

Cordevista

A Master Planned Mixed Use Community

March 30, 2007

Dear Lockwood Residents,

As a follow up to the town meeting and bus tour held at your community center on February 24th, we would like to thank you for your participation and kindness. We appreciated your interest and positive response to Cordevista. We enjoyed meeting you and believe we gained valuable insight into your feelings regarding growth in Storey County. We want to work with you and all of the residents of Storey County as we move forward to provide necessary housing, commercial, and retail opportunities for future Storey County residents employed at the Tahoe Reno Industrial Park.

A town meeting was also held by the developers of Cordevista on March 10th in Virginia City Highlands. The Virginia City Highlands and Virginia City residents had many questions and concerns. For those of you who were unable to attend the March 10th meeting, we would like to address many of their questions and concerns that were voiced by your Storey County neighbors that morning.

There will be two Planning Commission meetings on the Cordevista project. The first one is scheduled for April 5th at the Virginia City Highlands Fire Station at 6:00 p.m. and the 2nd one shall be at the Lockwood Recreation Center on April 19th at 6:00 p.m. I encourage all of you to attend these meetings to voice your concerns or support.

FLOODING IN LOCKWOOD WILL BE STOPPED

Water Management has pledged to be one of the major issues addressed within the Cordevista community. Major hydrology studies have been completed and show that up to 17,000 cubic feet per second (CFS) of water can flow through Long Valley Creek at flood times. Storm water and drainage can and will be detained and retained on the Cordevista property which will assist in reducing the amount of water flowing down to Lockwood. Of the 17,000 CFS of storm water, 10,000 CFS can be detained on the Cordevista site as a result of the new development. **Therefore, 59% of all of the water that travels towards Lockwood can be controlled within the development to stop the flooding of Lockwood.**

CORDEVISTA WILL NOT IMPACT THE VCH OR LOCKWOOD WATER SYSTEMS

The Cordevista community will be served by a water importation system, not by utilizing any ground water. This transportation system will cost Cordevista tens of millions of dollars to build. Cordevista will not use ground water and will not tap into the aquifer that supplies VCH or Lockwood. **In fact, Cordevista has offered and is willing to provide Virginia City Highland residents with access to the Cordevista water system. As VCH's demand on its current ground water system exhausts all the ground water in VCH, there will be a massive need for water for the residents of VCH.** There are various ways this can be accomplished which we are analyzing and discussing. We look forward to further discussions on this critical health, welfare, and safety concern.

NO ROADS WILL BE BUILT INTO LOCKWOOD OR VIRGINIA CITY HIGHLANDS

Cordevista has pledged not to build roads to connect to Lockwood to the north, which is 3.9 miles to the north, or to the south, or VCH, which is over 4 miles from the Cordevista southern boundary line. The existing dirt road from Lockwood will be gated and will only be used as an emergency fire exit road and not for daily traffic. As stated at the February 24th and March 10th meetings and as indicated in the plan on file with Storey County, Cordevista is surrounded on three sides by the TRI Industrial Park and will be connected directly to the Industrial Park by a newly developed road coming from USA Parkway to the Community. **To bring further comfort to those of you that are concerned of a road to Lockwood or VCH, we will ask that the project be conditioned and have recorded documents stating that no road shall ever be built from Cordevista to Lockwood (except for the current dirt road for gated emergency access only) or VCH.** This shall be a condition of approval. TRI is projected to have up to 180,000 ± employees, and these employees will be Cordevista's primary users of the commercial, retail and housing, traveling to and from their jobs via the new road to be built to USA Parkway within the TRI Industrial Park. All of Cordevista's infrastructure will be built and financed by Cordevista and deeded to Storey County or a G.I.D. (General Improvement District, funded by the residents of Cordevista) for maintenance.

THE POLITICAL POWER BASE HAS ALREADY SHIFTED – PAINTED ROCK MIXED USE PROJECT

The political shift of power within Storey County has already occurred with the approval of the "Painted Rock" project six months ago. **The "Painted Rock" 2,000 ± acre, mixed use project (the same zoning Cordevista is requesting) is to have approximately 3,500 homes, bringing approximately 10,500 residents to Storey County.** Storey County's current population is 4,000 people, and the development of Painted Rock by its developers, Civaletto, LLC, will forever change the power structure of Storey County. Cordevista will also supply additional commercial and residential to Storey County. We are, therefore, requesting that our project be districted politically to give equal representation to Virginia City, VCH, and the Lockwood areas. Civaletto/Painted Rock received approval to rezone 2,170 acres of Forestry Land to mixed use residential in late 2006. Cordevista is seeking the same approval to rezone its land from special industrial to mixed use residential.

JOB TO HOUSING BALANCE – A REGIONAL ISSUE

The Tahoe Reno Industrial Park (TRI), approved 10 years ago by Storey County, has been a great addition to Storey County and has benefited the county's tax base. **Your current Planning Commissioners and County Commissioners enjoy this success but also have responsibilities of the local/regional impacts that Storey County now has due to the Industrial Park.** The adjacent counties and cities are concerned that there is not sufficient housing, commercial and public services within Storey County to balance this incredible Park. TRI may generate up to 180,000 jobs which, most likely, could equate to a need for as many as 180,000 homes. Without Storey County adding additional commercial and housing, neighboring cities and counties will have to provide all of the housing and public services (schools, fire, police, etc.) for the TRI employees without the offset of collecting any of the industrial real estate taxes that Storey County will receive from TRI. It is obvious that the job/home ratio in Storey County is greatly out-of-balance. **If this lopsided balance of jobs and housing is not corrected, legislation and/or annexation on a local or even state level may possibly occur to remedy the situation.** Cordevista will help to provide the jobs/housing balance that Storey County needs to rectify this issue.

ETROGLYPHS WILL BE PRESERVED AND PROTECTED

Cordevista surrounds the 80 acres of Storey County owned land which contain one of the nation's largest concentrations of petroglyphs. Cordevista is working closely with the Nevada Rock Art Foundation (NRAF - the volunteer group working to log and protect the petroglyphs) on a plan to allow public access while protecting this invaluable national treasure. Cordevista is willing to donate to the County adjacent lands to the existing 80 acre petroglyph site to expand it with additional petroglyph sites so they can also be protected for future generations to enjoy.

PRESERVE OPEN SPACE FOR WILD HORSES AND NATIVE WILDLIFE

Wild horses inhabit all of Storey County. Cordevista is currently working with the State of Nevada and the University of Nevada Reno in studying the wild horses. As Cordevista develops its land plan, it will work with these and other private groups on a plan to preserve open space for the wild horses and native wildlife within the community. **At least 40% of Cordevista will remain as open space for individuals and wild horse/wildlife habitat to enjoy.**

DARK SKIES LIGHTING POLICY

Cordevista plans to implement "Dark Skies" lighting guidelines so all lighting is at a minimum in the evenings. All lighting shall be at minimum standards and all "Down Lighting" type standards.

LAND AND DOLLARS WILL BE PROVIDED FOR MUNICIPAL SERVICES

As part of the Cordevista mixed use master plan, the developers will contribute land and dollars towards the building of required community and public facilities including schools, parks and fire and police stations.

DEVELOPMENT TIMELINE

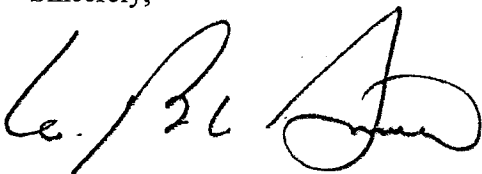
Cordevista will be in the design phase for the next 2 to 5 years before any construction is contemplated. Complete build-out is projected over the next 25 to 30 years.

FOR MORE INFORMATION

Lockwood residents that participated in the Cordevista/Somerset bus tour on February 24th were very appreciative of the insight that the tour gave them into the Somerset community in Reno which we have developed, as well as our plans for Cordevista. The tour participants gained an understanding of the project via questions and answers that is difficult to ascertain from viewing maps and aerial diagrams. If you would like to join a future bus tour, individual tour, or have questions about Cordevista, please call Darci Bertram at Somerset, 775.323.1405, or e-mail dbertram@somerset.com for more information.

You may also voice your comments or support to the Planning Commission and the County Commissioners via e-mail. You can reach all members of the Planning Commission and the County Commissioners in one e-mail directed to Planning_Input@storeycounty.org.

Sincerely,



Blake Smith,
Managing Partner, Cordevista