.

Funding Source: N/A

Alternatives: Reject the Parks and Recreation Commission's recommendation.

Supporting Material: "Schulz Ranch Maintenance District Petition."

Prepared By: Roger Moellendorf, Parks & Recreation Director

Reviewed By: *R Moellendorf* Date: 12/9/14
(Department Head)

Marena A. White DM Date: 12-9-14
(City Manager)

Joseph L. Ward Date: 12/9/14
(District Attorney)

Michael A. Smith Date: 12/9/14
(Finance Director)

Board Action Taken:

Motion: _____ 1: _____ Aye/Nay

2: _____

(Vote Recorded By)

SCHULZ RANCH MAINTENANCE

DISTRICT PETITION

Submitted: December 5, 2014*

**Updated submittal following Parks and Recreation Committee meeting of December 2, 2014*

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SCHULZ RANCH MAINTENANCE DISTRICT PETITION

This **SCHULZ RANCH MAINTENANCE DISTRICT PETITION** ("Petition"), is submitted by **SCHULZ RANCH, LLC**, a Delaware limited liability company ("Developer 1") and **RYDER-DUDA CARSON, LLC**, a Nevada limited liability company ("Developer 2") (together with Developer 1, individually and collectively, "Developer"), to **CARSON CITY**, a consolidated municipality ("Carson City"), pursuant to Nevada Revised Statutes ("NRS") 278.4787 and Carson City Municipal Code ("CCMC") 17.18.

BACKGROUND

A. Developer 1 owns the real property in Carson City, Nevada, described on **Exhibit A** hereto ("Developer 1 Property"). Exhibits referenced in and attached to this Petition are in bold text; Exhibits that are referenced in this Petition but attached to either the Development Agreement or the Maintenance District Development Agreement are not in bold text.

B. Developer 2 owns the real property in Carson City, Nevada, described on **Exhibit B** hereto ("Developer 2 Property," and together with the Developer 1 Property, "Property").

C. The Property is located generally between Center Drive and Schulz Drive in Carson City, Nevada, and is commonly known as "Schulz Ranch" (sometimes referred to as the "Project"). Subject to certain conditions of approval ("Conditions of Approval"), the Carson City Board of Supervisors ("Board") approved a common open space subdivision tentative map for Schulz Ranch on October 20, 2005 (TSM-05-144).

D. An initial development agreement for Schulz Ranch was adopted on September 1, 2011, as Ordinance No. 2011-16, and an amendment to the development agreement was adopted on April 3, 2014, by Ordinance No. 2014-6, and recorded as Document No. 444869 in the Official Records, Carson City, Nevada ("Official Records") (collectively, "Development Agreement"). The Development Agreement provides that Schulz Ranch is to be developed in four (4) phases (each, a "Phase," and collectively, the "Phases") in accordance with a phasing plan detailing specific on-site and off-site improvements as set forth in Exhibit L to the Development Agreement ("Exhibit L"), with 424 single family lots (each, a "Lot," and collectively, "Lots"), open space and common areas. It is anticipated that Schulz Ranch will be developed in accordance with Exhibit L and by way of four (4) (or more) final and recorded subdivision maps (each, a "Subdivision Map," and collectively, "Subdivision Maps"). The first Subdivision Map for the first Phase has been recorded, more specifically, Lots 1-1 through 1-40 (inclusive) and 4-1 through 4-60 (inclusive) were created by the Final Map for Schulz Ranch Subdivision – Phase 1, recorded August 11, 2014 in the Official Records, Carson City, Nevada, as File No. 446516 ("Phase 1 Subdivision Map"). Schulz Ranch is subject to other development entitlements as set forth in the Development Agreement, including, without limitation, a zoning map amendment and the establishment of a specific plan area with respect to Schulz Ranch (together with the Conditions of Approval, the Development Agreement, and the Subdivision Maps, the "Development Approvals").

E. Condition of Approval No. 32 requires the establishment of a neighborhood landscape maintenance district pursuant to which Carson City is responsible for maintenance of landscaped areas within Schulz Ranch. Such maintenance district is in lieu of the creation of a common interest

community (“CIC”) under NRS Chapter 116 and a CIC association as described therein. See NRS 278.4787 and CCMC 17.18.020.

F. CCMC Section 17.18 provides for the procedures and requirements for establishment of a maintenance district. Those requirements include the submittal of a Petition requesting that Carson City establish a Maintenance District and assume maintenance of certain improvements, and as a part of said Petition, the provision of a development agreement specific to the Maintenance District (“Maintenance District Development Agreement”). See CCMC 17.18.050(2)(c).

G. Developer submits this Petition to request the establishment of the “SCHULZ RANCH MAINTENANCE DISTRICT” (“Maintenance District”) pursuant to NRS 278.4787 and CCMC 17.18.

H. Capitalized terms defined in this Petition shall have the respective meanings given to them in this Petition. Capitalized terms not defined in this Petition shall have the respective meanings given to them in CCMC 17.18.030. For convenience, the definitions set forth in CCMC 17.18.030 are reproduced in Schedule 1 attached to this Petition.

PETITION

I. SIGNATURES; NOTICE. Except for land to which title has passed to Carson City as a result of the dedications on and recordation of the Phase 1 Subdivision Map pursuant to CCMC 17.06.025, as of the date this Petition is signed and acknowledged by Developer, Developer owns one hundred percent (100%) of the Property that will be included within the Maintenance District; as a result, the below signature by Developer represents signature by all owners of all the Property petitioning for creation of the Maintenance District.

II. PROPERTY DESCRIBED.

A. The areas of land within the Property, together with the improvements to be installed or constructed thereon, that Developer has or will dedicate to Carson City for maintenance as part of the Maintenance District to be established by this Petition, are described and conceptually depicted on Exhibits C-1 and C-2 hereto (“Maintenance District Property”). Exhibit C-2 depicts generally Improvement concepts for each Project Phase; if an area in a Phase shown on Exhibit C-2 omits a specific reference to an Improvement concept, the intent is for the Improvement concept for that area to be consistent with the Improvement concept otherwise applicable to the Phase. Improvements that are a part of Maintenance District Property are or will be identified in detail in the actual Improvement Plans submitted to and approved by Carson City. The Maintenance District Property relating to and shown on the Phase 1 Subdivision Map is as follows (“Phase 1 Maintenance District Property”): The landscaped areas within the right-of way commonly known as Race Track Road, and the Common Area A and Common Area B (all such area is ±67,694 square feet), in each case together with the Improvements to be installed and constructed thereon pursuant to the Development Agreement and the Improvement Plans. The areas of land within the Property relating to and shown on subsequent Subdivision Maps that constitute Maintenance District Property will be clearly delineated on such Subdivision Maps as either (i) landscaped areas within right of ways, or (ii) common areas. If Developer elects to create a common interest community for a Phase in the Project, any land or improvements to be owned or leased by the homeowner’s association in

connection therewith will be delineated on the Subdivision Map as “common elements” to clearly distinguish the same from the Maintenance District Property delineated on the same Subdivision Map. Any such delineated common elements shall be separate from and not included within Maintenance District Property and no Maintenance District Property will be converted to common elements (i.e., Maintenance District Property will continue to benefit the entire Project as contemplated by the Development Approvals).

B. The Maintenance District will include all of the Property. The portions of the Property that constitute Lots created by the recording of each Subdivision Map will be subject to the Assessment. The portions of the Property that constitute the Maintenance District Property or dedicated right-of-ways, will not be subject to the Assessment.

III. MAINTENANCE DISTRICT DEVELOPMENT AGREEMENT. Upon the adoption of this Petition by the Board and the recording in the Official Records of the notice of creation of the Maintenance District pursuant to CCMC 17.18.060(3)(b), Developer (and any then successors-in-interest to Developer) will execute and deliver to Carson City the Maintenance District Development Agreement substantially in the form attached to this Petition at **Exhibit D**; once the Maintenance District Development Agreement is executed by Carson City, the Developer will cause the Maintenance District Development Agreement to be recorded in the Official Records at Developer’s cost.

IV. DEVELOPMENT STANDARDS REQUIREMENTS. The details and construction information regarding the Improvements is attached to this Petition at **Exhibit E**.

V. ALLOCATION PLAN. The Allocation Plan which determines the relative benefits and allocates costs between Carson City and the Assessed Property in accordance with CCMC 17.18.080 is attached to this Petition at **Exhibit F**.

VI. LIST OF ASSESSED PROPERTIES.

A. The Assessed Properties will be each Lot created by each Subdivision Map. The initial Assessment Amount is currently estimated to be \$210.11 per Lot per year. The Assessment Amount is anticipated to increase in the future as shown by the Financial Plan and estimates thereon attached to this Petition at **Exhibit G**. The estimated Assessment Amount identified on **Exhibit G** is an estimate only, and is subject to change from time to time.

B. The commencement date for the Assessment for the entire Maintenance District is the date of Final Project Acceptance (below defined) for the Improvements associated with the Phase 1 Maintenance District Property; notwithstanding that, only Lots created by a Subdivision Map are subject to the Assessment and to the Assessment Amount for that Lot. The term “**Final Project Acceptance**” means that the Improvements associated with a Phase of Maintenance District Property (i) have been completed in accordance with the Improvement Plans for that Phase (including deficiency list items), (ii) have undergone final inspection by Carson City, and (iii) have been accepted by Carson City for maintenance purposes by the means customarily used by Carson City to evidence such acceptance. If, for any reason, Improvement Plans and the installation and construction of such Improvements, are undertaken in a Phase that is different from the Phase contemplated by this Petition or the Development Approvals, then such Improvements shall be

included in the Final Project Acceptance for the Phase in which such Improvement Plans and Improvements are undertaken. Notwithstanding the foregoing, the land and Improvements for the centrally located neighborhood park identified in Phase 3 in Exhibit L to the Development Agreement and in Exhibit C-2 hereto, shall be accepted by Carson City for maintenance purposes upon completion of such Improvements in accordance with the Improvement Plans and final inspection by Carson City.

C. The Assessment for the Maintenance District, and the Assessment Amount for each Lot, will be collected in the same form and manner as other real property taxes; except that an annual Assessment Amount for a Lot shall be prorated for the time period that the Lot is subject to the Assessment Amount, with the Lot being subject to and responsible for paying its Assessment Amount only for the time period on and after creation of the Lot by a Subdivision Map.

VII. FINANCIAL PLAN. The Financial Plan for the Maintenance District is attached at Exhibit G. The Financial Plan includes, without limitation: (1) detailed costs of the maintenance of Improvements within the Maintenance District; (2) Maintenance District start-up costs; (3) initial and annual Maintenance District cost allocation; (4) projected revenues and expenses for the first 7 years of operations of the Maintenance District; and (5) a projected 7 year Improvement Plan. Developer was not required to submit reserve studies for maintenance costs as referenced in CCMC 17.18.050(2)(g)(3) because Carson City performed the analysis and calculations on maintenance costs which included depreciation costs and costs of future capital replacement needs.

VIII. MAINTENANCE PLAN. The Maintenance Plan is attached to this Petition at Exhibit H. The Maintenance Plan details the Improvements to be maintained, the schedule and levels of Maintenance (including long term Maintenance and replacement costs), and the estimated time and expense that may be involved.

IX. ASSESSMENT DEPOSIT. The assessment deposit required by CCMC 17.18.050(2)(i) is set forth in the Maintenance District Development Agreement.

X. WARRANTY. The warranty required by CCMC 17.18.050(2)(j) is set forth in the Maintenance District Development Agreement.

XI. INDEMNIFICATION. The indemnification required by CCMC 17.18.050(2)(k) is set forth in the Maintenance District Development Agreement.

XII. EXISTING DEVELOPMENT. CCMC 17.18.050(l) is not applicable. The Maintenance District is required by the Development Approvals.

XIII. DEDICATION AND GRANT OF EASEMENTS TO CARSON CITY. The dedications and grants of easements to Carson City required by CCMC 17.18.050(m) is set forth in the Maintenance District Development Agreement.

XIV. ADDITIONAL INFORMATION.

A. **Lighting Requirements.** The lighting requirements set forth in this Section will apply to the Project. Approved ground mounted horizontal low voltage flood or "grazing" lighting

shall be installed to complement the eight-foot wide concrete path adjacent to Racetrack Road. The intent of this low voltage lighting is to provide functional illumination to the pathway without being obtrusive to adjacent residences. Lighting will not be required for any other pathways within in the Project. The central neighborhood park shall have lighting installed on the following features: the parking lot, the pavilion, the restroom building, and the connective pathway from Racetrack Road south to the restroom building, continuing on to the pavilion, and finally exiting the park north of the playground area. The intent of the park lighting is for safety purposes and shall be installed on the actual structures wherever possible to reduce the number of light poles required. No bollard-style lighting will be allowed.

B. CCMC 17.18.070(4). Notwithstanding the provisions of CCMC 17.18.070(4), if the Parks Director, in his or her discretion, believes a change in this Petition or the Maintenance District is desired or necessary, the Parks Director will notify Developer of the same and use good faith efforts to cooperate with Developer in adopting and implementing such change.

XV. TIMELINES. CCMC 17.18.050(2)(o) does not apply because Carson City established alternative timelines to those in CCMC 17.18.050(2)(o) for submittal of this Petition. CCMC 17.18.070(2)(a) does not apply because Carson City established alternative time limits to those in CCMC 17.18.070(2)(a) in the Development Agreement.

XVI. FEE. Fees have not been set for the Petition process, therefore, no fees are required.

XVII. SCHEDULE AND EXHIBIT LIST. This Petition contains the following Schedules and Exhibits:

Schedule 1	CCMC 17.18.030 Definitions
Exhibit A	Developer 1 Property
Exhibit B	Developer 2 Property
Exhibit C-1	Maintenance District Property (depiction of land)
Exhibit C-2	Maintenance District Property (depiction of conceptual improvements)
Exhibit D	Form of Maintenance District Development Agreement
Exhibit E	Development Standards Requirements
Exhibit F	Allocation Plan
Exhibit G	Financial Plan
Exhibit H	Maintenance Plan

[Signatures to follow.]

IN WITNESS WHEREOF Developer submits this Petition to Carson City.

SCHULZ RANCH, LLC,
a Delaware limited liability company

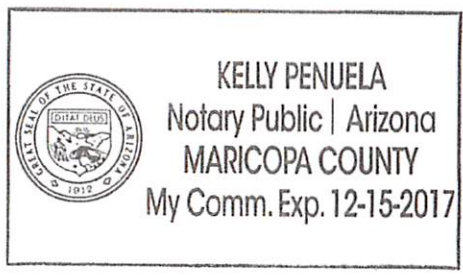
RYDER-DUDA CARSON, LLC,
a Nevada limited liability company

By: [Signature]
Name: DEAN WINGERT
Its: VICE PRESIDENT

By: _____
Name: _____
Its: _____

STATE OF Arizona)
) ss.
COUNTY OF Maricopa)

This instrument was acknowledged before me on December 3, 2014, by Dean Wingert, as Vice President of SCHULZ RANCH, LLC, a Delaware limited liability company.



Kelly Penuela

Notary Public
My Commission Expires: 12-15-17

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2014, by _____, as _____ of RYDER-DUDA CARSON, LLC, a Nevada limited liability company.

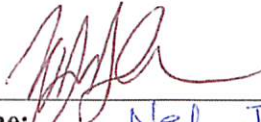
Notary Public
My Commission Expires: _____

IN WITNESS WHEREOF Developer submits this Petition to Carson City.

SCHULZ RANCH, LLC,
a Delaware limited liability company

RYDER-DUDA CARSON, LLC,
a Nevada limited liability company

By: _____
Name: _____
Its: _____

By: 
Name: Ned J. Ryder
Its: President

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2014, by _____, as _____ of SCHULZ RANCH, LLC, a Delaware limited liability company.

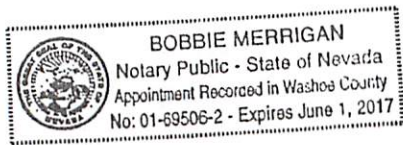
Notary Public
My Commission Expires: _____

STATE OF Nevada)
) ss.
COUNTY OF Washoe)

This instrument was acknowledged before me on November 21, 2014, by Ned J. Ryder, as President of RYDER-DUDA CARSON, LLC, a Nevada limited liability company.



Notary Public
My Commission Expires: 6-01-17



SCHEDULE 1

CCMC 17.18.030 DEFINITIONS

“Allocation plan” means a plan provided for in the petition that assesses the relative benefits and allocates costs between the city and the assessed property.

“Arterial street and major thoroughfare” means streets that generally accommodate longer trips by motorists and higher traffic volumes, serve as connections between highways, other highly traveled roads, over geographic areas, or between regions or areas of Carson City, provide connectivity to regional facilities, or ensure continuity in the traffic patterns of the region.

“Assessed property” means each lot, parcel, or residential dwelling in the maintenance district. Notwithstanding the foregoing, property within a maintenance district which is owned by a school district, city or the federal government shall not be assessed property.

“Assessment” means the proportionate share of the assessed properties of the annual amount established by Carson City that is necessary to pay the cost to maintain the improvements located in the maintenance district which includes, without limitation, Carson City’s administrative costs; the actual cost for contracted services performed; and the associated labor, equipment, insurance, utility, and material costs.

“Assessment amount” means the proportionate share of the assessment of each owner of assessed property.

“Assessment period” means the period from the creation of the maintenance district through the next-occurring July 1, and each successive period of time running from and including July 1 to and including June 30 of the following year.

“Board” means the Carson City board of supervisors.

“CC&Rs” means covenants, conditions and restrictions.

“City directors” means the finance director of the Carson City finance department, the planning director of the Carson City planning division, the fire chief of the Carson City fire department, the city engineer of the development engineering division, and the Carson City treasurer, or the designee of any of the foregoing.

“Defensible space” means the area between a house and an oncoming wildfire where vegetation has been managed to reduce the wildfire threat and allow firefighters to safely defend the house.

“Developer” means the subdivider, as defined in Section 17.02.020, or the landowner in NRS Chapter 278A. “Development” means a subdivision, as defined in NRS 278.320, or any other area of real property to be or having been developed pursuant to a common plan or design scheme.

“Development agreement” means the written agreement provided with the petition that includes the information required by Section 17.18.050(2)(c).

“Development standards” means the development standards adopted by Carson City contained in Carson City Municipal Code Title 18.

“Financial plan” means a plan provided for in the petition detailing project costs, district set up costs, reserve studies stipulating initial reserves to be established, allocation of initial and annual costs, projected revenues and expenses for the first 5 years of operations and a projected 5 year improvement plan.

“Furnishings” means amenities associated with trails, parks and open space, consisting of but not limited to benches, trash receptacles, water fountains and bicycle racks.

“Improvement plan” means the plan submitted by petitioner pursuant to Section 17.18.050(2)(g)(6) detailing the installation of improvements in a maintenance district by petitioner.

“Improvements” consist of but are not limited to, landscaping; public lighting; security walls; and trails, parks and open space.

“Interior streets” means streets located within the boundaries of a development that principally serve the residents of such development, and their guests, by providing access to and from the residences within the development.

“Landscaping” includes, without limitation:

1. Ground cover, trees, shrubs, grass and other ornamentation, whether natural or artificial, located:

- a. On the perimeter of a development or subdivision;
- b. On a median strip on the perimeter of a development or subdivision.

2. Irrigation systems, electrical systems, conduits, separate metering equipment, and drainage, acceptable to Carson City, that do not exceed the water usage or energy conservation principles of xeriscape located in the maintenance district.

“List of assessed properties” means a list provided for in the petition containing a list of the properties within the proposed maintenance district that will be assessed the assessment amount.

“Maintenance” means to care for and provide upkeep of improvements which includes, without limitation, repair, reconstruction and replacement.

“Maintenance association” means a homeowners’ association or landscape maintenance association created to assume maintenance of the improvements.

“Maintenance district” means an area comprised of assessed property in a development, which area is created, formed, and established, pursuant to NRS 278.4787 and this chapter, where Carson City will assume the maintenance of 1 or more of the following improvements located thereon which provide a substantial public benefit or which are required by the board of supervisors for the primary use of the public:

2.

1. Landscaping;
2. Public lighting;
3. Security walls; and
4. Trails, parks and open space. Trails described in NRS 278.4787(5) are not included in this definition.

“Maintenance plan” means a plan provided for within the petition that details the improvements to be maintained, the schedule and levels of maintenance, the estimated time and expense that may be involved and any other information as reasonably required by the parks director.

“Master maintenance district” means a maintenance district formed for a development to be developed in phases where subsequent phases of the development are added to the maintenance district by petition, as they are developed.

“Non-regional interior trails” means trails that provide internal non-motorized transportation and recreation to the development.

“Parks director” means the director of Carson City’s parks and recreation department, or his or her designee.

“Petition” means the written request of a developer or, pursuant to NRS 278.4787(7), owners of affected tracts of land or residential units, to Carson City for the creation of a maintenance district or master maintenance district.

“Petitioner” means the party or parties requesting in writing the creation of a maintenance district or master maintenance district by Carson City.

“Planning director” means the planning director of the Carson City planning division or his or her designee.

“Property” means the sum of all legal parcels of real property (including fixtures) containing improvements requested by the petitioner to be included within and maintained by the maintenance district.

“Public benefit” means the general public’s benefit and use of the improvements within the maintenance district.

“Public lighting” means works or improvements useful in lighting a street, sidewalk or other place used for a public purpose.

“Regional trails” means trails that are part of the city’s unified pathways master plan or that provide regional connectivity through a trail system or network.

“Security walls” means any wall composed of materials including, but not limited to, stone, brick, concrete blocks, masonry or similar building material, together with footings, pilasters,

outriggers, grillwork, gates and other appurtenances, and constructed around the perimeter of a development for the purposes of security or protection of the property with the development.

EXHIBIT A
TO PETITION

DEVELOPER 1 PROPERTY

EXHIBIT "A"

All that particular real property situate within the East One-Half of Section (E 1/2) of Section 5, Township 14 North (T.14N.), Range 20 East (R.20E.), Mount Diablo Meridian, being Lot 1-1 through Lot 1-40, Lot 4-1 through Lot 4-60, Parcel A, Parcel B, Parcel C as shown on the Final Map for SCHULZ RANCH SUBDIVISION- PHASE 1, recorded August 11, 2014 in Book 10, Page 2821 as File No. 446516, Parcel 3A and Parcel 3B as shown on the 3rd Parcel Map for SCHULZ RANCH DEVELOPERS, LLC recorded August 3, 2007 in Book 10, Page 2663 as File No. 370575, Parcel 1, Parcel 2, Parcel3 and Parcel 4 as shown on the 4th Parcel Map for SCHULZ RANCH DEVELOPERS, LLC, recorded August 21, 2007 in Book 10, Page 2666 as File No. 371192 and Parcel 1, Parcel 2, Parcel 3 and Parcel 4 as shown on the 5th Parcel Map for SCHULZ RANCH DEVELOPERS, LLC recorded August 21, 2007 in Book 10, Page 2667 as File No. 371193 all in the Official Records of Carson City, Nevada.

EXHIBIT B
TO PETITION

DEVELOPER 2 PROPERTY

EXHIBIT "B"

All that particular real property situate within the East One-Half of Section (E 1/2) of Section 5, Township 14 North (T.14N.), Range 20 East (R.20E.), Mount Diablo Meridian, being Parcel 2 as shown on the 1st Parcel Map for SCHULZ RANCH DEVELOPERS, LLC REYNEN & BARDIS (CARSON), LLC, recorded June 27, 2007 in Book 10, Page 2657 as File No. 369098 in the Official Records of Carson City, Nevada.

EXHIBIT C-1
TO PETITION

MAINTENANCE DISTRICT PROPERTY

[See following pages.]

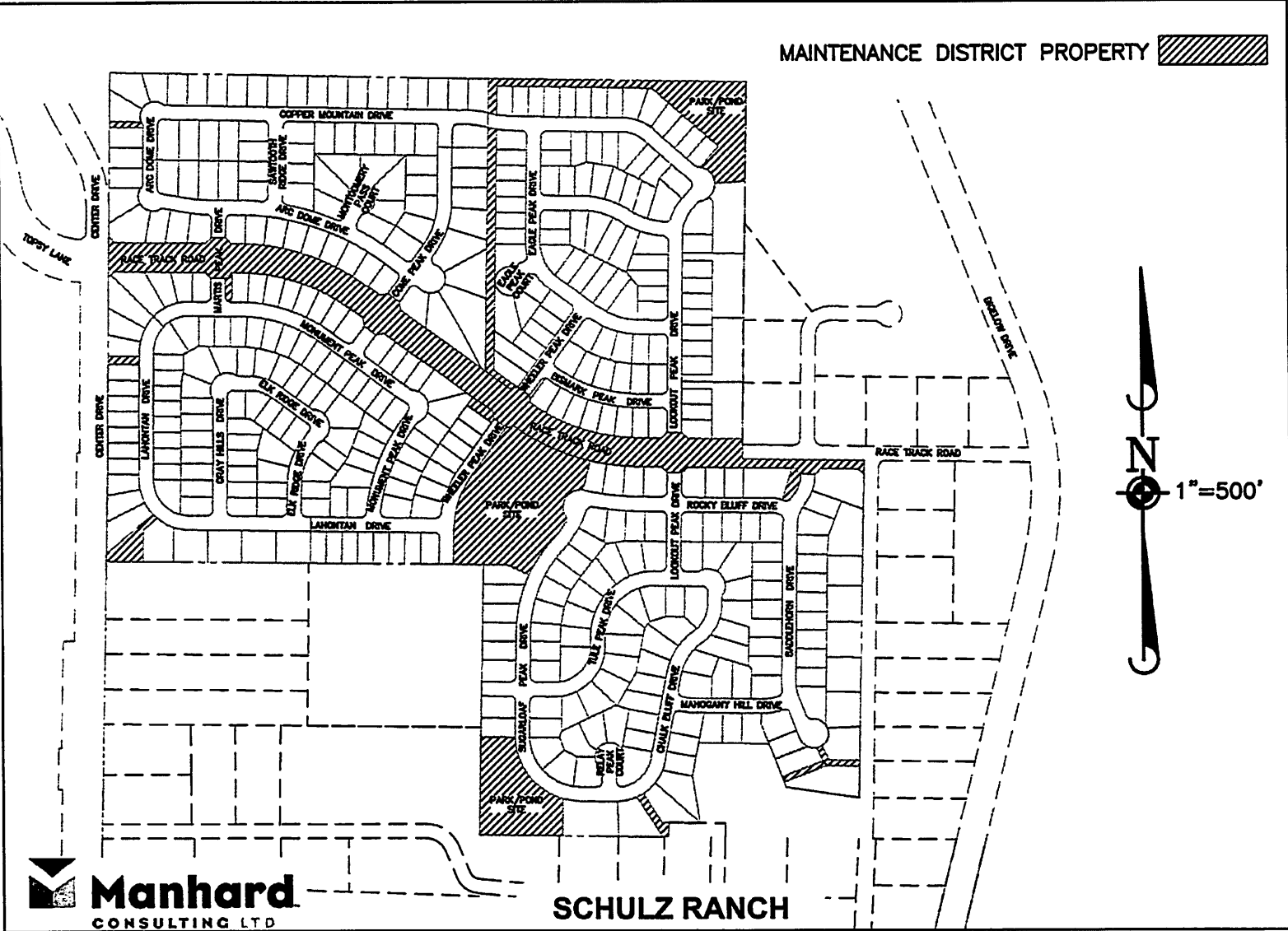
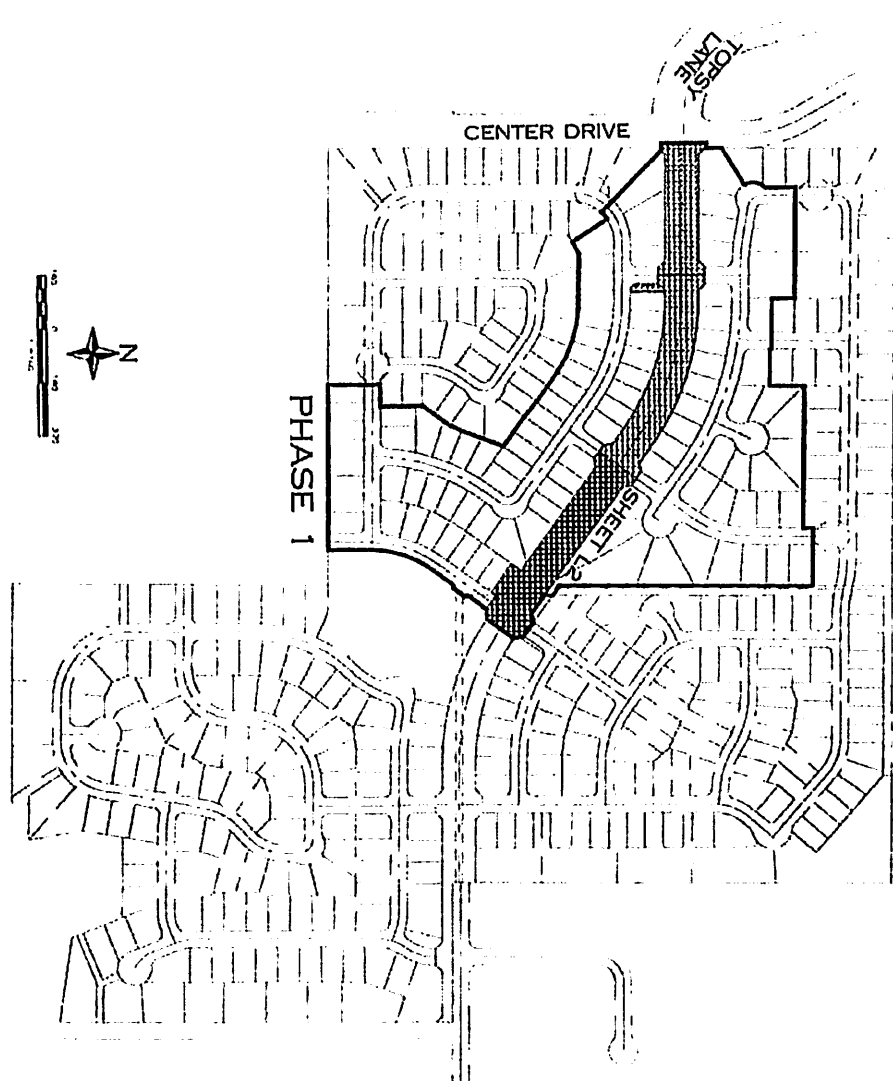


EXHIBIT C-2
TO PETITION

MAINTENANCE DISTRICT PROPERTY

[See following pages.]

PHASE 1 INCLUDES +/- 67,694 SQFT OF LANDSCAPED ROW AND COMMON AREA

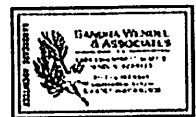


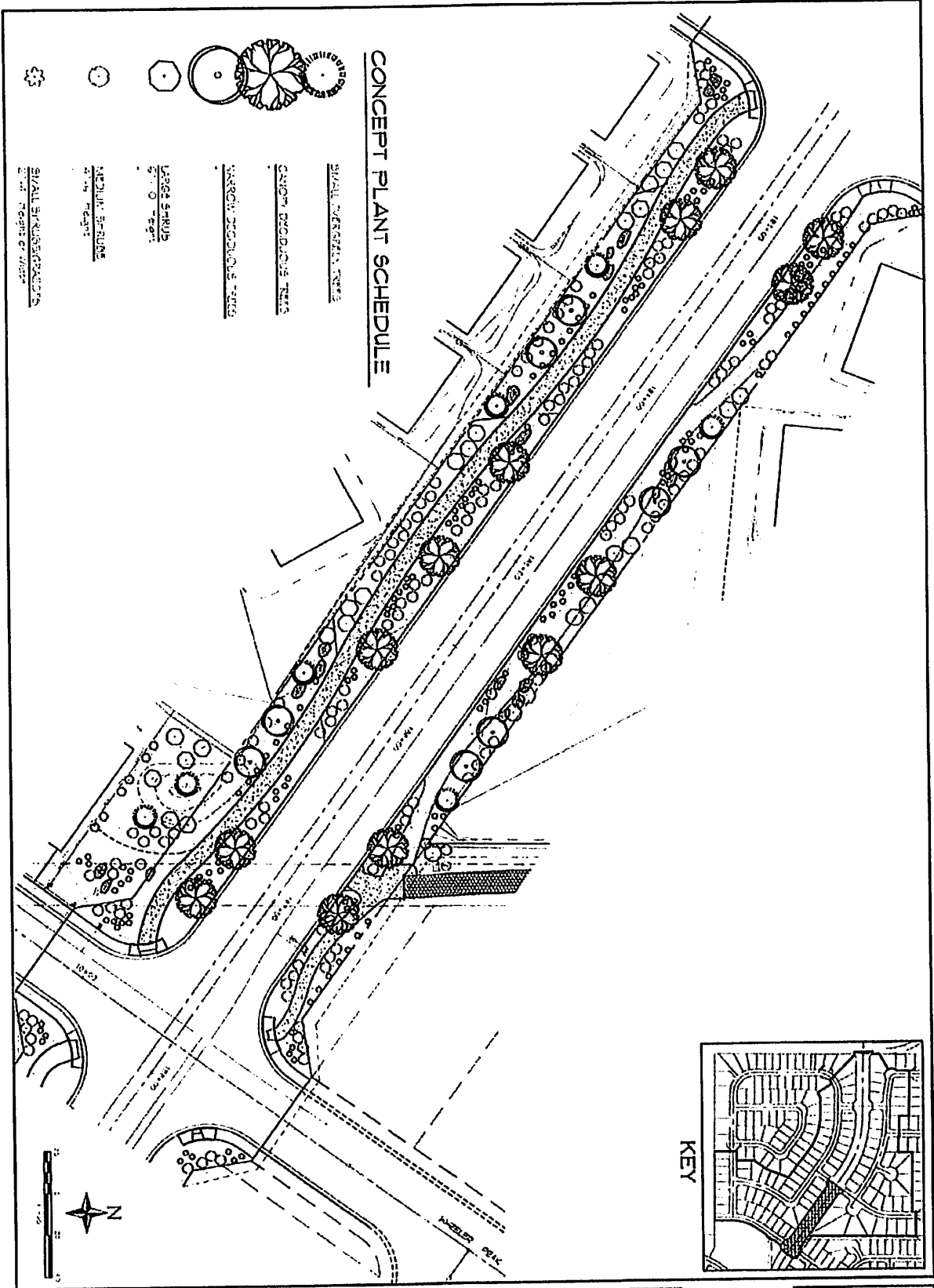
DRAWING TITLE
 SHEET
 L1
 OF 2 SHEETS

DATE
 VENDOR
 SCALE
 DRAWN
 CHECKED

REVISION

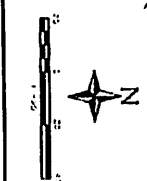
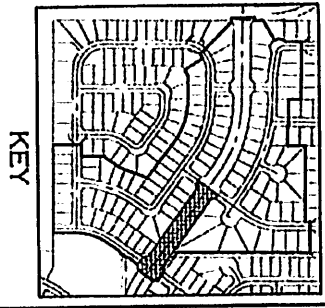
**SCHULZ RANCH
 CONCEPTUAL PLANS
 PHASE 1 - LANDSCAPE OVERVIEW**





CONCEPT PLANT SCHEDULE

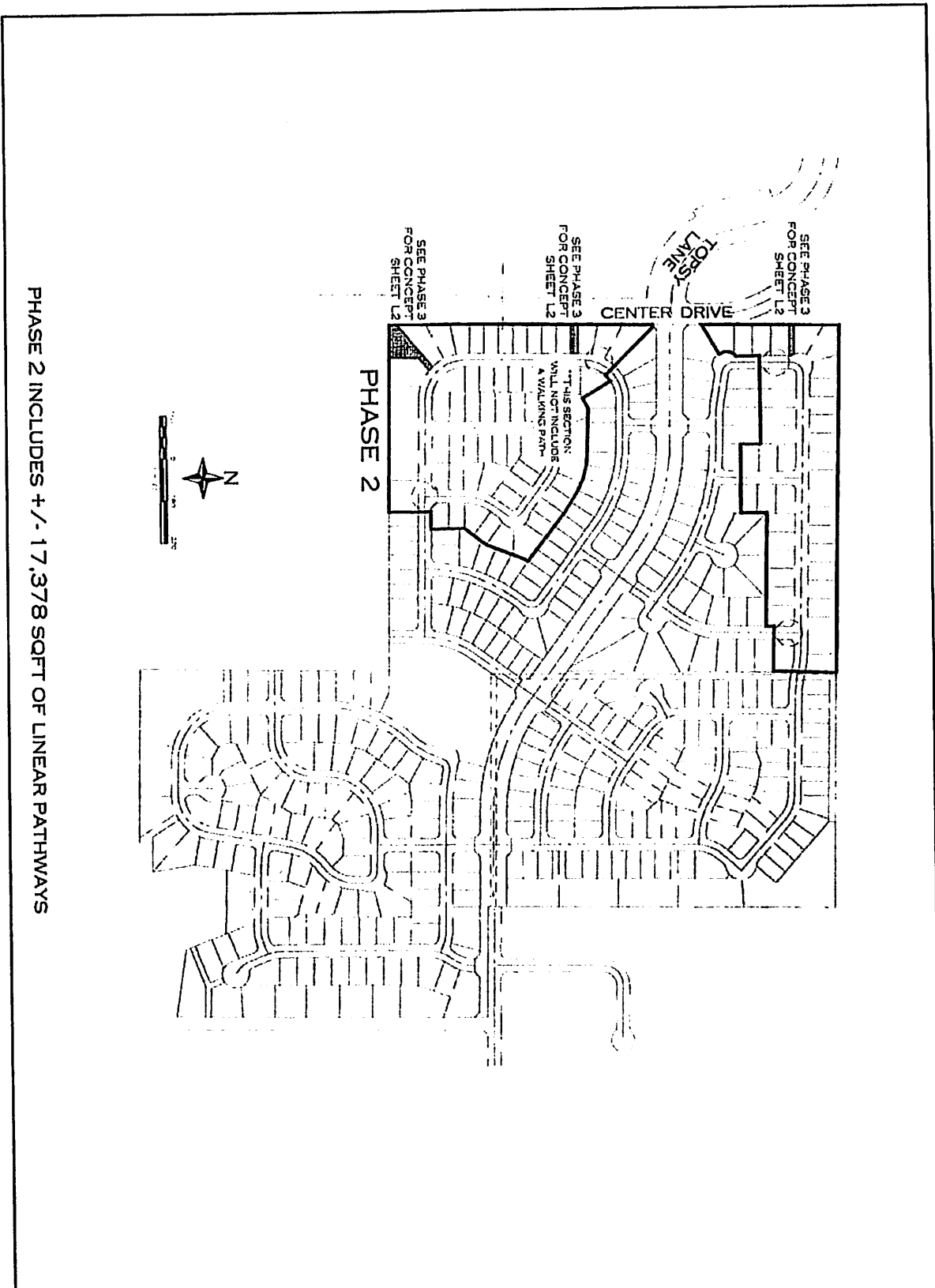
- SMALL WINGED TREES
- CANOPY DECIDUOUS TREES
- WIDE SPREAD DECIDUOUS TREES
- LARGE SHRUBS
- MEDIUM SHRUBS
- SMALL SYMBIOTIC PLANTS
- SMALL TREES



DATE	_____
SCALE	1" = 20'
DRAWN	_____
CHECKED	_____
DATE	_____
ENTERED	_____
DATE	_____
BY	_____
OF 2 SHEETS	

SCHULZ RANCH
CONCEPTUAL PLANS
 PHASE I - ENTRY RD. LANDSCAPE CONCEPT





PHASE 2 INCLUDES +/- 17,378 SQFT OF LINEAR PATHWAYS

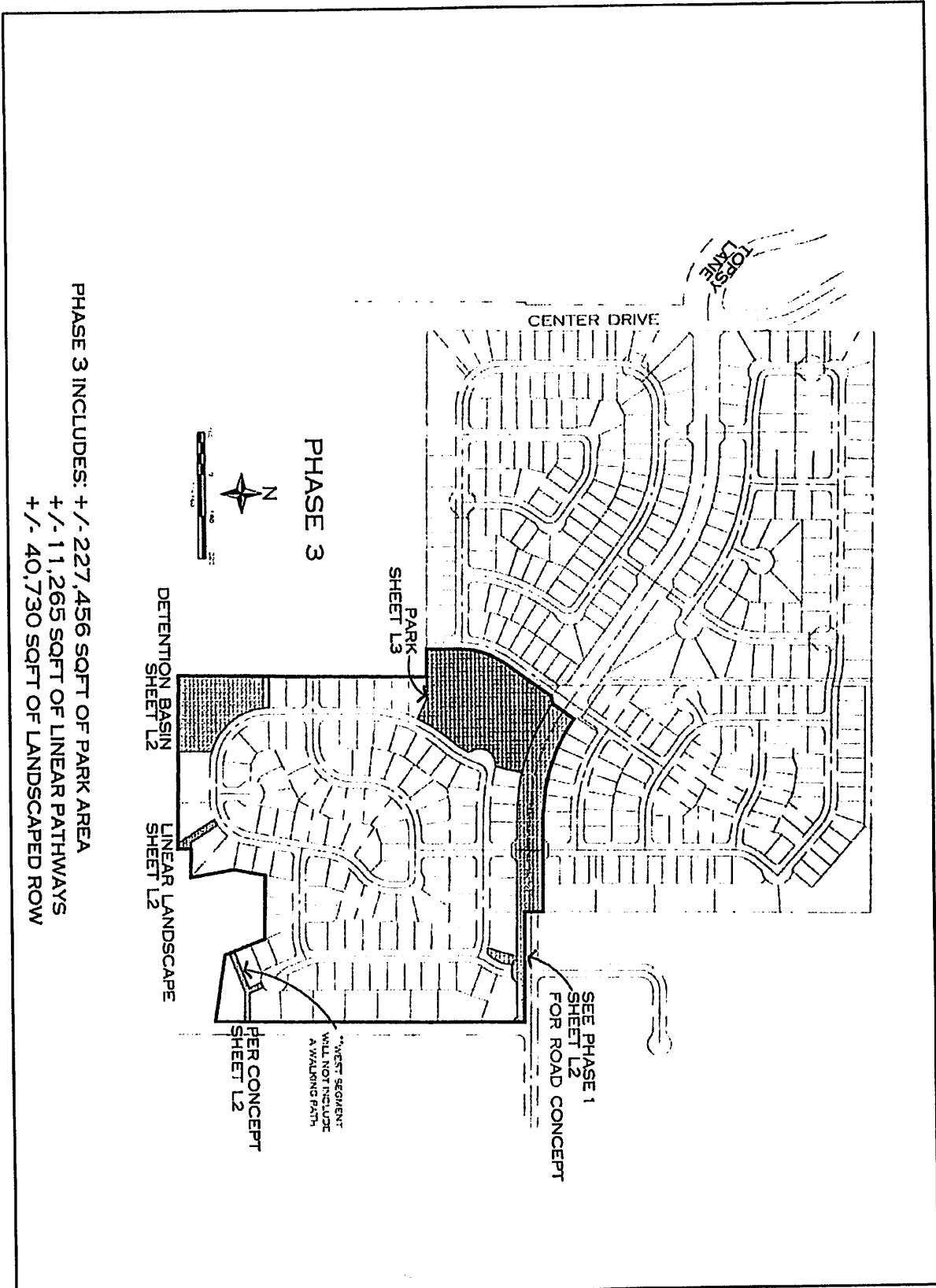
**SCHULZ RANCH
CONCEPTUAL PLANS
PHASE 2 - LANDSCAPE OVERVIEW**



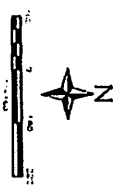
**SANDRA WINDDEL
P.E. ASSOCIATES**
 10000 E. 15th Ave., Suite 100
 Denver, CO 80232
 (303) 751-1111
 www.sandra-windel.com

DRAWING TITLE
 PHASE 2 - LANDSCAPE OVERVIEW
L1
 OF 3 SHEETS

DATE	08/20/2014
SCALE	AS SHOWN
DRAWN	SC
CHECKED	SW
REVISION	



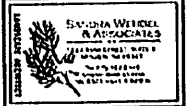
PHASE 3 INCLUDES: +/- 227,456 SQFT OF PARK AREA
 +/- 11,265 SQFT OF LINEAR PATHWAYS
 +/- 40,730 SQFT OF LANDSCAPED ROW

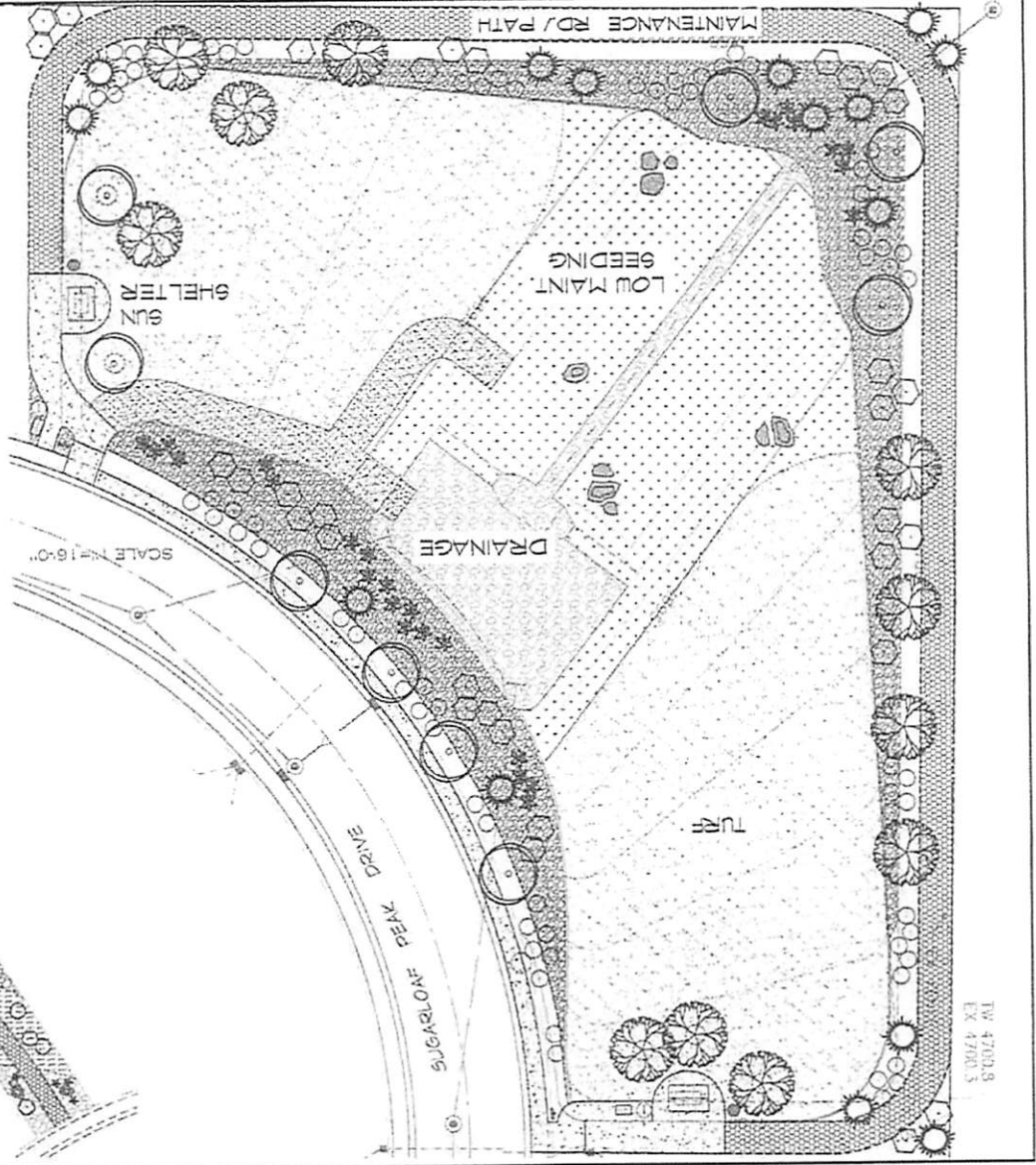


DATE: _____
 SCALE: _____
 DRAWN: _____
 CHECKED: _____

REVISION	DATE	BY	DESCRIPTION

**SCHULZ RANCH
 CONCEPTUAL PLANS
 PHASE 3 - LANDSCAPE OVERVIEW**

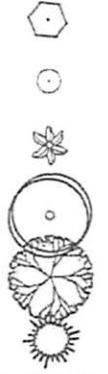




TW 4700LS
EX 4700LS

DETENTION BASIN CONCEPT

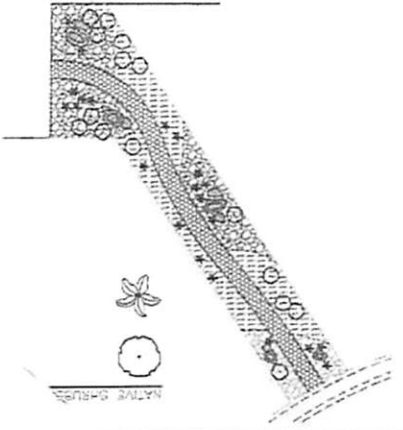
- ____ LAGOON SHRUBS
- ____ MEDIUM SHRUBS/GRASSES
- ____ TREES
- ____ DECORATIVE OCCASIONAL TREES
- ____ CHERRY DECIDUOUS TREES
- ____ EVERGREEN TREES



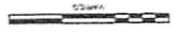
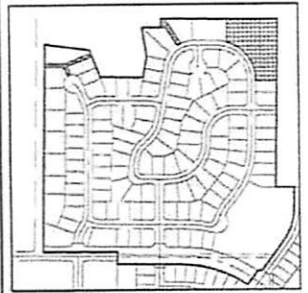
LINEAR LANDSCAPE CONCEPT

**LINEAR LANDSCAPE WILL CONTAIN A CONNECTING PATH EXCEPT FOR (1) SEGMENT IN PHASE 2 AND (1) SEGMENT IN PHASE 3

SCALE 1"=20'-0"



KEY



DRAWING TITLE
SHEET: L2
OF 3 SHEETS

DATE: 07/20/2014
SCALE: AS SHOWN
DRAWN: [blank]
CHECKED: [blank]

SCHULZ RANCH
CONCEPTUAL PLANS
PHASE 3 - DETENTION & PATH CONCEPTS

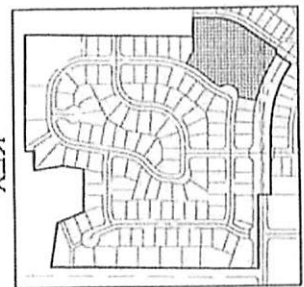


LANDSCAPE ARCHITECT
[blank]
[blank]
[blank]

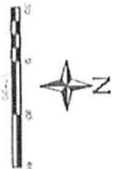


CONCEPT PLANT SCHEDULE

- EVERGREEN TREES
- CANOPY DECIDUOUS TREES
- SPECIMAN DECIDUOUS TREES
- NARROW DECIDUOUS TREES



KEY



**SCHULZ RANCH
CONCEPTUAL PLANS
PHASE 3 - PARK CONCEPT**

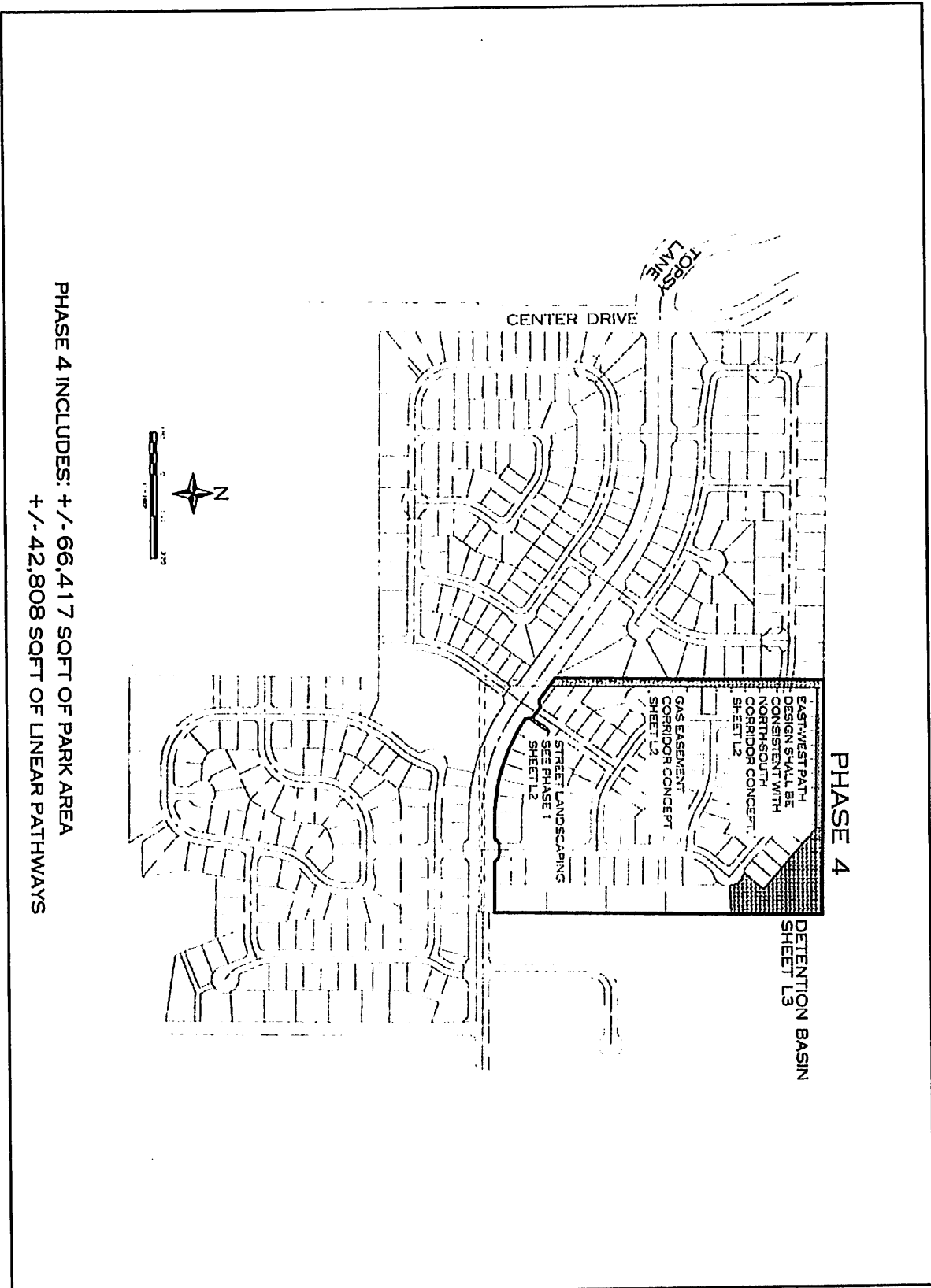


**SANDRA W. NEILL
AN ASSOCIATE
LANDSCAPE ARCHITECT**

10000 W. 15th St., Suite 100
San Diego, CA 92131
Tel: 619-594-1111
Fax: 619-594-1112

DRAWING TITLE
SHEET
L3
OF 3 SHEETS

DATE	_____
DESIGNED BY	_____
SCALE	1" = 50'
DRAWN BY	_____
CHECKED BY	_____
DATE	_____



PHASE 4 INCLUDES: +/- 66,417 SQFT OF PARK AREA
 +/- 42,808 SQFT OF LINEAR PATHWAYS

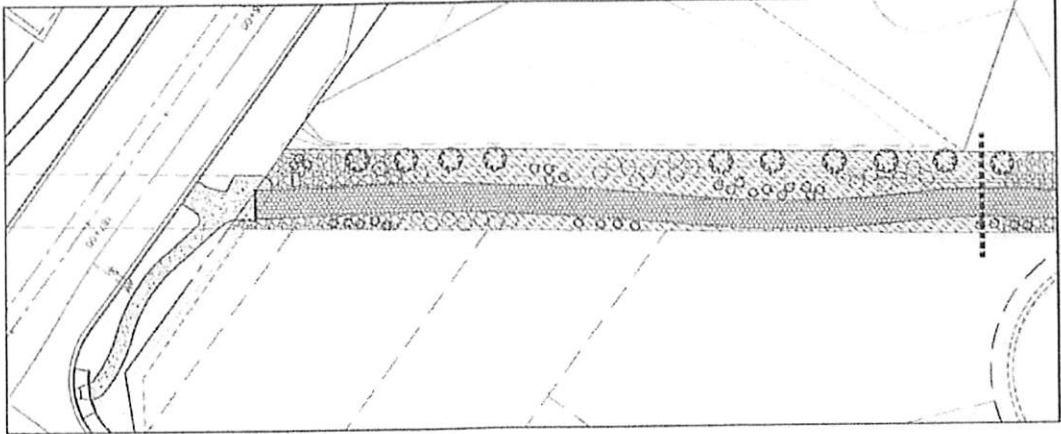
SCHULZ RANCH
CONCEPTUAL PLANS
 PHASE 4 - LANDSCAPE OVERVIEW



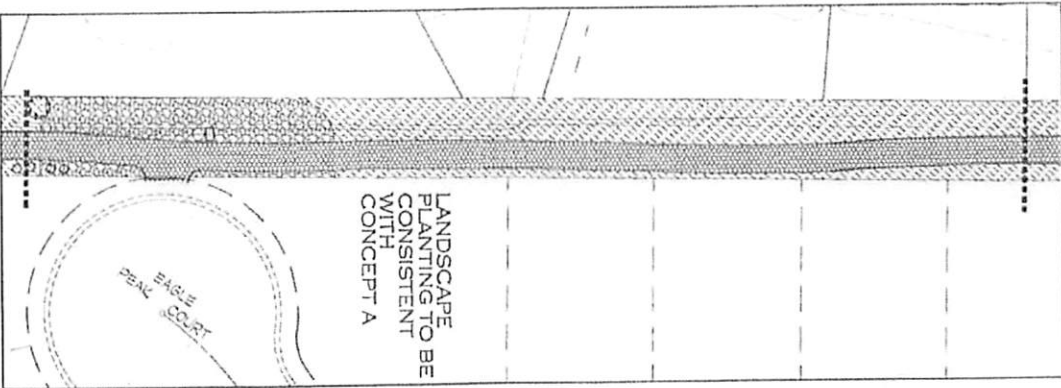
DRAWING TITLE	
PHASE 4	LANDSCAPE OVERVIEW
SHEET L1	
OF 3 SHEETS	

DATE	REVISION

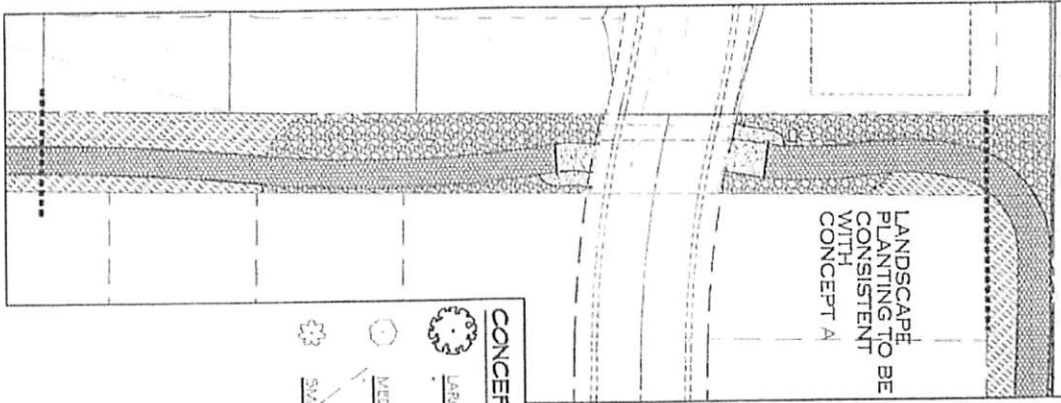
DATE	REVISION



A



B



C



KEY

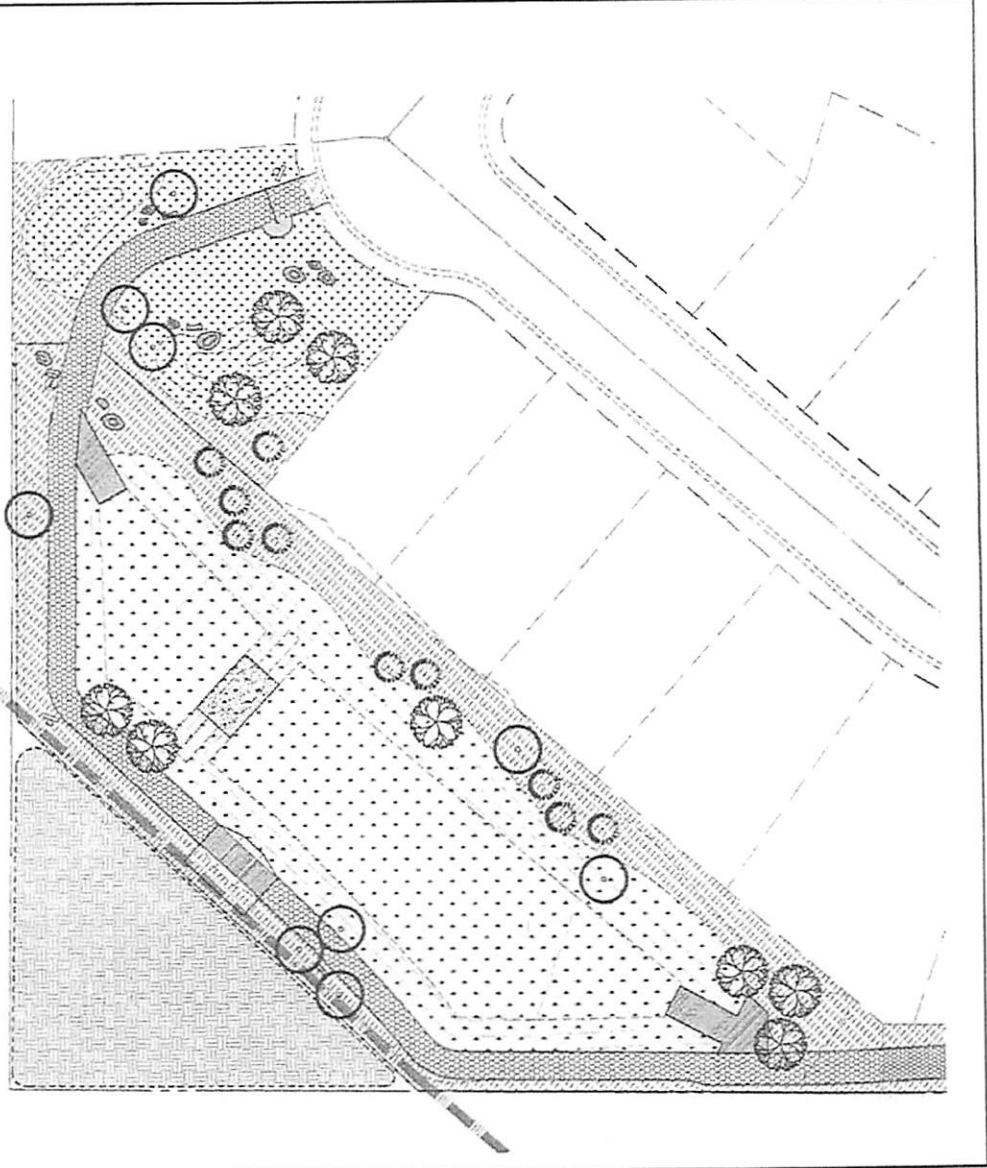






DRAWING TITLE
SHEET
L2
OF 2 SHEETS




DATE
SCALE
DRAWN
CHECKED

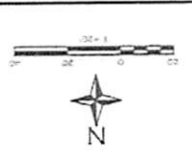
**SCHULZ RANCH
CONCEPTUAL PLANS
PHASE 4 - GAS EASEMENT CONCEPTS**





-  BUTTERFLY GARDEN
-  IRRIGATED NATIVE BUNCHGRASS
-  DROUGHT TOLERANT/NATIVE SHRUBBERY
-  NATIVE VEGETATION

- CONCEPT PLANT SCHEDULE**
-  EVERGREEN TREES
 -  DECIDUOUS TREES TYPE 1
 -  DECIDUOUS TREES TYPE 2



DRAWING TITLE
DEFINITION
SHEET
L3
OF 3 SHEETS

DATE
SCALE
DRAWN
CHECKED
BY

**SCHULZ RANCH
CONCEPTUAL PLANS
PHASE 4 - NORTH DETENTION CONCEPT**

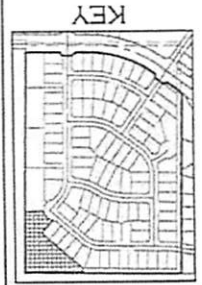


EXHIBIT D
TO PETITION

FORM OF MAINTENANCE DISTRICT DEVELOPMENT AGREEMENT

[See following pages.]

APN: _____

Escrow No. _____

The undersigned hereby affirms that this document submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030)

WHEN RECORDED, MAIL TO:

**SCHULZ RANCH MAINTENANCE DISTRICT
DEVELOPMENT AGREEMENT**

This **SCHULZ RANCH MAINTENANCE DISTRICT DEVELOPMENT AGREEMENT** ("Agreement") is made effective as of the ____ day of _____, 2014 ("Effective Date"), among **SCHULZ RANCH, LLC**, a Delaware limited liability company ("Developer 1"), and **RYDER-DUDA CARSON, LLC**, a Nevada limited liability company ("Developer 2") (and together with Developer 1, individually and collectively, "Developer"), and **CARSON CITY**, a consolidated municipality ("Carson City"). Developer and Carson City are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties."

RECITALS:

A. On or about _____, 2014, Developer submitted to Carson City the Schulz Ranch Maintenance District Petition ("Petition"). On or about _____, 2014, the Carson City Board of Supervisors ("Board") approved and adopted the Petition, and the notice of creation of the Maintenance District required by Carson City Municipal Code ("CCMC") 17.18.060(3)(b) ("Notice of Creation") was recorded on _____, 2014, as Document No. _____, in the Official Records, Carson City, Nevada ("Official Records").

B. Developer and Carson City execute this Agreement for the purpose of satisfying the requirement for a development agreement in connection with the Petition and for establishing the "**SCHULZ RANCH MAINTENANCE DISTRICT**" pursuant to CCMC 17.18.

C. Capitalized terms defined in this Agreement shall have the respective meanings given to them in this Agreement. Capitalized terms not defined in this Agreement shall have the respective meanings given to them in the Petition.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

1. **Property.** The Property subject to this Agreement is described on **Exhibit A.** Following the recording of the Notice of Creation by Carson City, Developer will cause a notice of maintenance district assessment ("**Notice of Maintenance District Assessment**") to be recorded against the Property in the Official Records. The Notice of Maintenance District Assessment will list each Lot's legal description and its assessor's parcel number (for each Lot then created and assigned an assessor's tax parcel number), the then current estimated or actual Assessment Amount for each Lot, and contact information for Carson City for Lot owners to obtain information about the Maintenance District and the Assessment Amount. The Notice of Maintenance District Assessment will be substantially in the form attached at **Exhibit B.**

2. **Incorporation of CCMC 17.18.** Except as expressly set forth in this Agreement otherwise, the provisions of CCMC Chapter 17.18 are incorporated herein.

3. **Duration of Agreement.** The term of this Agreement begins upon the execution of this Agreement by the last Party, and terminates automatically on the last Final Project Acceptance for a Phase of Maintenance District Property, unless the Agreement is sooner terminated under NRS 278.0205 or the provisions of this Agreement, and except as to provisions herein that expressly survive termination ("**Termination Date**"). No further action by any Party is necessary to terminate this Agreement on the Termination Date under this **Section 3.**

4. **Use.** The permitted uses of the Property, the density or intensity of the land use, and the maximum height and size of any proposed buildings shall be as set forth in the Development Approvals. The terms of this **Section 4** survive the expiration or termination of this Agreement.

5. **Improvements; Construction Schedule.** The improvements subject to this Agreement are identified on **Exhibit E** to the Petition (each, an "**Improvement**," and collectively, the "**Improvements**"). Subject to extensions of time with respect to any one or more of the Development Approvals (including of the tentative map for Schulz Ranch (TSM -05-144)), Developer shall cause the Improvements to be installed or constructed in accordance with the schedule for construction, including the deadlines for completion thereof, on **Exhibit C.** If any such extensions of time conflict with **Exhibit C,** such extensions shall control for purposes of this Agreement. The installation or construction of the Improvements shall be performed in a good and workmanlike manner, in accordance with the Development Approvals, Petition and the CCMC, and at the sole cost and expense of Developer.

6. **Maintenance and Administration.**

6.1. On and after the date of Final Project Acceptance for a Phase of Maintenance District Property, Carson City shall maintain the Maintenance District Property associated with such

2.

Phase (including all Improvements), diligently, in good repair, in accordance with applicable law, and at least in as good a condition as existing as of the date of such Final Project Acceptance. Carson City agrees to not unreasonably withhold, delay or condition any inspection or approval necessary to achieve Final Project Acceptance. The terms of this **Section 6.1** survive each Final Project Acceptance as to the applicable Maintenance District Property.

6.2. On and after the date of Final Project Acceptance for the Phase 1 Maintenance District Property, Carson City shall commence, and thereafter administer, the imposition and collection of the Assessment on Assessed Property for the Maintenance District.

7. **Warranty.** On and after the date of Final Project Acceptance for a Phase of Maintenance District Property, all workmanship and materials of the Improvements associated with such Maintenance District Property shall be subject to a full one-year warranty. This warranty requires that all such Improvements (including trees, plants, irrigation systems, fencing, lighting, or any other landscaping components installed by or on behalf of Developer) be repaired or replaced to the reasonable satisfaction of Carson City if not healthy, thriving, or in disrepair promptly after written notification to Developer by Carson City of the deficiencies.

8. **Indemnification.** Developer agrees for itself, its successors and assigns that it, its successors and assigns shall indemnify, defend at Carson City's option and by counsel approved by Carson City, and hold harmless Carson City, its officers, representatives, employees and agents from and against any and all actions, penalties, liability, claims, demands, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature brought by a third party and arising out of damage or loss resulting from the Developer's or Developer's agent's improper or defective materials, installation or design of the Improvements. In no event shall Developer be required to indemnify Carson City for any actions, penalties, liabilities, claims, demands, losses, damages, expenses, or costs (including without limitation costs and fees of litigation) of any nature arising from or related to negligent, reckless, knowing, intentional or willful conduct or actions of Carson City or its officers, representatives, employees, agents or independent contractors. This provision does not prevent Carson City from joining in as a party or obtaining a settlement in any suit against a developer, contractor or subcontractor for improper or defective materials, installation or design of any Improvement dedicated to Carson City. The terms of this **Section 8** survive each Final Project Acceptance as to the applicable Maintenance District Property for a period of two (2) years.

9. **Dedication for Public Use.** Pursuant to CCMC 17.18.050(2)(m)(1), the Maintenance District Property as described on each Subdivision Map is hereby dedicated to Carson City, and the same shall be open and available for public use and access. Developer shall cause each Subdivision Map to contain a note substantially similar to the following: *Pursuant to CCMC 17.18.050, the Maintenance District Property described hereon is hereby dedicated to Carson City and shall be open and available for public use and access.* Developer will grant to Carson City such easements as may be reasonably necessary to allow Carson City to access Maintenance District Property for the purpose of maintaining the same in accordance with the Petition and this Agreement.

10. **Petition Deposit.** Developer shall pay to Carson City on or before the date the Notice of Creation is recorded in the Official Records, a deposit for start-up costs of the Maintenance District in an amount equal to \$5,000.00 ("Deposit"). On and after Final Project Acceptance for the Phase 1 Maintenance District Property, the Deposit may be used by Carson City only to fund maintenance expenses that exceed Assessment Amounts collected by Carson City. If, at the build-out of the Project as described on Exhibit G to the Petition, Assessment Amounts collected by Carson City exceed maintenance expenses such that excess Assessment Amounts are held by Carson City, the Deposit will be promptly refunded to Developer. The terms of this **Section 10** survive the expiration or termination of this Agreement.

11. **CCMC 15.60-Residential Construction Tax.** Developer, at its cost, is dedicating land and improvements for a neighborhood park within the Project; as a result, the residential construction tax described in CCMC 15.60 et. seq. will not be collected by Carson City at the time building permits are issued for residential dwelling units in the Project. The terms of this **Section 11** survive the expiration or termination of this Agreement.

12. **Notice.** Any communication, notice or demand of any kind whatsoever that either Party may be required or may desire to give to or serve upon the other shall be in writing, addressed to the Parties at the addresses set forth below, and delivered by personal service, by Federal Express or other reputable overnight delivery service, or by facsimile transmission:

If to Developer 1: Schulz Ranch, LLC
 c/o Crown West Land Group
 333 East Wetmore Road, Suite 250
 Tucson, AZ 85705

Attn: Dean Wingert
Tel: (520) 888-3962
Fax: (520) 888-3198

With a copy to: Fennemore Craig Jones Vargas
 300 E. Second Street, Suite 1510
 Reno, Nevada 89501

Attn: Elizabeth Fielder, Esq.
Tel.: (775) 788-2200
Fax: (775) 786-1177

If to Developer 2: Ryder-Duda Carson, LLC
 c/o Ryder NV Management, LLC
 985 Damonte Ranch Pkwy, Suite 140
 Reno, Nevada 89521

Attn: Bobbie Merrigan
Tel.: (775) 823-3788
Fax: (775) 823-3799

With a copy to: Holland and Hart LLP
 5441 Kietzke Lane, 2nd Floor
 Reno, Nevada 89511

Attn: Douglas C. Flowers, Esq.
Tel.: (775) 327-3000
Fax: (775) 786-6179

If to Carson City: Carson City Parks & Recreation Director
 3303 Butti Way, Building 9
 Carson City, NV 89701

Attn: Roger Moellendorf
Tel.: (775) 283-7345
Fax: (775) 887-2145

And to: Carson City Community Development Director
 108 East Proctor Street
 Carson City, NV 89701

Attn: Lee Plemel
Tel: (775) 283-7075
Fax: (775) 887-2278

With a copy to:

Carson City District Attorney
885 E. Musser St., Suite 2030
Carson City, Nevada 89701

Attn: Jennifer Mayhew, Esq.
Tel.: (775) 887-2070
Fax: (775) 887-2129

Any such notice shall be deemed delivered as follows: (a) if personally delivered, the date of delivery to the address of the person to receive such notice; (b) if sent by Federal Express or other reputable overnight courier service, the date of delivery to the address of the person to receive such notice; or (c) if sent by facsimile transmission, on the business day transmitted to the person to receive such notice if sent by 5:00 p.m., Pacific time, on such business day, and the next business day if sent after 5:00 p.m., Pacific time, or on a day other than a business day. Any notice sent by facsimile transmission must be confirmed by sending by Federal Express or other reputable overnight delivery service a copy of the notice sent by facsimile transmission. Any Party may change its address for notice by written notice given to the other at least five (5) calendar days before the effective date of such change in the manner provided in this Section.

13. **Miscellaneous.**

13.1. **Entire Agreement.** This Agreement constitutes the entire understanding and agreement of the Parties with respect to the subject matter hereof. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof

13.2. **Waivers.** All waivers of the provisions of this Agreement must be in writing and signed by the appropriate officers of the Carson City or Developer, as the case may be.

13.3. **Recording.** Promptly after the Effective Date, this Agreement shall be recorded in the Official Records, Carson City, Nevada. All amendments hereto must be in writing signed by Carson City and Developer, and shall be attached to the original and copy referenced above. Upon the completion of performance of this Agreement or its earlier revocation and termination, a statement evidencing said completion or revocation signed by Carson City and Developer shall be recorded in the official records of Carson City.

13.4. **Incorporation of Recitals.** The Recitals are specifically incorporated into this Agreement.

13.5. **Invalidity.** If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform

taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the development rights set forth in this Agreement are essential elements of this Agreement and Developer would not have entered into this Agreement but for such provisions, and therefore in the event such revisions are determined to be invalid, void or unenforceable, this entire Agreement shall be terminable by Developer.

13.6. Time of Essence. Time is of the essence for each provision of this Agreement of which time is an element.

13.7. Further Actions. Each of the Parties shall cooperate with and provide commercially reasonable assistance to the other to the extent contemplated in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of a Party at any time, the other Party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

13.8. Headings. The headings to each section are inserted only as a matter of convenience and reference and in no way define, limit or describe the scope or intent of this Agreement, nor do they in any way affect this Agreement.

13.9. Interpretation. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be employed in interpreting this Agreement, all Parties having been represented by counsel in the negotiation and preparation hereof.

13.10. No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of the Parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement, unless expressly provided herein.

13.11. Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the Parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land.

13.12. Counterparts. This Agreement may be executed by the Parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the Parties had executed the same instrument.

13.13. Project as a Private Undertaking. It is specifically understood and agreed by and between the Parties hereto that the development of the Property is a private development, that

neither Party is acting as the agent of the other in any respect hereunder, and that each Party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement.

13.14. No Partnership. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between Carson City and Developer is that of a government entity regulating the development of private property and the developer of such property.

13.15. Attorney's Fees. If legal action, arbitration or other proceeding is brought by either Party to enforce or interpret the provisions of this Agreement, the prevailing Party shall be entitled to an award of reasonable attorney's fees and costs in addition to all other relief to which it may be entitled.

13.16. Cooperation. If this Agreement requires Carson City to "cooperate" or "assist" Developer, Carson City shall be required to act in good faith and provide general assistance as reasonably possible, but shall not be required to work exclusively for the benefit of Property.

13.17. List of Exhibits. This Agreement contains the following Exhibits, which are attached hereto and made a part hereof.

Exhibit A	Property
Exhibit B	Form of Notice of Maintenance District Assessment
Exhibit C	Construction Schedule

IN WITNESS WHEREOF the Parties hereto have executed this Agreement to be effective as of the Effective Date.

DEVELOPER:

**SCHULZ RANCH, LLC,
a Delaware limited liability company**

By: _____
Name: _____
Its: _____

**RYDER-DUDA CARSON, LLC,
a Nevada limited liability company**

By: _____
Name: _____
Its: _____

STATE OF NEVADA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2014, by _____, as _____ of SCHULZ RANCH, LLC, a Delaware limited liability company.

CARSON CITY:

**CARSON CITY,
a consolidated municipality**

By: _____
Name: _____
Its: _____

Approved as to form:

CARSON CITY DISTRICT ATTORNEY

By: _____
Name: _____
Its: _____

Notary Public
My Commission Expires: _____

STATE OF NEVADA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2014, by _____, as _____ of RYDER-DUDA CARSON, LLC, a Nevada limited liability company.

Notary Public
My Commission Expires: _____

STATE OF NEVADA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2014, by _____, as _____ of CARSON CITY, a consolidated municipality.

Notary Public
My Commission Expires: _____

EXHIBIT A
TO DEVELOPMENT AGREEMENT
PROPERTY

9698368.6

DEVELOPER 1 PROPERTY

All that particular real property situate within the East One-Half of Section (E 1/2) of Section 5, Township 14 North (T.14N.), Range 20 East (R.20E.), Mount Diablo Meridian, being Lot 1-1 through Lot 1-40, Lot 4-1 through lot 4-60, Parcel A, Parcel B, Parcel C as shown on the Final Map for SCHULZ RANCH SUBDIVISION – PHASE 1, recorded August 11, 2014 in Book 10, Page 2821 as File No. 446516, Parcel 3A and Parcel 3B as shown on the 3rd Parcel Map for SCHULZ RANCH DEVELOPERS, LLC recorded August 3, 2007 in Book 10, Page 2663 as File No. 370575, Parcel 1, Parcel 2, Parcel 3 and Parcel 4 as shown on the 4th Parcel Map for SCHULZ RANCH DEVELOPERS, LLC, recorded August 21, 2007 in Book 10, Page 2666 as File No.371192 and Parcel 1, Parcel 2, Parcel 3 and Parcel 4 as shown on the 5th Parcel Map for SCHULZ RANCH DEVELOPERS, LLC recorded August 21, 2007 in Book 10, Page 2667 as File No. 371193 all in the Official Records of Carson City, Nevada.

DEVELOPER 2 PROPERTY

All that particular real property situate within the East One-Half of Section (E 1/2) of Section 5, Township 14 North (T.14N.), Range 20 East (R.20E.), Mount Diablo Meridian, being Parcel 2 as shown on the 1st Parcel Map for SCHULZ RANCH DEVELOPERS, LLC REYNEN & BARDIS (CARSON), LLC, recorded June 27, 2007 in Book 10, Page 2657 as File No. 369098 in the Official Records of Carson City, Nevada.

EXHIBIT B
TO DEVELOPMENT AGREEMENT

FORM OF NOTICE OF MAINTENANCE DISTRICT ASSESSMENT

9698368.6

APN: _____

The undersigned hereby affirms that this document submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030)

WHEN RECORDED, MAIL TO:

NOTICE OF MAINTENANCE DISTRICT ASSESSMENT

YOU ARE HEREBY NOTIFIED that the real property described on **Exhibit A** to this Notice is subject to the **SCHULZ RANCH MAINTENANCE DISTRICT** ("**Maintenance District**") created pursuant to Carson City Municipal Code 17.18, and that because the Property lies within the Maintenance District, the Property is subject to assessments for the maintenance of certain improvements within the Maintenance District.

YOU ARE FURTHER NOTIFIED that the Maintenance District was created pursuant to approval and adoption by the Carson City Board of Supervisors of the **SCHULZ RANCH MAINTENANCE DISTRICT PETITION** ("**Petition**"), which approval and adoption is evidenced by, among other things, the recording of a Notice of Creation of the Schulz Ranch Maintenance District on _____, 20 __, as File No. _____, in the Official Records, Carson City, Nevada.

YOU ARE FURTHER NOTIFIED that the current estimate of the Assessment Amount for each Lot within the Maintenance District is \$ _____ per Lot per year. The Assessment Amount is anticipated to increase in the future as shown by the Financial Plan and estimates thereon attached at Exhibit G to the Petition. **THE ESTIMATED ASSESSMENT AMOUNT IDENTIFIED ON EXHIBIT G TO THE PETITION IS AN ESTIMATE ONLY, AND IS SUBJECT TO CHANGE FROM TIME TO TIME.**

YOU ARE FURTHER NOTIFIED that information about Maintenance District, the Petition, the Assessment, and the Assessment Amount for each Lot, may be obtained by contacting Carson City as follows: _____.

Capitalized terms used but not defined in this Notice have the meanings given to such terms in the Petition.

DATED: this ____ day of _____, 20__.

STATE OF NEVADA)
)ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2014, by
_____.

Notary Public
My Commission Expires: _____

EXHIBIT A
TO NOTICE OF MAINTENANCE DISTRICT ASSESSMENT

Legal Description

EXHIBIT C
TO DEVELOPMENT AGREEMENT
CONSTRUCTION SCHEDULE

9698368.6

Schulz Ranch LMD Construction Schedule			
Year	Phase	# of Lots	LMD Improvements
2015-16	1	100	Racetrack Road landscaping, irrigation, walkways, and signage within the Phase 1 boundary, and landscaping of the two Common Area parcels, all as shown on Exhibit C-2 of the LMD Petition.
2017-18	2	105	Linear pathways, landscaping, and temporary irrigation for the three Common Area parcels, as shown on Exhibit C-2 of the LMD Petition.
2019-20	3	119	Remainder of the Racetrack Road landscaping, irrigation, walkways, and signage, full improvement of the neighborhood park* and the south detention basin/park, and linear pathways and landscaping within Common Area parcels, all as shown on Exhibit C-2 of the LMD Petition.
2021-22	4	100	Full improvement of the north detention basin/park, and pathway and landscape improvements within the linear gas line easement, all as shown on Exhibit C-2 of the LMD Petition.

*The neighborhood park will be completed with the 210th residential lot.

EXHIBIT E
TO PETITION

DEVELOPMENT STANDARDS REQUIREMENTS

[See following pages.]

Schulz Ranch Phase 1 Development Standards Requirements

LANDSCAPE

Description	Unit	Quantity
Mobilization	LS	1
Large Boulders	EA	18
Medium Boulders	EA	20
Small Boulders	EA	14
6' Ht. Pines	EA	4
6' Ht. Juniper	EA	13
2" Caliper Trees	EA	68
15 Gallon Shrubs	EA	12
5 Gallon Shrubs	EA	655
1 Gallon Shrubs	EA	252
30" Speciman Shrub	EA	2
Soil for Mounds	CY	315
Decomposed Granite Mulch + Topdress	CY	248
River Cobble Mulch	CY	450
Screen Mulch	CY	28
Weed Fabric	SF	36,935
Pre-emergent Herbicide	LS	1

IRRIGATION

Description	Unit	Quantity
Satellite Controller With Elec. Meter	LS	1
3" Backflow Preventer, MV, FS	LS	1
3" Backflow Cover	LS	1
Valve Wires, Common, Spares	LF	9,110
Mainline, HDPE and Fittings	LF	2,200
Sleeving and Electrical Conduit	LF	915
1.5" and 2" Gate Valve	EA	6
4" Gate Valve	EA	1
Quick Coupler	EA	14
Drip Valve	EA	5
Rectangular Valve Box	EA	8
6" or 10" Round Box	LF	48
Drip Irrigation	LS	1
3" Irrigation Meter and Hookup	EA	1

MISCELLANEOUS

Description	Unit	Quantity
Pipe Swing Gate	LS	1
Phone Line	LF	20
Electrical Power to Controller	LF	20
Concrete Walkways	LF	1,390
Main Entry Monument	EA	1
Entry Monuments	EA	5

Schulz Ranch Phase 2 Development Standards Requirements

(3) PEDESTRIAN CORRIDORS - LANDSCAPE & IRRIGATION

Description	Unit	Quantity
Rock and Dec. Granite Mulches	CY	108
Weed Fabric	SF	5,800
Pre-emergent Herbicide	LS	1
Crushed Rock Path	CY	26
Soil for Mounds	CY	170
Concrete Curb	LF	690
Boulders (3 sizes average)	EA	26
5 Gallon Shrubs	EA	58
1 Gallon Shrubs	EA	80
Temporary Drip Irrig., Backflows, etc.	LS	1

Schulz Ranch Phase 3 Development Standards Requirements

PARK LANDSCAPE

Description	Unit	Quantity
Mobilization	LS	1
Min. 6' Evergreens	EA	18
2" Calliper Trees	EA	45
5 Gallon Shrubs	EA	275
1 Gallon Shrubs	EA	100
30" Speciman Shrub	EA	2
Soil for Mounds	CY	342
Decomposed Granite Mulch	CY	211
Sod Lawn	SF	92,193
Mow Curb	LF	785
Rubber Edging	LF	570
Basketball Hoops, etc.	EA	2
Removable Entry Bollards	EA	5
Monument Sign	EA	1
Park Regulation Sign	EA	3
Trash Container	EA	6
Bike Rack	EA	1
Bench	EA	4
Drinking Fountain on Restroom	EA	1
6' Picnic Table	EA	2
8' Picnic Table	EA	4
8' ADA Accessible Picnic Table	EA	3
Small Sun Shelter	EA	2
Large Sun Shelter	EA	1
40' Group Pavilion (Electric by Engin.)	EA	1
Inclusive Play Structure/Equipment	EA	1
Poured In Place Surfacing	SF	5,320
8' high Cyclone Fence for BB Court	LF	125
4' high Vinyl Coated Cyclone	LF	160
Pre-emergent Herbicide	LS	1

PARK IRRIGATION

Description	Unit	Quantity
12 Station Controller Upgrade	EA	1
Valve Wires, Common, Spares	LF	8,180
Mainline, HDPE and Fittings	LF	1,234
Sleeving and Electrical Conduit	LF	208
1.5" and 2" Gate Valve	EA	2
3" Gate Valve	EA	2
4" Gate Valve	EA	1
Quick Coupler	EA	6
Sprinkler Valves	EA	11
Sprinkler Rotors & Laterals	EA	86
Drip Valves	EA	3
Rectangular Valve Box	EA	15
6" and 10" Round Box	LF	20
Drip Irrigation	LS	1

PARK MISCELLANEOUS

Description	Unit	Quantity
3" Asphalt Concrete Pavement	SF	8,000
6" Asphalt Concrete Pavement	SF	8,000
Curb & Cutter with Base	LF	187
Median Curb with Base	LF	235
8" Concrete Walk	LF	1,320
Traffic Control Signs	EA	1
Pavement Markings	LS	1
Basketball Court Paving & Base	SF	6,000
Basketball Court Striping	LS	1
Electrical	LF	200
Plumbing 3/4' Water Service	EA	1
Restroom	EA	1
Grasscell Product	SF	1,400
Block Retaining Wall	LF	100

SOUTH DETENTION BASIN - LANDSCAPE

Description	Unit	Quantity
Mobilization	LS	1
Large Boulders	EA	9
Min. 6' Evergreens	EA	15
2" Caliper Trees	EA	20
5 Gallon Shrubs	EA	140
Decomposed Granite Mulch	CY	39
River Cobble Mulch	CY	137
Sod Lawn	SF	29,075
Mow Curb	LF	745
Revegetation Seeding	SF	12,700
Rubber Edging	LF	133
Park Regulation Sign	EA	2
Trash Container	EA	2
Mutt Mitt Station and Receptacle	EA	2
6' Picnic Table	EA	1
8' ADA Accessible Picnic Table	EA	1
Small Shade Shelter	EA	2
Large Shade Shelter	EA	1
Split Rail Fencing	LF	255
Pipe Swing Gate	LS	2

SOUTH DETENTION BASIN - IRRIGATION

Description	Unit	Quantity
12 Station Controller Upgrade	EA	1
Valve Wires, Common, Spares	LF	17,840
Mainline, HDPE and Fittings	LF	1,470
Sleeving and Electrical Conduit	LF	1,978
1" Gate Valve	EA	2
3" Gate Valve	EA	2
Hydrant	EA	2
Quick Coupler	EA	3
Sprinkler Valves	EA	6
Sprinkler Rotors and Laterals	EA	33
Drip Valves	EA	2

Rectangular Valve Box	EA	8
6" and 10" Round Box	LF	15
Drip Irrigation	LS	1

SOUTH DETENTION BASIN - MISCELLANEOUS

Description	Unit	Quantity
Fencing	LF	878
Engineered Gravel/ DG Road Surface	SF	7,096
Concrete Walks & Pads	SF	1,930
Drainrock	SF	3,984
Grasscell	SF	1975
Pull Boxes	EA	4

ENTRY ROAD - LANDSCAPE

Description	Unit	Quantity
Mobilization	LS	1
Boulders (3 sizes average)	EA	30
6' Ht. Pines	EA	2
6' Ht. Juniper	EA	9
2" Caliper Trees	EA	36
5 Gallon Shrubs	EA	433
1 Gallon Shrubs	EA	135
Soil for Mounds	CY	185
Decomposed Granite Mulch + Topdress	CY	168
River Cobble Mulch and Scree	CY	250
Weed Fabric	SF	19,882
Pre-emergent Herbicide	LS	1

ENTRY ROAD - IRRIGATION

Description	Unit	Quantity
Valve Wires, Common, Spares	LF	7,554
Mainline, HDPE and Fittings	LF	1,340
Sleeving and Electrical Conduit	LF	335
1.5" Gate Valve	EA	2
Quick Coupler	EA	8
Drip Valve	EA	4
Rectangular Valve Box	EA	4
6" or 10" Round Box	LF	26
Drip Irrigation	LS	1

ENTRY ROAD - MISCELLANEOUS

Description	Unit	Quantity
Concrete Walks	SF	9,124
Entry Monuments	EA	4

(2) PEDESTRIAN CORRIDORS - LANDSCAPE AND IRRIGATION

Description	Unit	Quantity
Rock and Dec. Granite Mulches	CY	45
Weed Fabric	SF	3,560
Pre-emergent Herbicide	LS	1
Crushed Rock Path	CY	21
Soil for Mounds	CY	27
Extruded Concrete Curb	LF	580

Boulders (3 sizes average)	EA	18
5 Gallon Shrubs	EA	25
1 Gallon Shrubs	EA	37
Temporary Drip Irrig., Backflows, etc.	LS	1

Schulz Ranch Phase 4 Development Standards Requirements

NORTH DETENTION BASIN - LANDSCAPE

Description	Unit	Quantity
Mobilization	LS	1
Min. 6' Evergreens	EA	10
2" Caliper Trees	EA	18
5 Gallon Shrubs	EA	110
1 Gallon Shrubs	EA	66
Boulders (3 sizes average)	EA	10
Revegetation Seeding	SF	25,000
Soil for Mounds	CY	157
Extruded Concrete Curb	LF	1,142
Ranch Fencing with Wire	LF	520
Park Regulation Sign	EA	2
Trash Container	EA	1
Mutt Mitt Station and Receptacle	EA	1
6' Bench with Back	EA	4
Pipe Swing Gate	EA	1
Decomposed Granite Mulch	CY	88
Rock Mulch(s)	CY	107
Weed Fabric	SF	8,573
Pre-emergent Herbicide	LS	1

NORTH DETENTION BASIN - IRRIGATION

Description	Unit	Quantity
6" Station Controller Upgrade	EA	1
Valve Wires, Common, Spares	LF	20,460
Mainline, HDPE and Fittings	LF	565
Sleeving and Electrical Conduit	LF	68
1" Gate Valve	EA	2
Quick Coupler	EA	3
Hydrant	EA	1
Sprinkler Valve	EA	4
Sprinkler Rotors and Laterals	EA	15
Drip Valve	EA	3
Rectangular Valve Box	EA	7
6" or 10" Round Box	LF	12
Drip Irrigation	LS	1

NORTH DETENTION BASIN - MISCELLANEOUS

Description	Unit	Quantity
Engineered Gravel/ DG Road Surface	SF	6,136
Concrete Walks & Pads	SF	1,930
Grasscell	SF	865

GAS EASEMENT - LANDSCAPE

Description	Unit	Quantity
Mobilization	LS	1
5 Gallon Shrubs	EA	240

1 Gallon Shrubs	EA	110
Decomposed Granite Mulch	CY	112
River Cobble Mulch	CY	86
Weed Fabric	SF	6,910
Extruded Concrete Curb	LF	2,942
Ranch Fencing with Wire	LF	560
Park Regulation Sign	EA	2
Trash Container	EA	3
Mutt Mitt Station and Receptacle	EA	3
Pipe Swing Gate	EA	3
Pre-emergent Herbicide	LS	1

GAS EASEMENT - IRRIGATION

Description	Unit	Quantity
Valve Wires, Common, Spares	LF	2,555
Mainline, HDPE and Fittings	LF	1,760
Sleeving and Electrical Conduit	LF	200
Quick Coupler	EA	7
Drip Valves	EA	3
Rectangular Valve Box	EA	3
6" or 10" Round Box	LF	19
Drip Irrigation	LS	1

GAS EASEMENT - MISCELLANEOUS

Description	Unit	Quantity
Engineered Gravel/ DG Road Surface	SF	16,234
Concrete Street Access	SF	560

EXHIBIT F
TO PETITION

ALLOCATION PLAN

[See following pages.]

EXHIBIT G
TO PETITION

FINANCIAL PLAN

[See following pages.]

Schulz Ranch Financial Plan

MAINTENANCE COSTS

PHASE 1

Description	Unit	Quantity	Unit Cost	Total
Racetrack Road Landscaping	SF	67,694	\$ 0.30	\$ 20,308.20
Subtotal:				\$ 20,308.20

PHASE 2

Description	Unit	Quantity	Unit Cost	Total
Linear Pathways	SF	17,378	\$ 0.22	\$ 3,823.16
Subtotal:				\$ 3,823.16

PHASE 3

Description	Unit	Quantity	Unit Cost	Total
Park Maintenance Worker	YR	1	\$ 67,412.00	\$ 67,412.00
Seasonal Hourly Employee	YR	1	\$ 18,200.00	\$ 18,200.00
Overtime	YR	1	\$ 1,000.00	\$ 1,000.00
Training	YR	1	\$ 600.00	\$ 600.00
Phone Allowance	YR	1	\$ 300.00	\$ 300.00
Vehicle & Equipment Repair	YR	1	\$ 1,500.00	\$ 1,500.00
Park & Landscape Repair	YR	1	\$ 5,000.00	\$ 5,000.00
Fertilizers & Chemicals	YR	1	\$ 3,500.00	\$ 3,500.00
Ice Melting Compound	YR	1	\$ 1,500.00	\$ 1,500.00
Plant Replacements	YR	1	\$ 2,000.00	\$ 2,000.00
Vandalism Repairs	YR	1	\$ 1,000.00	\$ 1,000.00
Vehicle Fuel	YR	1	\$ 2,000.00	\$ 2,000.00
Safety Equipment (OSHA)	YR	1	\$ 600.00	\$ 600.00
Irrigation Supplies	YR	1	\$ 4,500.00	\$ 4,500.00
Small Tools	YR	1	\$ 500.00	\$ 500.00
Equipment Rentals	YR	1	\$ 1,000.00	\$ 1,000.00
Power	YR	1	\$ 2,500.00	\$ 2,500.00
*Capital Needs	YR	1	\$ 20,000.00	\$ 20,000.00
Total Neighborhood Park Maintenance	YR	1	Subtotal:	\$ 133,112.00

* Capital Needs line item includes the depreciated costs for one (1) 4x4 3/4 ton truck @ \$30,000 over 10 years or \$3,000 annually, one (1) utility vehicle @ \$14,000 over 10 years or \$1,400 annually, and future capital needs such as concrete and asphalt replacement, playground and park equipment, maintenance equipment, irrigation system replacements, fencing and lighting replacements, and neighborhood monuments, etc.

PHASE 3 CONTINUED				
South Detention Basin/ Park Area	SF	71,946	\$ 0.27	\$ 19,425.42
Linear Pathways	SF	11,265	\$ 0.22	\$ 2,478.30
Racetrack Road Landscaping	SF	40,730	\$ 0.30	\$ 12,219.00
			Subtotal:	\$ 167,234.72

PHASE 4

Description	Unit	Quantity	Unit Cost	Total
North Detention Basin/ Park Area	SF	66,417	\$ 0.27	\$ 17,932.59
Gasline Easement Linear Pathway	SF	42,808	\$ 0.22	\$ 9,417.76
			Subtotal:	\$ 27,350.35

LMD Total Cost: \$ 218,716.43

ALLOCATION BREAKDOWN

70% - 30%

Neighborhood Park				\$ 133,112.00
Detention Basins/ Park Areas				\$ 37,358.01
Racetrack Road Landscaping				\$ 32,527.20
			Subtotal:	\$ 202,997.21
				x70%
			Total:	\$ 142,098.05

100%

Linear Pathways				\$ 6,301.46
Gasline Easement Linear Pathway				\$ 9,417.76
			Subtotal:	\$ 15,719.22
				x100%
			Total:	\$ 15,719.22

LMD TOTALS

Total LMD Yearly Cost				\$ 218,716.43
LMD Initial Deposit				\$ 5,000.00
Carson City Cost				\$ 60,899.16
Schulz Ranch Cost				\$ 157,817.27
Yearly Assessment/ Unit				\$ 372.22
Monthly Assessment/ Unit				\$ 31.02

**Schulz Ranch
Landscape Maintenance District (LMD)
Financial Plan
September 2014**

Year	Lots	LMD Improvements	Maint. Costs	LMD Share Maint. Costs	City Share Maint. Costs	Annual Assessment Per Lot	LMD Assessment Revenue	LMD Starting Balance	LMD Ending Balance
Initial Deposit								\$0	\$5,000
1	100	Phase 1	\$20,308	\$14,216	\$6,092	\$210.11	\$21,011	\$5,000	\$11,795
2	100	Phase 1	\$20,308	\$14,216	\$6,092	\$231.12	\$23,112	\$11,795	\$20,691
3	205	Phases 1 & 2	\$24,131	\$18,039	\$6,092	\$254.23	\$52,117	\$20,691	\$54,770
4	205	Phases 1 & 2	\$24,131	\$18,039	\$6,092	\$279.65	\$57,329	\$54,770	\$94,060
5	324	Phases 1, 2, & 3	\$191,366	\$135,847	\$55,519	\$307.62	\$99,669	\$94,060	\$57,882
6	324	Phase 1, 2, & 3	\$191,366	\$135,847	\$55,519	\$338.38	\$109,636	\$57,882	\$31,671
7	424	Full Buildout	\$218,716	\$157,817	\$60,899	\$372.22	\$157,817	\$31,671	\$31,671

- Notes:**
1. Initial Annual Assessment of \$210.11 per lot
 2. 10% annual Assessment increases projected until Full Buildout
 3. Annual Assessment at Full Buildout of \$372.22 per lot
 4. The billing cycle for the assessments will be the same as the billing cycle for real property taxes; assessment amounts will be prorated for partial years (e.g., a lot is created by a subdivision map in the middle of the fiscal year, the lot is only responsible to pay for the time period from and after creation of the lot).
 5. Year 1 begins when Phase 1 landscape improvements are completed and assessments commence
 6. Table assumes that development phases are completed every two years

EXHIBIT H
TO PETITION

MAINTENANCE PLAN

[See following pages.]

Schulz Ranch Maintenance Plan		
*Maintenance Levels		
	Turf	Non-Turf
Mowing	2x per week	N/A
Aerating	4x per year	N/A
Irrigation	Automatic, w/ central control, repair 24 hours	Inspected 1x per 2 weeks, repair; 48 hours
Weed Control	6x per year	2x per year
Fertilizing	3x per year	2x per year
Pruning	2x per year	
Mulch	1x per year	
Play Equipment	Inspected 2x per month	N/A
Litter	1x per day	2x per week
Restrooms	Cleaned 1x per day	N/A
Amenities	Inspected frequently, repair: as needed	Inspected 1x per 2 weeks, repair; 24-48 hours
Snow Removal	24 hours	24 hours, 7 days per week
Vandalism Mitigated	24 hours	24 hours
Examples	Edmonds, Governors Field, John D Winters Centennial Park, Mills Park, Fuji Park	Graves Land landscaping, Carson River Park, Mountain Street trailhead, Riverview Park
*Performance Levels		
	Turf	Non-Turf
Turf	Well-manicured, healthy, vibrant free(less than 1% of unwanted vegetation or weeds)	Good aesthetic appearance of trees and shrubs. Landscaped areas generally free of weeds
Litter	Little or none	Minimal litter evident
Trees & Shrubs	Manicured	See Turf category above
Restrooms	Clean, stocked, open at all times, assessable, maintained in good condition	N/A
Amenities	Good condition and appearance, replacements in a timely manner	Amenities in good working order. Paths and trails in good condition, no erosion problems
Snow & Ice	Hard surfaces cleared within 24 hours of snowfall	Snow and ice cleared within 24 hours
* Maintenance and performance levels for both turf and non-turf areas are based on Level 1 of the Carson City Parks and Recreation Master Plan.		