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July 13, 2007

Mark H. Gunderson, Esq.
5345 Kietzke Lane, Suite 200
Reno, NV 89511

Re: Cordevista

Dear Mark:

Thanks for the update on the protocols you have advised Storey County Staff and appointed and elected officials to follow on the remainder of the consideration process for the Cordevista project.

From the perspective of one who has participated in development matters in Storey County, starting with contract representation of the County, similar to your present position, during the approval and development agreement process for the Tahoe-Reno Industrial Center, and continuing through several zone change and master plan amendment submittals with the most recent being the Painted Rock Project, I am at a bit of a loss for a rational basis for what has been a wholesale departure in procedure for the Cordevista Project.

You see Mark, I have never, in any Nevada jurisdiction, much less in Storey County, experienced a requirement that counsel be present for all discussions between staff and an applicant. Additionally, I can tell you that I have never been or had a client be told by staff in Storey County that they are not to discuss, meet with or assist an applicant in the application process unless they want to jeopardize their employment.

I did not, in the course of the Painted Rock or other planning matters experience a situation where the attributed source of these anomalies was a Commissioner who, according to the Recorder's Office documents owned a beneficial interest in a competing project at the time this air of hostility was being promulgated within the staff and the community. It is all the more interesting when one recalls the relative lack of community concern over growth during the recent Painted Rock approval process.

What is clear is that the Cordevista application has been and continues to be treated in a manner that is significantly different than the historical and recent practices in the County. I have enclosed for your review, my first correspondence with Storey County on this subject. To





Mark H. Gunderson, Esq.
July 13, 2007
Page 2

date, that correspondence remains unanswered. What is particularly disturbing about this circumstance is the fact that the apparent source of this "special" scrutiny is a Commissioner who has significant and as yet undisclosed ties to a potentially competing project in the same market area.

As I'm sure you can appreciate, it is important that the record at the Planning Commission level be complete in terms of the facts and circumstances relevant to the evaluation of the subject application. It is my hope that any additional disclosures you deem prudent and/or appropriate for purposes of clarifying the circumstances outlined above will be set forth on the record on July 19, or in written correspondence prior to that date.

Thank you for your assistance and consideration.

Cordially,

KUMMER KAEMPFER BONNER RENSHAW & FERRARIO

A handwritten signature in black ink, appearing to read "Mark E. Amodei".

Mark E. Amodei

MEA/la
Enclosure

Cc: Doug Walling, Chairman, Storey County Planning Commission

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September 21, 2006

Pat Whitten, Director
Administration and Budgets
STOREY COUNTY
P.O. Box 176
Virginia City, NV 89440

Re: Storey County/Blake Smith

Dear Pat:

As you know, this firm represents Blake Smith with respect to his ongoing evaluation of the development potential for his Storey County real estate holdings. My recollection is that our communications and informal discussions with you and the County staff, and elected and appointed County officials have been ongoing for over a year now.

I am writing at this juncture to request additional information regarding an advisement that was provided at your meeting with Mr. Smith last Friday, September 15th. I am unsure as to the specific content of the advisement and as to the specific source of same, however, Mr. Smith has indicated that issues involve recalls of County Commissioners, local initiative petitions, and requirements for public votes on any project proposals were all set forth. I have taken the liberty of having a member of our firm, Matt Griffin, initiate research into the appropriate Storey County Ordinances and Nevada Revised Statutes to ascertain the existence of any present law on the local or state level in support of what appear to be rather pointed and specific threats at a particular land owner. I can tell you preliminarily that I am aware of no instance in the history of your jurisdiction that planning and zoning matters were abandoned by the Planning Commission and County Commission in favor of an approval election.

Such a proposal is particularly interesting in the context of the record of accomplishment of your planning process beginning with the TRIC approval some years ago. Since that time your Planning Commission, Staff, and County Commission has done a responsible job of protecting the myriad of public interests of Storey County. Indeed, the relatively recent approvals of continuing significant development proposals, both industrial and mixed use within TRIC, and on parcels that were initially within TRIC, are indicative of a process that appears to be working well for Storey County. In short, a proposal, if such a proposal in fact exists from within the County staff or a County elected official, to treat Mr. Smith's potential future development applications in a different manner than applications involving parcels within TRIC is under consideration, we'd like to be advised of the source of the proposal and the contents of



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Client / Matter

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Pat Whitten, Director
September 21, 2006
Page 2

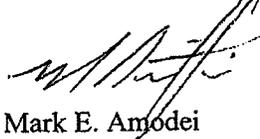
the same. Our intent in making such a request is to be able to responsibly evaluate the same and be involved in any future discussions.

I am aware of the general provisions regarding ballot initiatives and recalls and will provide you with a copy of our research. I must admit, however, to some confusion regarding the apparent negative and perhaps even threatening focus on one landowner, whose development track record in Western Nevada is universally considered to be excellent, in the context of the present significant and ongoing commitment to development within TRIC in both the mixed use and industrial contexts. It is my hope that I am either mistaken in my confusion, or that you can provide the appropriate information to indicate the basis and source for a proposed departure from Storey County's traditional and historical processes in this regard.

Kindly advise.

Cordially,

KUMMER KAEMPFER BONNER RENSCHAW & FERRARIO



Mark E. Amodei

MEA/la

cc: Harrold Swafford, Esq.
Chris MacKenzie, Esq.
Blake Smith