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## Via Email & U.S. Mail

David Solaro Assistant County Manager, Community Services 1001 East Ninth Street Reno, NV 89512 dsolaro@washoecounty.gov

Re: Sierra Reflections – TM-06-001

**Proposed Resolution of Pending Appeal and Litigation** 

Dear Mr. Solaro:

Please allow this letter to serve as a proposed settlement, subject to negotiation and approval from the Washoe County Board of Commissioners, concerning the Community Services Department's rejection of the first final map submitted on behalf of Sierra Reflections (TM06-001). We have had the opportunity to evaluate and pursue potential resolutions that would permit this project to move forward, given the substantial time and effort invested by the County, your staff, and Sierra Reflections.

This project will construct necessary sewer infrastructure, increase housing opportunities for the area including 141 townhomes, provide jobs, increase county revenue from taxes to provide area improvements such as those identified by the Truckee Meadows Fire Protection District, and provide nature trails and open space available for the public's enjoyment as it connects the Steamboat Creek and Brown Creek Trail system with access points that will be dedicated to the County.

In addition, this project has the support of the Citizen's Advisory Board for South Truckee Meadows/Washoe Valley. Specifically, on March 5, 2020, Sierra Reflections representatives presented details about the project in conjunction with Truckee Meadows Fire Protection District Chief Charles A. Moore. The presentation was attended by approximately 40 people. The presentation included specifics including that this project would provide significant additional property tax revenue to the county to support additional services to the area. Chief Moore also stated that the project would result in improved access and connectivity to increase fire support to the region. The Citizen's Advisory Board approved the project unanimously.

We maintain our position that the submitted first final map complies with the 2020 Development Agreement. In the interest of resolving this matter without further litigation, however, we provide this letter for consideration to the Board regarding Option 2 presented in your recent staff report on this Appeal.



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As the June 17, 2022 Staff Report provides, the Board can do the following:

Reverse the decision of the Director of the Community Services Department to reject the submittal of the final map and deny the appeal. Should the Board select this option, the Board should provide instructions to CSD on the timeline for appellant to submit remaining required documentation and to record the first final map.

Staff Report, June 19, 2022, p. 7, 2.

In recognition of all parties' investments to this project, Sierra Reflections proposes the following terms of settlement to resolve both (1) the administrative appeal to the Board, and (2) the Petition for Judicial Review pending in the Second Judicial District Court, case number CV22-00819:

- Acceptance of the Merger and Re-Subdivision Tract Map of St. James Village, Inc., as identified in your May 31, 2022 letter (attached as Exhibit A hereto), with Sierra Reflections to work with county staff to make all necessary corrections to deficiencies outlined by the county within 120 days from receipt of a list of deficiencies. This 120-day deadline is proposed out of respect to the workload of your staff to provide ample time to review. If the Board wishes for a more expeditious timeline, we will work with the Board regarding that deadline.
- Sierra Reflections will comply with the County's request to submit all appropriate plans and documentation and provide the same to relevant County agencies. See June 17<sup>th</sup> Staff Report, p. 6, and attachment D.
- To be added as Conditions for Approval to Tentative Map TM06-001:
  - Ocondition #97: Sierra Reflections will include an extension of the sanitary sewer infrastructure to St. James Village with completion of Reach 4 to allow all homes that currently have septic systems to connect to the public sewer. We will work with Washoe County District Health on a reasonable schedule to complete the hooks ups to give staff ample time to complete work needed on their end.
  - O Condition #98: Sierra Reflections will also construct a reclaimed water line concurrently with Reach 4 to bring effluent water from the South Truckee Meadows Water Reclamation Facility (STMWRF) to reduce the amount of potable water required for the project and take advantage of existing resources and infrastructure to provide water for irrigation, landscaping, and maintenance activities.
- Sierra Reflections will amend its first final map to include no less than five (5) residential lots.
- Sierra Reflections will not ask for any additional extensions regarding the 2020 Development Agreement in line with this proposal. If, however, the parties are working in good faith and close to finalization for recording the first final map, the parties agree to extend the above 120-day deadline by the appropriate period to accomplish recordation. E.g., if at day 120, the parties anticipate 7 additional business days to

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finalize recordation based on county staff schedules, for example, the parties agree in good faith to facilitate the same.

In exchange for approval of the first final map, Sierra Reflections agrees to dismiss the
pending administrative appeal to the Board, as well as dismiss the civil Petition for
Judicial Review arising out of the April 25, 2022 decision to not introduce the 2022
Development Agreement previously recommended by CSD. See March 25, 2022 Staff
Report.

In response to the June 19, 2022 Staff Report, Sierra Reflections wishes to provide additional points and authorities regarding its position on appeal of any decision by the Board to deny Sierra Reflections' appeal and affirm the decision of the CSD regarding the first final map.

Specifically, if there is an ambiguity requiring extrinsic evidence to discern the parties' intent, summary judgment is improper. *Dickenson v. State, Dept. of Wildlife*, 110 Nev. 934, 937, 877 P.2d 1059, 1061 (1994). Further, "an interpretation that results in a fair and reasonable contract is preferable to one that results in a harsh and unreasonable contract." *Id.* The results of these legal principles are that the pending Petition for Judicial Review and any resulting Petition arising from this appeal of the rejection of Sierra Reflections' first final map are not suitable for summary judgment, thus incurring additional legal fees and costs for both sides to have a court determine these matters. This appears to be a waste of County resources, only to have World Properties re-file the same tentative map on which the parties have already devoted significant resources and the CAB for Pleasant Valley has recently approved.

Further, a court reviewing this case will not "read into" the Development Agreement the requirement that a "lot" be only "residential," as the CSD's Staff Report argues. Rather, a court will examine both the WCC and NRS 278.0165, which similarly define lot as a distinct part or parcel of land divided with the intent to transfer ownership or for building purposes, which abuts upon a permanent means of access and is assigned a single parcel number by the Washoe County Assessor's Office" (WCC) and "a distinct part or parcel of land which has been divided to transfer ownership or to build," (NRS). There is no requirement that "lot" be residential, as the Staff Report contends. See Dickerson, supra.

Finally, as fully briefed in our June 9, 2022 Supplement to Appeal of Denial of Washoe County CSD Decision, because the Development Agreement uses multiple words and is thus ambiguous regarding what the developer must do with regard to the first final map ("present," "submit," "record," and "file"), this results in an ambiguity that will likely be resolved in favor of the developer to avoid a harsh and unreasonable result. *Id.* 

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We hope the foregoing is helpful for the Board's analysis of the positions on appeal, as well as potential avenues for resolution. We remain amenable to negotiating terms that will permit this project to move forward in light of the significant resources both parties have devoted to its success.

Sincerely,

Douglas R. Brown

DRB

Enclosure

c: Garrett Gordon via email - GGordon@lewisroca.com



Date:

May 31, 2022

To:

World Properties, Inc.

C/O Fred Woodside 4100 Joy Lake Road Reno, NV 89511

From:

Dave Solaro, Washoe County Community Services Director

Subject:

Sierra Reflections WTM06-001

Identified on the submittal as "Merger & Re-subdivision TM of St. James

via e-mail: fred.woodside@att.net

Village - May 2022"

The Washoe County Community Services Department (CSD) received the "merger and re-subdivision" final map for Sierra Reflections at the end of day Wednesday, May 25<sup>th</sup>, 2022. The submittal is titled Merger and Subdivision Tract Map of St. James Village, Inc.

The Community Services Department is rejecting your submittal due to timing of submittal and substantive issues.

## Timing:

In accordance with Washoe County Code ("WCC") Chapter 110 Section 610.45(a), which is provided below, the preliminary submittal of the first final map for Sierra Reflections must have been submitted, with the required items below, a minimum of 60 days prior to filing with the Community Services Department, i.e., prior to the deadline for recordation. However, the preliminary submittal of the first final map was not submitted to Washoe County Community Services Department until Wednesday, May 25, 2022—which is only 20 days prior to the recordation deadline. The Sierra Reflections Development Agreement approved by the Board of County Commissioners ("BCC") on April 28, 2020, and which is currently in effect, provides that the Tentative Map is set to expire on June 14, 2022 and that the first final map must be recorded on or before that date. This deadline has not been further extended, as the BCC declined to enter into a subsequent development agreement at the BCC's April 26, 2022 meeting. Accordingly, pursuant to WCC 110.610.45(a), the deadline to submit the first final map to the County to begin its review was Friday, April 15, 2022. The Sierra Reflections submittal missed this deadline.

<u>Section 110.610.45 Preliminary Submittal</u>. The Preliminary Submittal procedures for the final map shall be as set forth in this section.

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(a) <u>Submittal Requirements</u>. **Not less than sixty (60) days prior to the filing of any final map** with the Department of Community Development, the subdivider shall submit to the County Engineer:

(1) Three (3) prints of the proposed final map accompanied by the map checking fee;

- (2) Data concerning closure calculations, constructions plans, estimates of quantities and the like, if the situation warrants;
- (3) Plans and specifications for subdivision street improvements;
- (4) Plans, profiles, specifications and necessary details of the proposed construction for streets, curb and gutter, water mains, culverts, bridges, sanitary sewers or storm drains which are to be installed as part of the subdivision; and
- (5) Faithful performance bond estimate prepared by a Nevada registered engineer.

## **Substantive Issues:**

The Sierra Reflections Development Agreement, dated April 28, 2020, extended the deadline to record the first final map for a 938-lot, single-family residential, common open space subdivision. Section 2.1.9 of the Development Agreement, which is provided below, states that the first final map, to include a minimum of five (5) lots, must be recorded on or before June 14, 2022. The packet received and referenced above contains six (6) common open spaces, two (2) utility parcels and one (1) road parcel. These divisions of land do not meet the Development Agreement requirements as they do not qualify as "a minimum of five lots". A "lot" is defined in WCC 110.902.15 as "a distinct part or parcel of land divided with the intent to transfer ownership or for building purposes, which abuts upon a permanent means of access and is assigned a single parcel number by the Washoe County Assessor's Office." The areas of land proposed as common open space parcels are not considered "lots" within the meaning of Washoe County Code Chapter 110 and are not considered for the five (5) lot requirement in section 2.1.9. Accordingly, the submittal is also rejected as it does not comply with the Sierra Reflections Development Agreement Section 2.1.9.

<u>Development Agreement section 2.1.9</u> The next final map, to be a minimum of five lots, shall be recorded on or before the date of expiration of this Agreement [June 14, 2022]. All successive final maps, if the Landowner chooses to record in a series, must include a minimum of five lots. Unless otherwise provided herein, the deadlines for any final maps shall be governed by NRS 278.360.

Staff has performed a preliminary review of the submittal and while this review should not be construed as a complete and final review, there are infrastructure requirements under WCC 110.610.45 and requirements within the tentative map conditions including utilities, street improvements, studies, etc. that are not identified with plans,

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specifications, and the necessary details for a complete review. There may be other deficiencies not identified in this preliminary review.

Based on both the procedural and substantive issues noted above, the Community Services Department rejects your application and submittal.

Please let me know if you have any questions.

David M. Solaro

Assistant County Manager | Community Services dsolaro@washoecounty.gov| Office: 775.328.3624

cc: Krater Consulting Group, PC

CFA, Inc. ken@kraterconsultinggroup.com