



project and that the incentive is subject to the applicant fulfilling City requirements.

**Explanation for Recommended Board Action:** With funding assistance, the applicants are pursuing a complete remodel of this historic, abandoned building, thus providing the city with a fully preserved and renovated anchor in the central hub of our downtown, redevelopment district. The incentive funding will give the owners the necessary financial support to complete proposed improvements this project and achieve a reasonable rate of return on its investment in a blighted property. The applicant has been apprised of the requirements detailed in redevelopment's rules and regulations and agrees to comply with every one of these requirements.

**Applicable Statue, Code, Policy, Rule or Regulation:** NRS 279.486

**Fiscal Impact:** \$53,520.00 of tax increment funds available in the RDA's unspent bond proceeds set-aside.

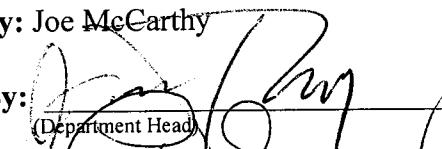
**Explanation of Impact:** This incentive comes from the remaining unspent bond proceeds, but the needed amount dedicated to satisfying the provision of the street abandonment settlement with the Carson Nugget has been preserved.

**Funding Source:** Unspent bond proceeds associated with Redevelopment Project Area No. 1

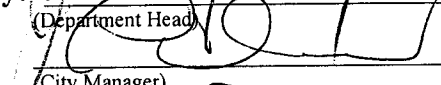
**Alternatives:** Provide other direction

**Supporting Material:** Applicant and supporting material provided by the applicant

**Prepared By:** Joe McCarthy

**Reviewed By:**   
\_\_\_\_\_  
(Department Head)

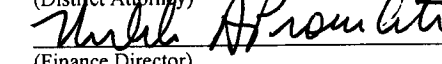
Date: 4-28-09

  
\_\_\_\_\_  
(City Manager)

Date: 4/28/09

  
\_\_\_\_\_  
(District Attorney)

Date: 4-28-09

  
\_\_\_\_\_  
(Finance Director)

Date: 4-28-09

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_ Aye/Nay  
2) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION CONSENTING TO THE PAYMENT TO DSE, #4, LLC OF A REDEVELOPMENT INCENTIVE FOR THE COSTS OF THE CONSTRUCTION OF A BUILDING, FACILITY, STRUCTURE OR OTHER IMPROVEMENT, AUTHORIZING THE EXPENDITURE OF MONEY FROM THE REVOLVING FUND FOR THE REDEVELOPMENT AGENCY FOR THE PAYMENT OF THE INCENTIVE AND OTHER MATTERS PROPERLY RELATED THERETO.**

**WHEREAS**, pursuant to NRS 279.486, the Carson City Board of Supervisors must consent to the payment of a redevelopment incentive for the costs of the construction of a building, facility, structure or other improvement; and

**WHEREAS**, the Carson City Redevelopment Authority has recommended to the Carson City Board of Supervisors the granting of consent to the payment of a redevelopment incentive to DSE, #4, LLC in the amount of \$53,520 of the construction for the renovation of the building located at 503 N. Nevada Street; and

**WHEREAS**, pursuant to NRS 279.628, the Carson City Board of Supervisors must approve by resolution, adopted by a two-thirds vote, the expenditure of money from the Revolving Fund for the Redevelopment Agency for any expenses necessary to the carrying out of the redevelopment plan adopted by the Carson City Board of Supervisors.

**NOW, THEREFORE, BE IT RESOLVED** that the Carson City Board of Supervisors hereby gives consent, as required pursuant to NRS 279.486, to the payment of a redevelopment incentive to DSE, #4, LLC in the amount of \$53,520 of the construction for the renovation of the building located at 503 N. Nevada Street based upon the determination of the Carson City Board of Supervisors that the building is a benefit to the redevelopment area or the immediate neighborhood in the redevelopment area is located and that no other reasonable means of financing this building is available; and

**BE IT FURTHER RESOLVED** that the Carson City Board of Supervisors hereby authorizes, pursuant to NRS 279.628, the expenditure of \$53,520 from the Revolving Fund for the Redevelopment Agency for the payment of the redevelopment incentive to DSE, #4, LLC.

Upon motion by Supervisor \_\_\_\_\_, seconded by Supervisor \_\_\_\_\_, the foregoing Resolution was passed and adopted this \_\_\_\_ day of \_\_\_\_\_, 2009 by the following vote:

AYES: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
Robert Crowell, Mayor  
Carson City, Nevada

ATTEST:

\_\_\_\_\_  
Alan Glover, Clerk  
Carson City, Nevada

**DSE #4, LLC  
503 N. Division Street  
Carson City, NV 89703  
(775) 283-5555**

April 17, 2009

Joe McCarthy, Director  
Carson City Office of Business Development  
201 N. Carson Street  
Carson City, NV 89703

Subject: Revised Incentive Program Application

Dear Mr. McCarthy,

Enclosed is our revised Incentive Program Application for our project located at 503 N. Nevada Street, Carson City, NV 89703. As stated in our prior application, our redevelopment objective is to cure the blighted building and convert it to office space. Our plan is consistent with the Carson City Comprehensive Master Plan, provides preservation of the historic structure, provides benefit to the general public and advances the future vision for Downtown.

Our project complies with all of the Policies and Procedures of the Carson City Redevelopment Agency. Based on the Board of Supervisors meeting on April 16, 2009, we believe that an area of concern is financial need. Casey, Neilon & Associates, LLC are our accountants, tenants and have common members with DSE #4, LLC. With our prior application, we submitted confidential financial statements for Casey, Neilon & Associates, LLC proving we are a sound company. Based on current economic conditions, obtaining financing has become more challenging. We have no other reasonable means of financing this project due to the following reasons:

1. The project, if financed by DSE #4, LLC through cash or private debt, will not result in a reasonable rate of return; also if DES #4, LLC is not awarded financial incentive funds, while traditional financing is available, the maximum loan to value lending limits extended by financial institutions preclude the project from realizing a reasonable rate of return (see correspondence from local bank attached).
2. DSE #4, LLC would not complete all of the project's improvements based on the recommendations of the Carson City Historic Architecture Review Commission.

This redevelopment project will allow us to enhance employment opportunities within our surrounding neighborhood by adding 6 new employees who will utilize the other businesses in the downtown area that are part of the building renovation project and the post construction phase. In accordance with the employment plan requirements we agree to promote the employment of women, physically handicapped, racial minorities and veterans.

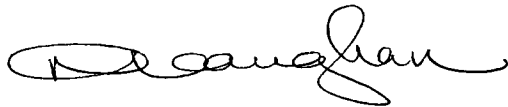
The Historic Resources Commission (HARC) has approved our application for exterior alteration of the existing structure. While the existing stucco siding material could be maintained, HARC has approved the use of wood lap siding. Wood lap siding is consistent with surrounding buildings, compliments the downtown vision and is in compliance with HARC standards.

We are aware and agree that if our incentive fund application is approved the property is subject to a seven year declining lean in the amount of the financial incentive. We understand that the funds will not be paid until the lien has been executed.

All applicable required and supporting documents have been submitted. Please note, all confidential financial records are for review of internal staff only.

We appreciate the time and consideration of you and your staff and the Board of Supervisors. Because our project complies with all of the Policies and Procedures for the Carson City Redevelopment Agency, we request the Board of Supervisors approve our Incentive Fund Application.

Sincerely,

A handwritten signature in cursive script, appearing to read "Debbie Vaughan".

Debbie Vaughan

**Consolidated Municipality of Carson City  
Office of Business Development**



Incentive Program Application

Name of Business: DSE #4, LLC		Date: April 16, 2009
Business Address 503 N. Division Street, Carson City, NV 897903		
Name of Tenant: Casey, Neilon & Associates, LLC		Phone Number: 775-283-5555
Address of Tenant: 503 N. Division Street, Carson City, NV 89703		Fax: 775-283-0494
		E-mail: dvaughan@wealthcarecpas.com
Name of Property Owner: DSE #4, LLC		Phone Number: 775-283-5555
Address of Property Owner: 503 N. Division Street, Carson City, NV 89703		Fax: 775-283-0494
		E-mail: dcasey@wealthcarecpas.com
History of Development Entity: Built in 1915. Site was one of the oldest apartment buildings in Carson City. Prior to purchase by DSE #4, LLC, the building was a substandard, low-rent apartment building.		How Development vision complies with objectives of redevelopment agency plan: Curing blight, enhancing neighborhood, improving quality of Blue Line walk, compliance with HARC recommendations.
Project Name: DSE #4 Redevelopment		Project Area: (check one) • Area #1 <u>  X  </u> • Area #2 <u>      </u>
Project Address / Location: 503 N. Nevada Street, Carson City, NV 89703	Assessors Parcel Number: 003-222-05	
Bldg Size: 2,948 sq ft	Land Area: .08 acres	

Project Description: DSE #4, LLC is a newly formed limited liability company formed to hold this property. Members of the LLC, including Division Street Enterprises, LLC and its members, Darsi Casey and Nicola Neilon will be providing funds for the project. Casey, Neilon & Associates, LLC are our accountants, tenants and have common members. Our redevelopment objective is to cure the blighted building and convert it to office space. Our plan is consistent with the Carson City Comprehensive Master Plan, provides preservation of the historic structure, provides benefit to the general public, and advances the future vision for Downtown. Our project includes a complete remodeling and change of occupancy for an existing 4-plex residential building to an office building. Interior improvements include new foundations and structural framing, removal of asbestos, plumbing/mechanical/electrical systems, insulation, interior walls, sheetrock, flooring, doors, new spiral staircase, paint, and finish framing per approved plans. Exterior improvements include new windows, doors, siding, framing modifications to balcony walls and installation of new square columns, iron railings and handrails, new stairway framing, ADA access, landscaping and parking lot paving.


Total Tenant / Property Owner Investments	Land Acquisition:	\$ 220,000	
	Site Development Costs:	\$ 23,800	
	Public Improvements:	\$ 35,500	
	Building Costs (Hard):	\$ 208,300	
	Soft Costs (Professional / legal, etc.)	\$	
	Other:	\$	
	Other:		
	<b>Total</b>	<b>\$ 487,600</b>	
Total Tenant Investment	Site Development Costs:	\$0	%
	Public Improvements:	\$0	%
	Building Costs (Hard):	\$0	%
	Soft Costs (Professional / legal, etc.)	\$0	%
	Other:	\$0	%
	Other:	\$0	%
		<b>Total</b>	\$0
Total Property Owner Investment	Land Acquisition:	\$ 220,000	45%
	Site Development Costs:	\$ 23,800	5%
	Public Improvements:	\$ 35,500	7%
	Building Costs (Hard):	\$ 208,300	43%
	Soft Costs (Professional / legal, etc.)	\$	%
	Other:	\$	%
	Other:	\$	%
	<b>Total</b>	<b>\$ 487,600</b>	<b>100 %</b>
Total Estimated Project Cost		\$ 267,600	
Total Incentive Funds Requested		\$ 53,520	
Incentive as a % of total project		20%	
Demonstration why Redevelopment Agency funds are required for the development and evidence provided that no other reasonable means of financing is available.			
Estimated Project Start Date		5/8/09	



Estimated Project Completion Date	7/8/09	
Do you have a Business Plan?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Number of years business has existed under current organization:	Less than 1	

Does the applicant own an existing business?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, what is the name of the business?	Casey, Neilon & Associates, LLC	
Number of years business has existed:	2.5 years	
Number of years business has existed under the ownership of applicant?	2.5 years	
Please attach the most recent financial reports for this business along with a credit report. <b>Confidential Documents. Submitted to Staff. For Internal Review Purposes Only.</b>	Schematic drawings of conceptual site plan.	
<ul style="list-style-type: none"> <li>Organizational structure of development entity, including delineation of lines of responsibility. <b>Attached</b></li> </ul>	<ul style="list-style-type: none"> <li>Proof of development entity ownership control, or a description of how entity intends to gain ownership control. <b>DSE #4 currently owns 80% of the property; additional 20% in the process of being contributed to DSE #4 by existing member.</b></li> </ul>	<ul style="list-style-type: none"> <li>Breakdown of the sources and use of funds for the construction of the project. <b>Source: Operating Capital. Use: Budget attached</b></li> <li>Pro-forma profit and loss statement for the project covering at least 5 years. <b>Attached</b></li> </ul>
Project Team: *Attach resumes for all	*Architect / *Designer	N/A
	*Contractor	Ben Smith, BSA Construction
	*Attorney	James Kelly. Not involved with application process. No resume submitted
	*Accountant	Darsi Casey, CPA, MST Nicola Neilon, CPA Casey, Neilon & Associates, LLC

	*Project Manager	Debbie Vaughan, COO Casey, Neilon & Associates, LLC	
	*Construction Manager	N/A	
	*Development Consultant	N/A	
Economic Impact Information	Anticipated Annual Payroll	\$110,000	
	Description of how applicant will adhere to employment plan, if applicable.	Attached in cover letter	
	Anticipated Annual Sales Tax Collections	\$0	
	Anticipated Increase in Property Value	\$525,000	
Total Tenant Investment	Site Development Costs:	\$0	%
	Public Improvements:	\$0	%
	Building Costs (Hard):	\$0	%
	Soft Costs (Professional / legal, etc.)	\$0	%
	Other:	\$0	%
	Other:	\$0	%
	<b>Total</b>	\$0	%
Total Property Owner Investment	Land Acquisition:	\$ 220,000	45%
	Site Development Costs:	\$ 23,800	5%
	Public Improvements:	\$ 35,500	7%
	Building Costs (Hard):	\$208,300	43%
	Soft Costs (Professional / legal, etc.)	\$	%
	Other:	\$	%
	Other:	\$	%
<b>Total</b>	\$487,600	100 %	
Submittals Checklist	Please submit where applicable:		
	n/a	Architects / Designer Proposal	
	x	Architects / Designer Renderings or Drawings	
	x	Project Budget Detail	
	x	Site Plan	
	x	Lease Agreement	
	x	Building / Project Elevations	
	x	Principals and Key Individuals Resumes (see above)	
<b>Confidential Documents. Submitted to Staff. For Internal Review Purposes Only.</b>	x	Current financial statements, including a balance sheet and profit and loss statement with explanations regarding the valuation of assets and recognition of the revenue and expenses. Corresponding tax returns should also accompany the financial statements.	

<b>Confidential Documents. Submitted to Staff. For Internal Review Purposes Only.</b>	x	Identification of current banking relationships and major credit references.
	n/a	Name, address and phone number of companies that have issued performance bonds on previous developments.
<ul style="list-style-type: none"> <li>• Your project must conform to all applicable codes, ordinances, and regulations as well as the common design principles established by Downtown Design Standards.</li> <li>• Construction documents describing your complete project must be submitted to the appropriate departments and agencies of the City for review and permitting prior to beginning work. In some cases, an architect and/or engineer must prepare these documents. All applicable permits must be obtained and all accompanying inspections must be successfully completed.</li> <li>• Shop drawings must also be submitted for review for all awnings, ornamental ironwork, and signs prior to beginning work.</li> </ul>		
<p align="center"><b>Acknowledgement of Application Provisions:</b></p> <p><input checked="" type="checkbox"/> I affirm that this project will not be initiated without written commitments and completed contract with the Consolidated Municipality of Carson City.</p> <p><input checked="" type="checkbox"/> I affirm that this project conforms to all applicable codes, ordinances and regulations, as well as the common design principles for Downtown Carson City.</p> <p><input checked="" type="checkbox"/> All applicable permits will be obtained for this project and all accompanying inspections will be successfully completed to receive reimbursement.</p> <p><input checked="" type="checkbox"/> I affirm that I am in good standing with the Consolidated Municipality of Carson City with respect to taxes, fees, loans or other financial obligations to the City.</p> <p><input checked="" type="checkbox"/> If this project is selected for an incentive from the Consolidated Municipality of Carson City, I acknowledge that photographs of my property may be used in promotional materials for Downtown Carson City.</p>		
Applicants Signature 		Date: 4/28/09
<p>*Note: ALL project related invoices must be submitted for review at conclusion of the project prior to reimbursement. In addition, approved copies of required City building, sign and other permits must be submitted as a condition of reimbursement and in order for any and all liens to be released.</p>		
(For Internal Use Only)	<b>Date</b>	
Application Approved:		
Project Commenced:		
Project Completed:		
Reimbursement Request submitted to Finance Department		

Reimbursement remitted to Applicant	
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BSA Construction, LLC  
 Job Estimates for 503 N. Nevada Street

Financing Budget

Service	Sub Total	Total
<b>DEMOLITION AND DISPOSAL</b>		<b>11,800.00</b>
labor	4,000.00	
materials/disposal costs	1,800.00	
asbestos removal	6,000.00	
<b>NEW INT WALL CONSTRUCTION</b>		<b>7,500.00</b>
labor	3,500.00	
framing materials	4,000.00	
<b>NEW FOUNDATION WORK</b>		<b>4,500.00</b>
labor	2,800.00	
forms and concrete	1,700.00	
<b>NEW EXT STAIRWAY, WALKS AND RAMP</b>		<b>21,700.00</b>
stair labor	1,700.00	
stair material and railing	1,500.00	
Handicap Lift	18,500.00	
<b>RE-FRAME BALCONY AREAS</b>		<b>2,900.00</b>
labor	2,100.00	
material	800.00	
<b>EXTERIOR RAILINGS AND HAND RAILS</b>		<b>3,800.00</b>
Railing Fabrication	3,200.00	
Installation	600.00	
<b>NEW SPIRAL STAIRCASE</b>		<b>5,800.00</b>
Stair Fabrication	4,500.00	
Installation	1,300.00	
<b>PLUMBING</b>		<b>4,200.00</b>
labor to modify existing and install new materials	3,200.00	
	1,000.00	
<b>PLUMBING FIXTURES (allowance)</b>		<b>2,500.00</b>
fixture allowance budget	2,500.00	
<b>ELECTRICAL/DATA- ROUGH</b>		<b>23,000.00</b>
labor for 2 systems	13,000.00	
material	10,000.00	
<b>ELECTRICAL/DATA- FINISH</b>		<b>13,000.00</b>
labor for connections per plan	8,000.00	
material	5,000.00	
<b>ELECTRICAL FIXTURES (allowance)</b>		<b>3,000.00</b>
fixture allowance budget	3,000.00	
<b>HVAC</b>		<b>33,500.00</b>
labor for 2 systems	13,000.00	
ac units/furnaces/ducting/controls/misc	20,500.00	
<b>INSULATION</b>		<b>8,900.00</b>
attic	1,800.00	
walls	4,700.00	
underfloor	2,400.00	
<b>DRYWALL</b>		<b>17,200.00</b>
labor	7,000.00	
drywall materials	8,000.00	
tape and texture materials	2,200.00	
<b>INT/EXT DOORS (allowance)</b>		<b>6,000.00</b>
door allowance budget	6,000.00	
<b>INTERIOR FINISH CARPENTRY (allowance)</b>		<b>8,000.00</b>
interior finish based on client selections	8,000.00	
<b>SPECIAL INTERIOR INSTALLATIONS</b>		TBD
<b>INTERIOR/EXTERIOR PAINT</b>		<b>12,500.00</b>
labor	7,500.00	
material	5,000.00	
<b>FLOORING (allowance)</b>		<b>10,000.00</b>
flooring allowance budget	10,000.00	

**BSA Construction, LLC**  
**Job Estimates for 503 N. Nevada Street**

Financing Budget

	<u>Sub Total</u>	<u>Total</u>
<b>NEW WINDOWS</b>		22,800.00
labor	4,300.00	
materials	18,500.00	
<b>NEW COMPOSITION ROOF</b>	0.00	0.00
<b>EXTERIOR SIDING</b>		23,000.00
labor	6,500.00	
siding and prep materials	16,500.00	
<b>NEW PARKING LOT GRADE AND PAVE</b>		7,500.00
labor	3,000.00	
base/asphalt/concrete patch/stripping materials	4,500.00	
<b>LANDSCAPE (allowance)</b>		10,000.00
landscaping based on final required by city	10,000.00	
<b>FENCING</b>		TBD
<b>CONSTRUCTION CLEAN UP</b>		3,000.00
labor	1,000.00	
dump and container fees	2,000.00	
<b>TEMP. FACILITIES</b>		1,500.00
temp restroom, etc	1,500.00	
	267,600.00	0.00
	267,600.00	267,600.00

DSE #4, LLC

Proforma Income Statements

For the Period July 1, 2009 through December 31, 2009 and for the Years Ending December 31, 2010, 2011, 2012 and 2013

	<b>Jul - Dec 2009</b>	<b>Jan - Dec 2010</b>	<b>Jan - Dec 2011</b>	<b>Jan - Dec 2012</b>	<b>Jan - Dec 2013</b>
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
<b>4120 · Rental Income</b>	22,110	44,220	44,220	44,220	44,220
<b>Total Income</b>	<u>22,110</u>	<u>44,220</u>	<u>44,220</u>	<u>44,220</u>	<u>44,220</u>
<b>Expense</b>					
<b>6150 · Depreciation Expense</b>	4,750	9,500	9,500	9,500	9,500
<b>6200 · Interest Expense</b>	5,378	15,870	15,430	14,975	14,485
<b>6230 · Licenses and Permits</b>	225	225	225	225	225
<b>6580 · Supplies</b>	500	500	500	500	500
<b>Total Expense</b>	<u>10,853</u>	<u>26,095</u>	<u>25,655</u>	<u>25,200</u>	<u>24,710</u>
<b>Net Income</b>	<u><b>11,257</b></u>	<u><b>18,125</b></u>	<u><b>18,565</b></u>	<u><b>19,020</b></u>	<u><b>19,510</b></u>



Carson River  
COMMUNITY BANK

April 27, 2009

DSE #4, LLC  
503 North Division Street  
Carson City, Nevada 89703

Dear Mses. Casey and Neilon:

Given market value declines and tightening of credit, we currently would not consider extending credit to DSE #4, LLC to renovate the commercial property at 508 N. Nevada Street, Carson City, Nevada.

Once the project is complete, we would consider lending a maximum of 50% of the value of the completed project.

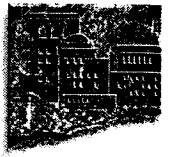
If you have any questions, please do not hesitate to contact me.

Sincerely,

Carson River Community Bank

Julie L. Kidd  
Acting President and  
Chief Executive Officer





## BSA COMPANIES

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**B**SA was formed in January 2005 as a Nevada Limited Liability Company. Although the company history is brief, BSA comprises a team with decades of wide-ranging experience in all facets of the real estate construction and development industry. This depth of experience and competence has allowed BSA to successfully engage in projects ranging from land planning, acquisitions, entitlements, land development, construction and project management in both residential and commercial capacities.

BSA has had the opportunity to build a number of residential and commercial projects over the last four and half years in the Northern Nevada and surrounding areas. From numerous high end custom homes to partial and full residential remodels, and commercial tenant improvements to building a 10,000+ square foot commercial office building that we are now in the planning and design stages on, BSA brings the right team and experience to the table for a diverse portfolio of projects! Our experience also provides BSA the opportunity to offer design/build services for both residential and commercial projects. Below is a sampling of projects our team has or is currently working on:

Martin/Miller Residence, 3000 sf home with 1500 sf shop on 10+ acres, the home incorporates many environmentally friendly building practices including insulated concrete forms for wall construction.

Nicolosi Residence, 3000 sf home with 1800 sf guest home on Donner Lake near Truckee California, these homes include structural integrated panel system walls with log cabin finish and built on a challenging sloping lot underlain by rock.

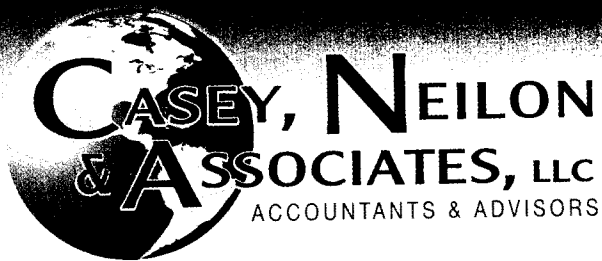
Herbert Residence, 4000 sf vacation home in Sommerset Development, Reno, this is a million dollar home with many high end finishes of a sloping view lot in Sommerset.

Paycheck Advance, BSA is the builder for this national company for all Northern Nevada and surrounding area locations.

Northern Nevada Coin, performed a 5,000 sf tenant improvement project for this owner/tenant in Carson City.

Lakeview Estates Commercial Center, we are the design/build company for this commercial office complex in planning and design in Lakeview, Carson City.

Ben Smith, President and CEO of BSA, has spent a career in the construction and development industry. Ben started his career in civil and construction engineering, experiencing all types and sizes of projects from concept to build out. While building this foundation of experience, he obtained his degree in Civil Engineering which has now taken him to the level of Professional Engineering licensure in the state of Nevada. After nearly ten years in engineering and construction management, Ben decided his heart was in the building and development side of the industry. This prompted him to make the move into development management for a couple of large development companies in Northern Nevada, as well as to obtain contractors licensing in Nevada and California. Today Mr. Smith runs BSA Companies, and looks forward to many years of developing and building our Northern Nevada community!



503 N. Division St. • Carson City, NV 89703

775.283.5555 • fax 775.283.0494

www.wealthcarecpas.com

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## DARSI J. CASEY, CPA, MST

Position: Partner

Education: Bachelor of Science Degree in Business Administration,  
University of Nevada, Reno  
Masters of Science Degree in Taxation,  
Golden Gate University

Experience: 20 years in consulting and accounting

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**Areas of Practice:** Consulting; Tax - individuals, corporations, partnerships and limited liability companies; Accounting and Auditing - insurance entities and a variety of commercial entities; Financial Services. She has experience with consulting and audit projects with:

- State of Nevada Self-Insurance Trust Fund (self insured health insurance fund); financial statement audit and claims testing
- State of Nevada Insurance Premiums Trust Fund (workers compensation and tort claims); financial statement audit and claims testing
- Self-insured associations for workers compensation; financial statement audit, claims testing, tax preparation and consultation
- Captive insurers for workers compensation, health and property and casualty insurance; pro forma financial statements, financial statement audit, tax preparation and consultation
- Manufacturing companies; financial statement audits, tax preparation and consultation
- Gaming entities; reviewed financial statements, gaming compliance, tax preparation and consultation
- Golf courses; financial statement audit, tax preparation and consultation
- Employee benefit plans; financial statement audit

### Memberships and Distinctions:

- Member - American Institute of Certified Public Accountants
- Member - Nevada Society of CPA's
- Life and Health Agent, State of Nevada
- Registered Representative, NASD Series 7 and 66



CIRCULAR 230 DISCLAIMER: To ensure compliance with Treasury Regulations governing written tax advice, please be advised that any tax advice included in this communication, including any attachments, is not intended, and cannot be used, for the purpose of (i) avoiding any federal tax penalty or (ii) promoting, marketing or recommending any transaction or matter to another person.



503 N. Division St. • Carson City, NV 89703

775.283.5555 • fax 775.283.0494

www.wealthcarecpas.com

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## NICOLA (NIKI) NEILON

Position: Partner

Education: Bachelor's of General Studies,  
University of Nevada, Reno  
Accounting Licensure Program  
Graduate Certificate in Taxation,  
Golden Gate University

Experience: 13 years public accounting  
2 years governmental accounting

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### Areas of Practice:

- State of Nevada Self-Insurance Trust Fund (self insured health insurance fund); financial statement audit and claims testing
- State of Nevada Insurance Premiums Trust Fund (workers compensation and tort claims); financial statement audit and claims testing
- Self-insured associations for workers compensation; financial statement audits, claims testing, tax preparation and consultation
- Captive insurers for property and casualty risks; pro forma financial statements, financial statement audits, tax preparation and consultation
- Employee benefit plans; financial statement audits
- Local governments; financial statement audits
- Manufacturing companies; financial statement audits, tax preparation and consultation
- Gaming entities; financial statement audits and reviews, gaming compliance, tax preparation and consultation
- Financial institutions; financial statement audits

### Memberships and Distinctions:

- Member - Nevada Society of CPA's
- Member - American Institute of Certified Public Accountants
- Board of Directors, Family Support Council of Douglas County
- Associate Member - Association of Certified Fraud Examiners
- AICPA CPA Ambassador
- Chair - Audit Issues Group, Alliot Group North America

**ALLIOTT**  
GROUP

A WORLDWIDE ALLIANCE OF INDEPENDENT FIRMS

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## DEBBIE VAUGHAN

Position: Chief Operating Officer

Education: Bachelor of Science – Business Management  
University of Nevada, Reno  
In Process

Experience: 13 years operations management

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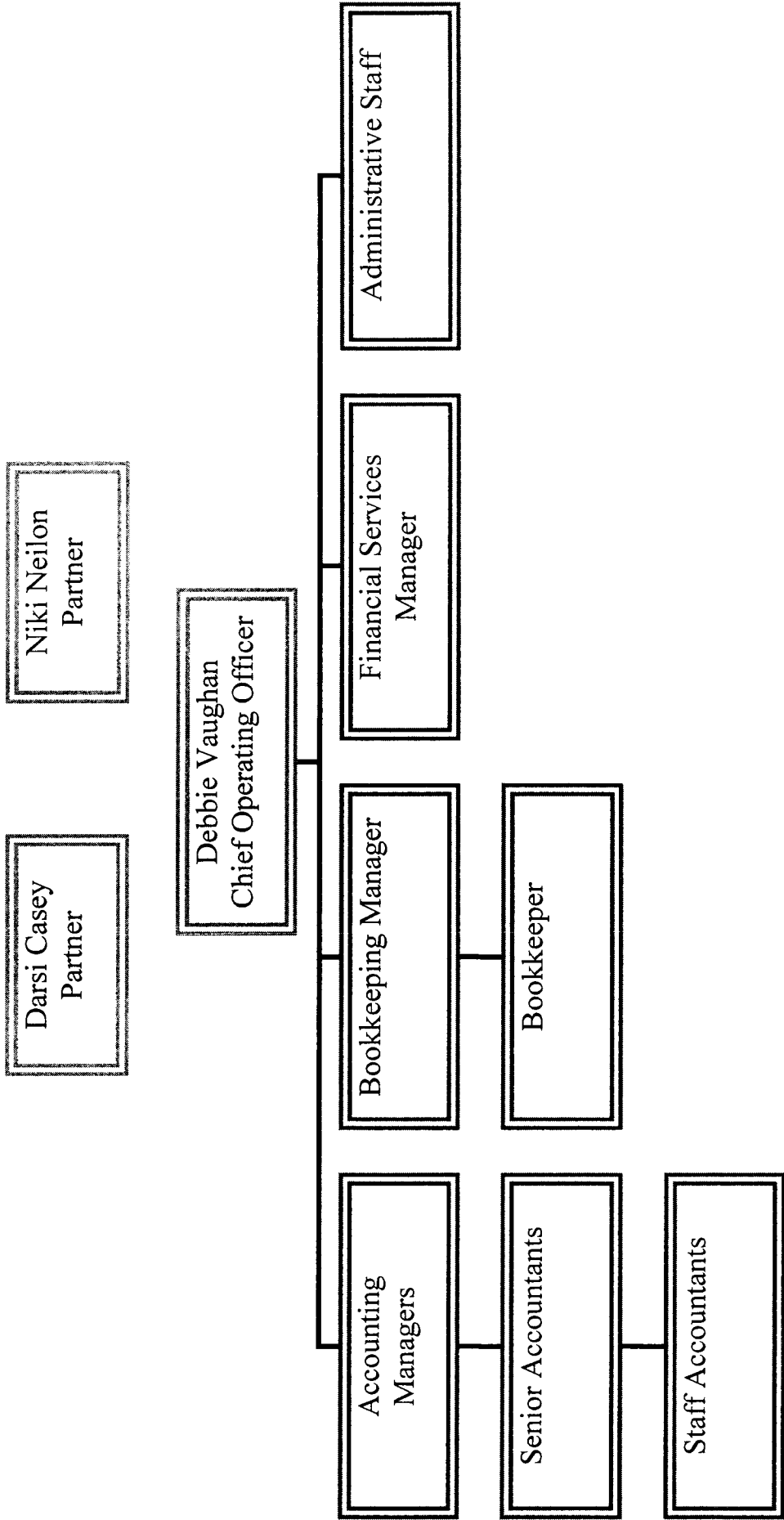
- Manage all operational aspects of the firm including: facilities management, human resources and technology.
- Project manager for DSE #4, LLC remodel.
- 12 years experience as a General Manager of a casino overseeing multiple remodels and expansions.

**ALLIOTT**  
GROUP

A WORLDWIDE ALLIANCE OF INDEPENDENT FIRMS

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CASEY, NEILON & ASSOCIATES, LLC  
FIRM HEIRARCHY





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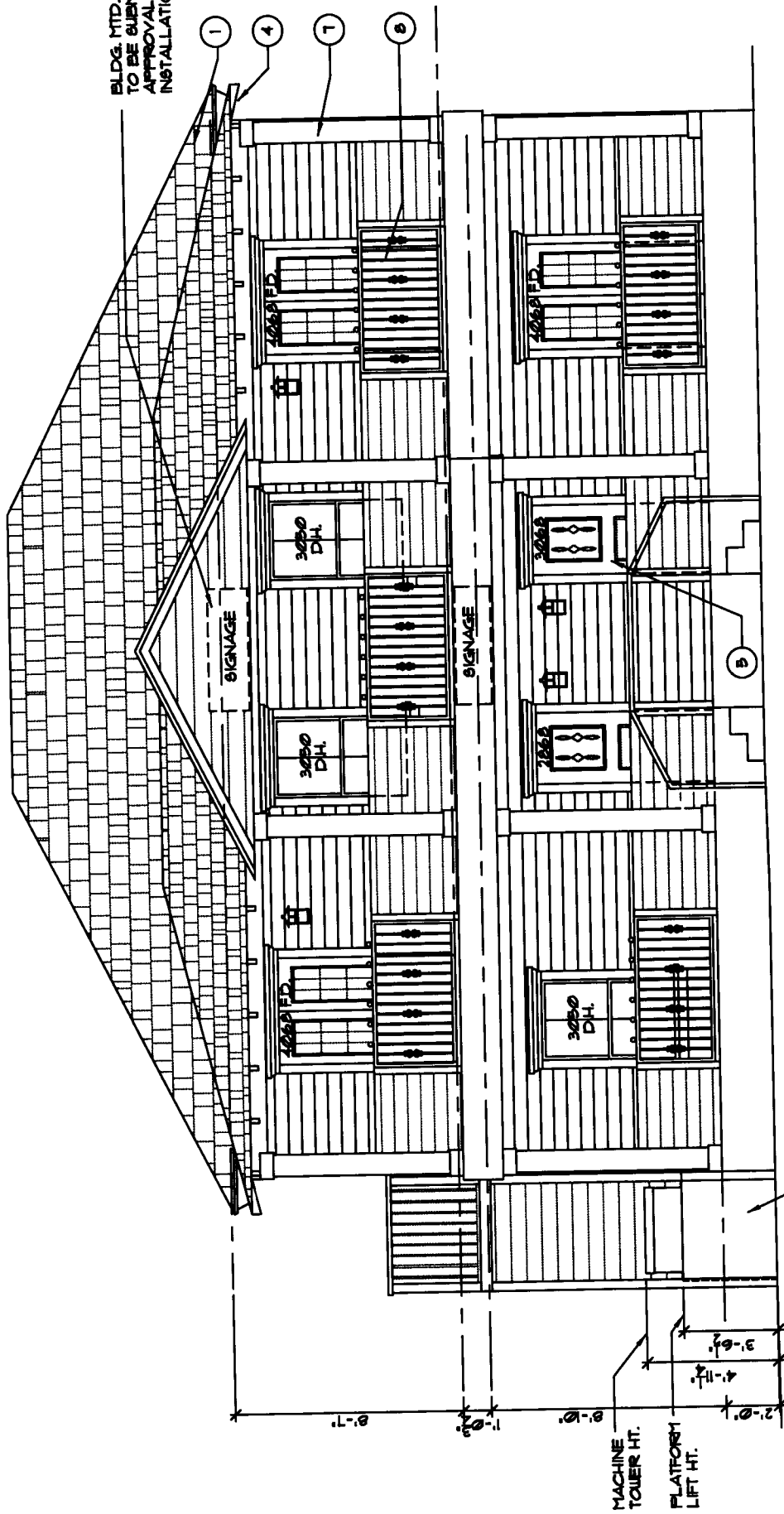
### Credit References

Ben Smith  
BSA Construction  
P.O. Box 291  
Dayton, NV 89403  
(775) 815-1691

Julie Kidd  
Carson River Community Bank  
P.O. Box 2890  
Minden, NV 89423  
(775) 783-3224

Jan McCauley  
Colonial Bank  
901 North Stewart  
Carson City, NV 89701  
(775) 687-2700

Mike Seinkbeil  
C&G Consulting  
23217 West Stoneridge Drive  
Waukesha, WI 53188  
(262) 522-8248



BLDG. MTD. SIGNAGE  
TO BE SUBMITTED FOR  
APPROVAL PRIOR TO  
INSTALLATION, TYP.

**WEST ELEVATION**  
SCALE: 1/4" = 1'-0"

'PORCH-LIFT' VERT. PLATFORM LIFT  
MODEL #PL-836, MAX. LIFT. HT. 9'-3"  
W/ STRAIGHT-THRU PLATFORM LAYOUT

MACHINE  
TOWER HT.

PLATFORM  
LIFT HT.

3'-6"

4'-11"

2'-0"

1

4

7

8

5

SIGNAGE

SIGNAGE

3050  
D.H.

3050  
D.H.

3050  
D.H.

3050  
D.H.

3050  
D.H.

8'-1"

11'-0"

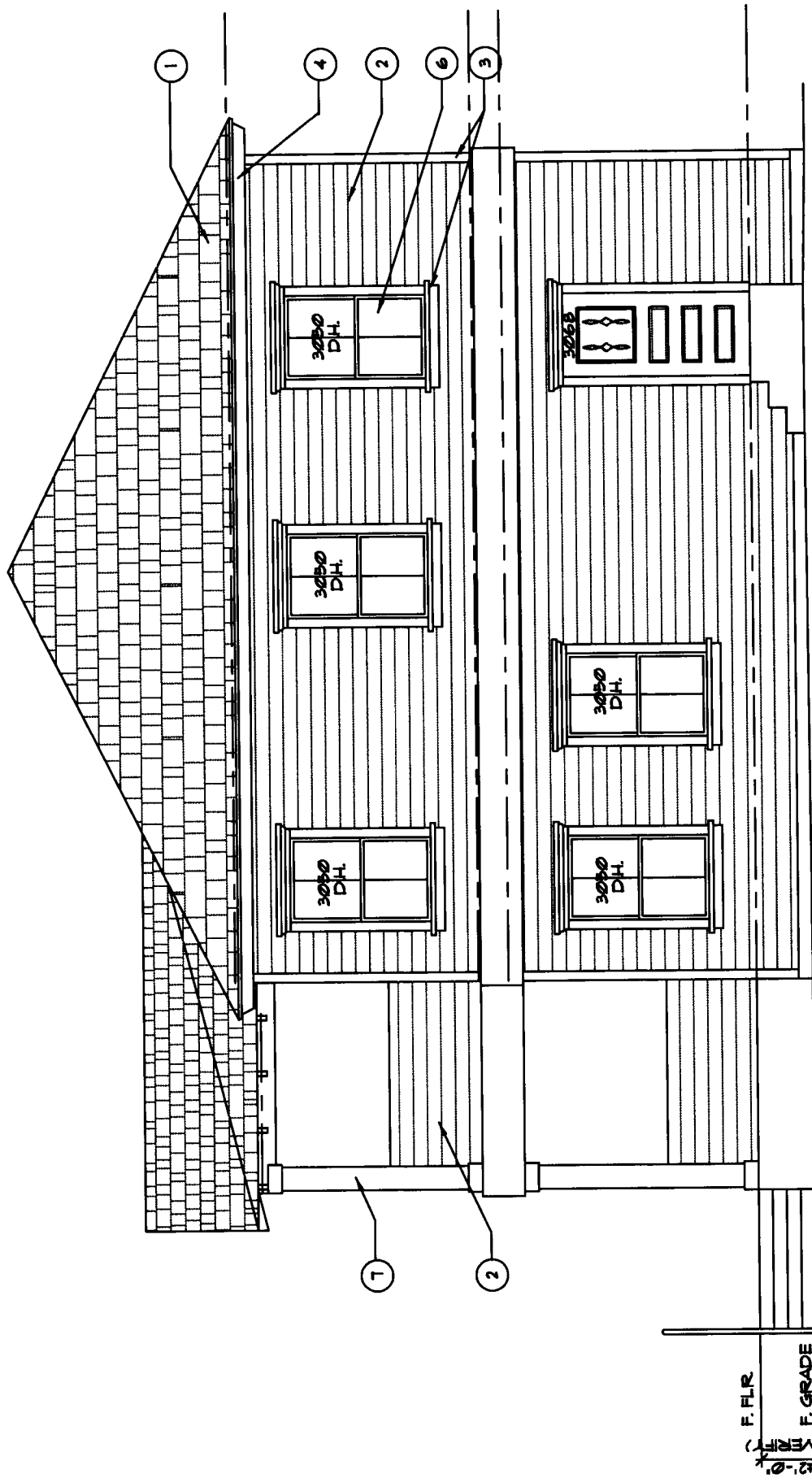
8'-6"

8'-6"

3'-6"

4'-11"

2'-0"

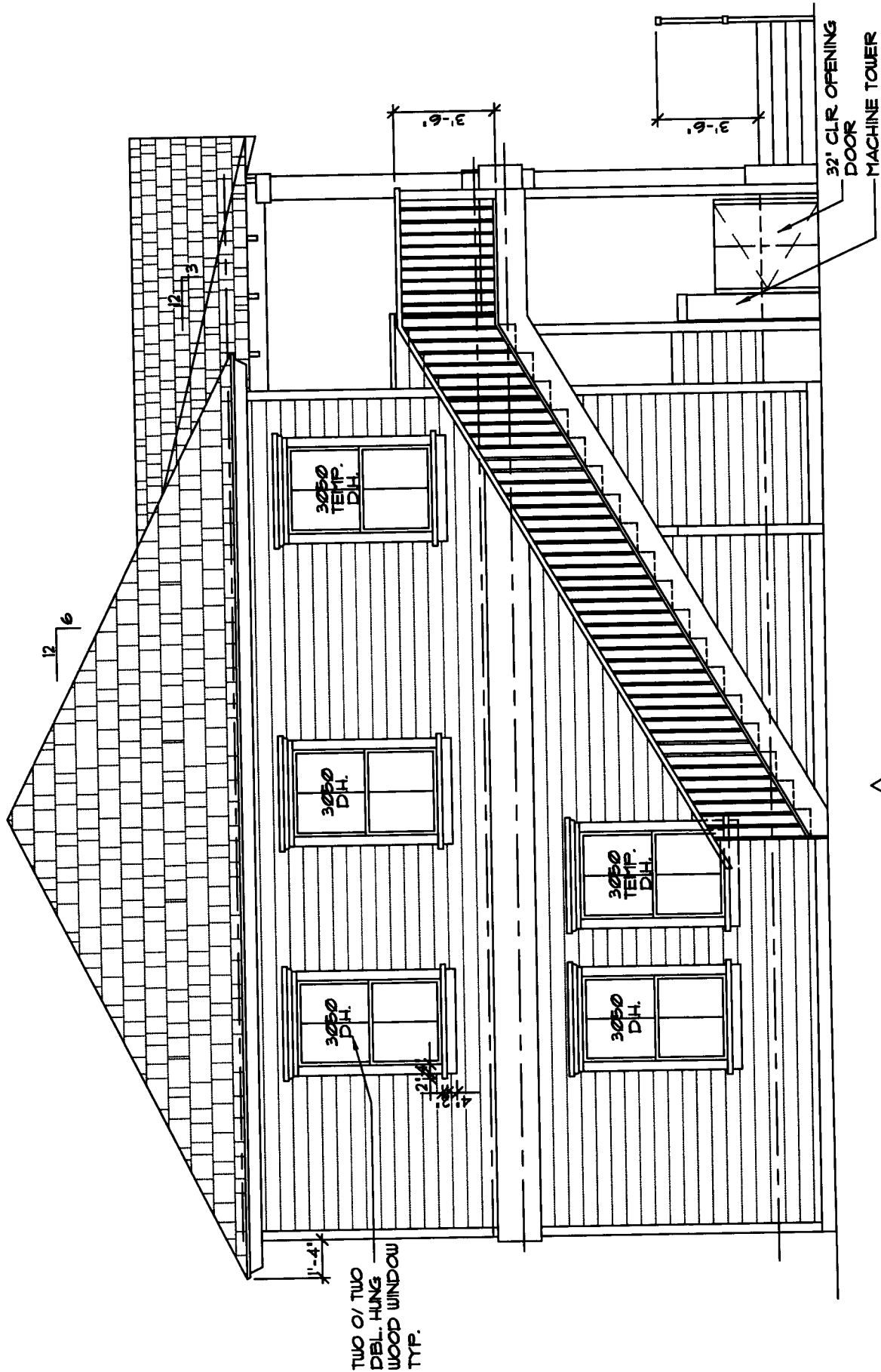


**SOUTH ELEVATION**

SCALE: 1/4" = 1'-0"

F. FLR.  
F. GRADE.



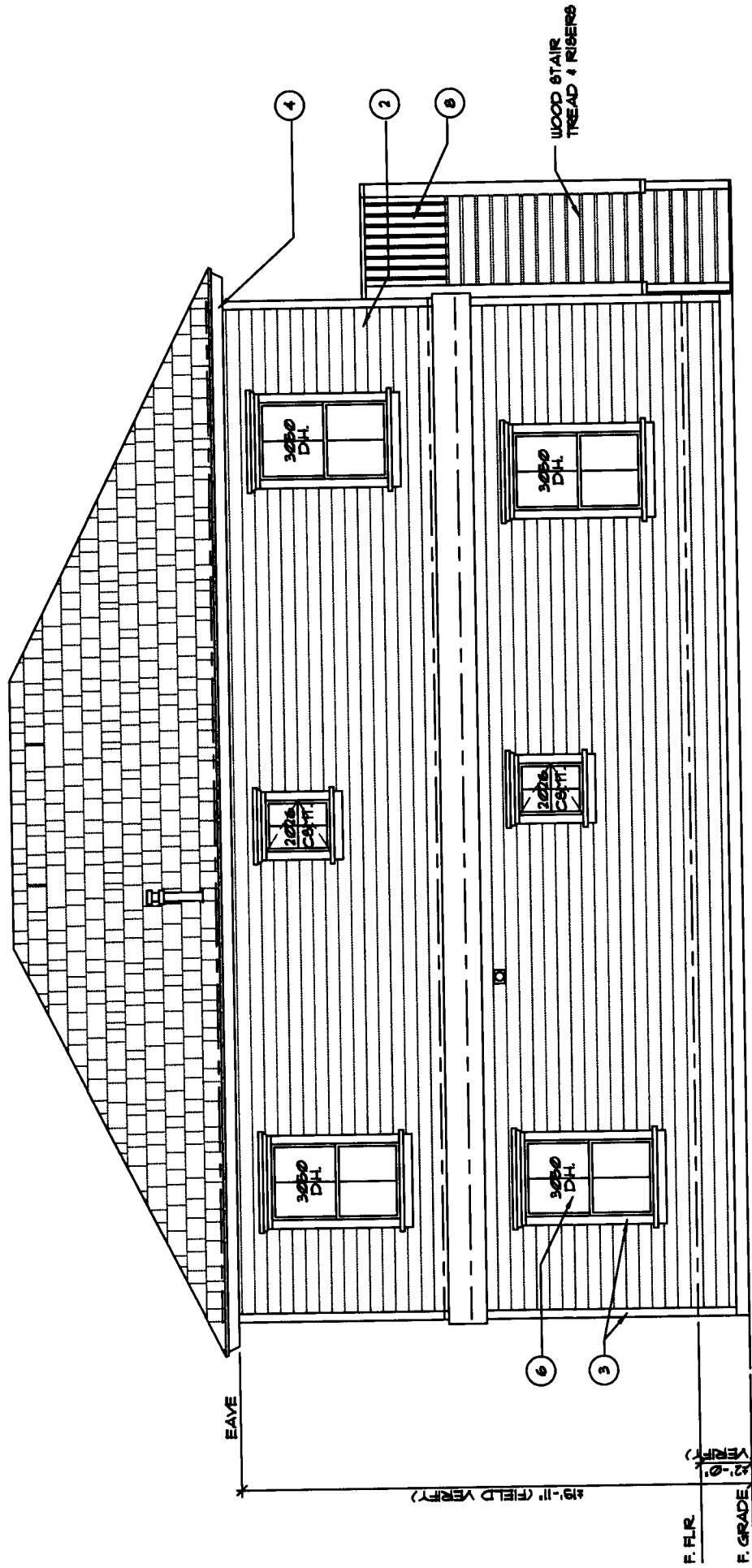


TWO (2) TWO  
 DEL. HUNG  
 WOOD WINDOW  
 TYP.



**NORTH ELEVATION**

SCALE: 1/4" = 1'-0"



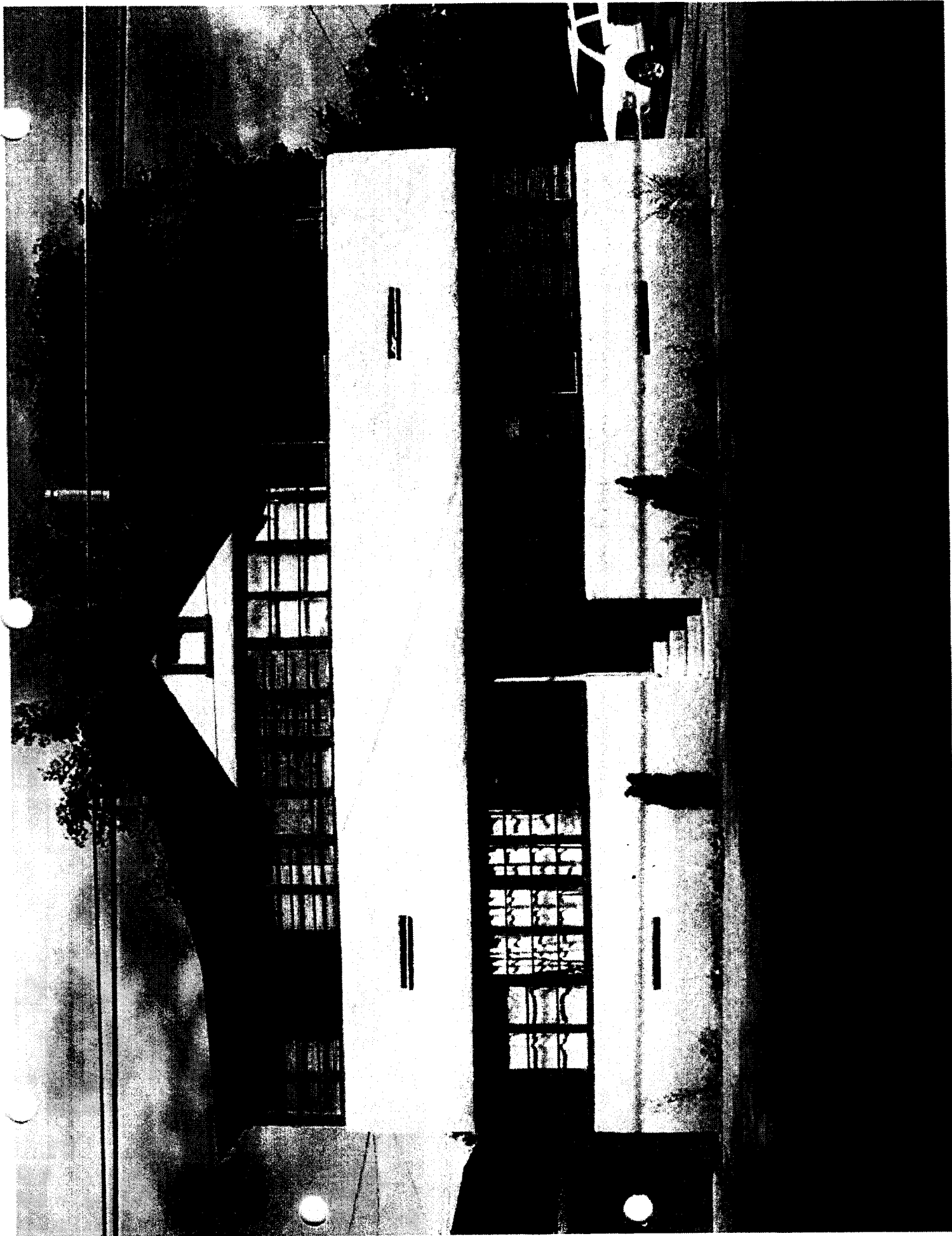
**EAST ELEVATION**

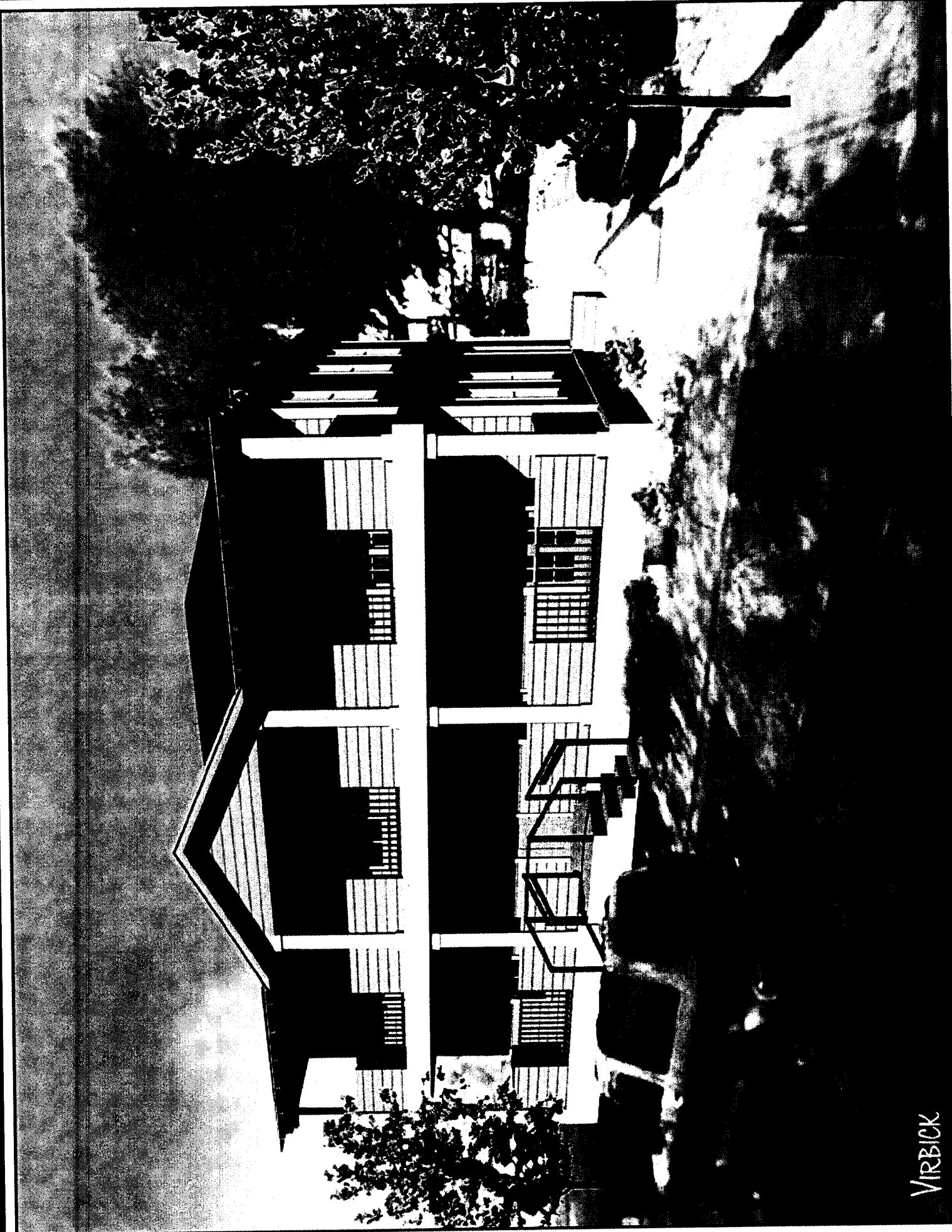
SCALE: 1/4" = 1'-0"

F. FLR. (FIELD VERIFY)  
 F. GRADE (FIELD VERIFY)

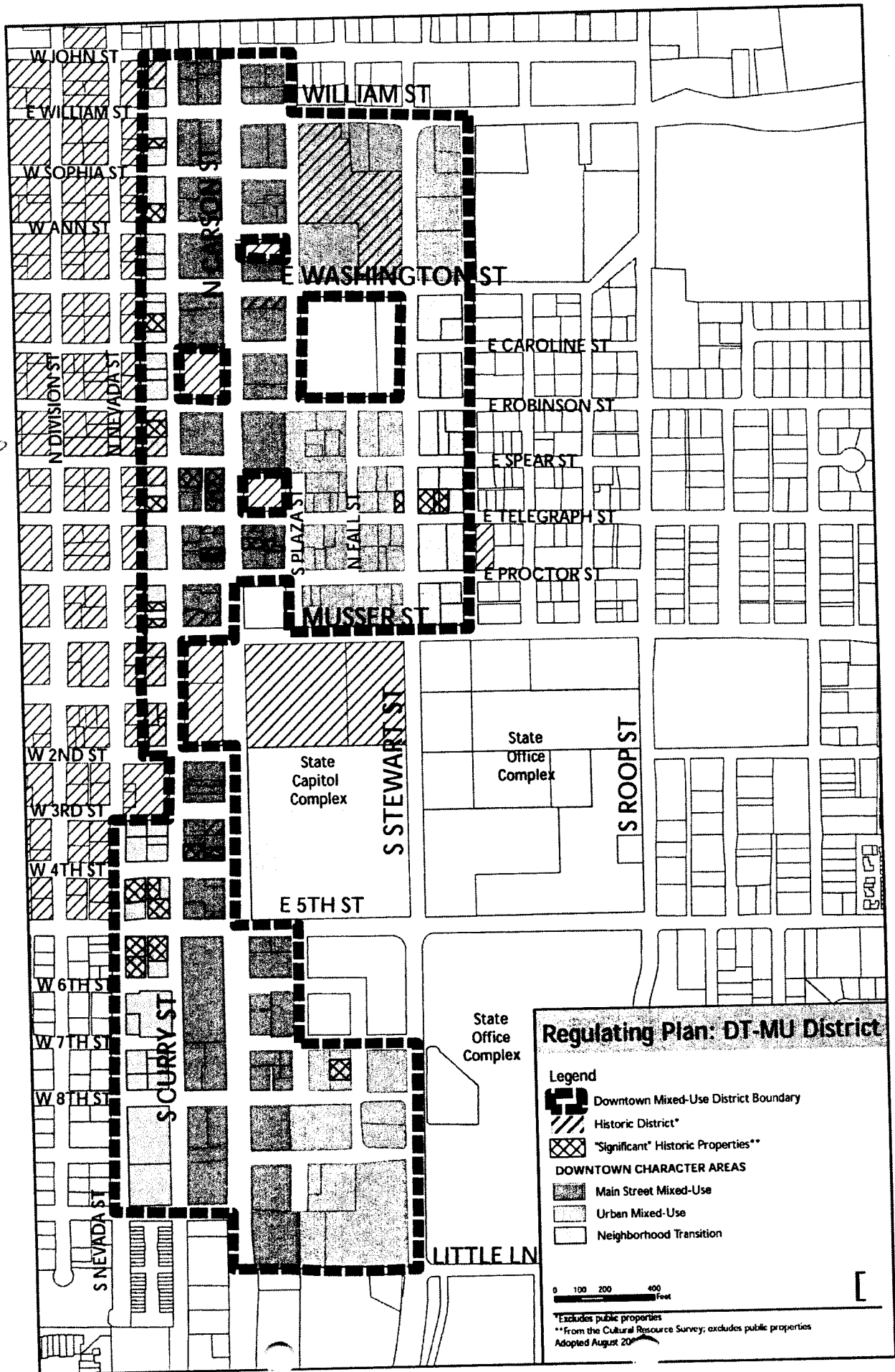
## EXTERIOR FINISHES

- ① (E) ASPHALT SHINGLES:  
COLOR: BROWN
- ② 6" WOOD LAP SIDING:  
'VALSPAR' FLAT ACRYLIC PAINT  
COLOR: WHEATGRASS \*EE2014A
- ③ WOOD WINDOW, DOOR TRIM & CORNER BOARDS:  
'VALSPAR' FLAT ACRYLIC PAINT  
COLOR: WAFT \*EE2045A
- ④ (E) WOOD FASCIA & ACCENTS:  
'VALSPAR' FLAT ACRYLIC PAINT  
COLOR: BARE VALLEY \*EE2017A
- ⑤ ENTRY DOOR:  
WOOD / GLASS  
COLOR: NATURAL WOOD TONE
- ⑥ WINDOWS:  
MANUFACTURER TO BE DETERMINED  
COLOR:
- ⑦ 10" SQ. WOOD COLUMNS:  
'VALSPAR' FLAT ACRYLIC PAINT  
COLOR: WAFT \*EE2045A
- ⑧ W.I. BALCONY/DECK/STAIR RAILING  
'VALSPAR' FLAT ACRYLIC PAINT  
COLOR: AGED AMBER \*EE2014B
- ⑨ VENTS, FLASHING & FLUES:  
COLOR: PAINT TO MATCH ROOF





VRBICK



### Regulating Plan: DT-MU District

**Legend**

- Downtown Mixed-Use District Boundary
- Historic District\*
- "Significant" Historic Properties\*\*
- DOWNTOWN CHARACTER AREAS**
- Main Street Mixed-Use
- Urban Mixed-Use
- Neighborhood Transition

0 100 200 400 Feet

\*Excludes public properties  
 \*\*From the Cultural Resource Survey; excludes public properties  
 Adopted August 2000

## OFFICE SPACE LEASE

### 1. PARTIES

This Lease is made between Division Street Enterprises, LLC, herein called Lessor, and Casey, Neilon and Associates, LLC, herein called Lessee.

### 2. DESCRIPTION

Lessor hereby leases to Lessee, and Lessee hereby hires from Lessor, the space hereinafter called the premises, consisting of square feet of said building located at 503 N. Nevada Street, Carson City, NV 89703.

### 3. TERM

The space is leased for a term of ten (10) years to commence on the first day of August, 2009. Subject to Lessee's ability to keep this Lease in effect for the full term of said Lease, Lessee is hereby granted the option of extending and renewing the term of this Lease for three (3) additional five (5) year periods. The renewal shall be upon the same terms and conditions of this Lease, except that the monthly rental shall be increased to an amount mutually agreed upon by the Lessor and Lessee. The Lessee must give written notice of its intention to renew at least ninety (90) days before the expiration of this term.

### 4. RENT

The monthly rental for the first five (5) years of the Lease shall be at the rate of \$3,685 per month. The monthly rental for the second five (5) years of the Lease shall be at a rate of \$4,422 per month. The total monthly rental payment shall be payable in advance on the first calendar day of each and every month commencing on August 1, 2009. If such rent payment is not received by the fifth day of each month, a ten (10) percent late charge shall be imposed, however this may be waived at management's discretion.

## **5. USE AND OCCUPANCY**

Lessee shall use and occupy the premises for the purpose of operating a certified public accounting firm and to provide facilities for other financial services related business related to the Lessor's business. The Lessor represents that the premises may be lawfully be used for such purpose.

## **6. CONSTRUCTION OF IMPROVEMENTS**

Lessor has finished the interior of the leased premises for initial occupancy according to building standards, with standard walls and outlets. For any interior changes subsequent to occupancy, Lessee shall finish the interior of the leased premises to its specifications which shall include installation of interior partitions, wallpaper, and painting, and shall purchase and install all trade fixtures, floor coverings, and equipment. All such improvements, trade fixtures, floor coverings, and furnishings shall be of first quality and commensurate in appearance, and in keeping with the Lease premises. Throughout the term of this Lease, Lessee shall maintain the same in good order, condition, and repair at its own cost and expense.

## **7. DISPOSITION OF FIXTURES AT END OF LEASE TERM**

All alterations and improvements made by the Lessee in accordance with Section 6 hereof, affixed to the premises, shall become the Lessor's property at the expiration of the term of this Lease and any renewals thereof, and shall be surrendered with the premises. Lessee may remove all personal property, equipment, cabinetry and furnishings at the expiration of the term of this Lease.



## **8. REPAIRS AND MAINTENANCE**

Lessee, at its expense, shall maintain and keep the leased premises, including the interior walls, in good repair. Lessee shall maintain the building roof, exterior walls, windows and doors, heating and air conditioning system, sprinkler system, parking lot and landscaping in good repair. Lessee shall also provide for snow removal.

## **9. JANITORIAL SERVICES**

Lessee shall furnish, at its sole cost and expense, all janitorial services for the leased premises.

## **10. UTILITIES AND SERVICES**

Lessee shall furnish, at its sole cost and expense, telephone service, electricity, gas, heat, air conditioning, water, sewer, and garbage service.

## **11. ASSIGNMENT OR SUBLEASE**

Lessee shall not, without first obtaining the written consent of Lessor, assign, encumber, or sublet the premises herein leased; Lessor shall not unreasonably withhold such consent.

## **12. TAXES**

Lessee shall, at all times during this Lease and at their own expense, be responsible for all payments for real property tax assessments, or other governmental charges. Lessee shall pay all personal property taxes on their equipment and other personal property.

## **13. INSURANCE**

During the terms of the Lease, and for any further time that Lessee shall hold the demised premises, Lessee shall obtain and maintain, at his expense, the following types and amounts of insurance:

(1) Fire insurance. Lessee shall keep the building and all equipment on the demised premises, including all alterations, additions, and improvements made by Lessee insured against loss or damage by fire. The insurance shall be in an amount sufficient to prevent Lessor and Lessee from becoming co-insurers under provisions of applicable policies of insurance, but in any event in an amount not less than one hundred percent (100%) of the full insurable value of the demised premises.

(2) Personal injury and property damage insurance. Insurance against liability for bodily injury and property damage, in the amounts of \$100,000 and \$300,000, shall be provided by Lessee.

(3) It shall be the responsibility of Lessee to maintain all insurance, including public liability, on the exterior of the building and the parking areas.

Lessee shall provide proof of insurance to Lessor on an annual basis.

#### **14. DEFAULT OR BREACH**

Each of the following events shall constitute a default or breach of this Lease by Lessee:

(1) If Lessee, or any successor assignee of Lessee while in possession, shall file a petition for bankruptcy or insolvency, or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors.

(2) If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Lessee, or if a receiver or trustee shall be appointed for all, or substantially all, of the property of Lessee and such proceedings shall be dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.

(3) If Lessee shall fail to pay Lessor any rent, or additional rent, when the rent shall become due and shall not make the payment within ten (10) days after notice thereof by Lessor to Lessee.

(4) If Lessee shall fail to perform or comply with any of the conditions of this Lease and if the nonperformance shall continue for a period of ten (10) days after notice thereof by Lessor to Lessee, or if the performance cannot be reasonably had within the ten (10) day period, Lessee shall not, in good faith, have commenced performance within the ten (10) day period and shall not diligently proceed to completion of performance.

(5) If Lessee shall vacate or abandon the demised premises.

(6) If this Lease or the estate of Lessee hereunder shall be transferred to, or shall pass to or devolve on, any other person or party, except in the manner herein permitted.

(7) If Lessee fails to take possession of the demised premises on the term commencement date, or within ten (10) days after notice that the demised premises are available for occupancy, if the term commencement date is not fixed herein or shall be deferred as herein provided.

#### **15. EFFECT OF DEFAULT**

In the event of any default hereunder, as set forth in Section 14 above, the rights of Lessor shall be as follows:

(1) Lessor shall have the right to cancel and terminate this Lease, as well as all of the rights, title, interest of Lessee hereunder, by giving to Lessee not less than the ten (10) days notice of the cancellation and termination. On expiration of the time fixed in the notice, this Lease and the right, title, and interest of

Lessee hereunder, shall terminate in the same manner and with the same force and effect, except as to Lessee's liability, as if the date fixed in the notice of cancellation and termination were the end of the term herein originally determined.

(2) Lessor may elect, but not be obligated, to make any payment required of Lessee herein or comply with any agreement, term, or condition required hereby to be performed by Lessee, and Lessor shall have the right to enter the demised premises for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, but any expenditure for the correction by Lessor shall not be deemed to waive or release the default of Lessee, or the right of Lessor to take any action as may be otherwise permissible hereunder in the case of any default.

(3) Lessor may re-enter the premises immediately and remove the property and personnel of Lessee, and store the property in a public warehouse or at a place selected by Lessor, at the expense of Lessee. After re-entry, Lessor may terminate the Lease upon giving ten (10) days' written notice of termination to Lessee. Without the notice, re-entry will not terminate the Lease.

(4) After re-entry, Lessor may relet the premises, or any part thereof, for any term without terminating the Lease, at the rent and on the terms as Lessor may choose. Lessor may make alterations and repairs to the premises. Lessee shall not be liable for expenses of the reletting, for the alterations and repairs made, or for the difference between the rent received by Lessor under the new lease agreement and the rent installments that are due for the same period under this Lease.

## **16. DESTRUCTION OF PREMISES**

In the event of a partial destruction of the premises during the Lease term from any cause, Lessor shall forthwith repair the same provided the repairs can be made within thirty (30) days under the laws and regulations of applicable governmental authorities. Any partial destruction shall neither annul nor void this Lease, except that Lessee shall be entitled to a proportionate reduction being based on the extent to which the making of repairs shall interfere with the business carried on by Lessee in the premises. If the repairs cannot be made in the specified time, Lessor may, at Lessor's option, make repairs within a reasonable time, this Lease continuing in full force and effect and the rent to be proportionately rebated as previously set forth in this section. In the event that Lessor does not elect to make repairs that cannot be made in the specified time, or those repairs cannot be made under the laws and regulations of the applicable governmental authorities, this Lease may be terminated at the option of the Lessee. Should the building in which the demised premises are situated be destroyed to the extent of not less than fifty percent (50%) of the replacement cost thereof, this Lease shall be terminated. Any dispute between Lessor and Lessee relative to the provisions of this section shall be subject to arbitration. Each party shall select an arbitrator and the two arbitrators so selected shall select a third arbitrator between them, the controversy being heard by the three arbitrators so selected. The decision of the three arbitrators shall be final and binding on both Lessor and Lessee, who shall bear the cost of the arbitration equally between them.

## **17. NOTICE**

All notices are to be given, with respect to this Lease, in writing. Each notice shall be sent by registered or certified mail, postage prepaid, and return receipt requested, to the party to be notified at the address set forth herein, or at such other address as either party may, from time to time, designate in writing. Notices shall be sent to Lessor at 503 N. Division Street, Carson City, NV 89703, and to Lessee at 503 N. Division Street, Carson City, NV 89703.

**18. ARBITRATION**

In a situation where this Lease provides for the settlement of a dispute or question by arbitration, the same shall be settled by arbitration in accordance with the current rules of the American Arbitration Association, and judgment on the award rendered may be entered in any court having jurisdiction thereof.

**19. TOTAL AGREEMENT, APPLICABLE TO SUCCESSORS**

This Lease contains the entire agreement between the parties and cannot be changed or terminated, except by written instrument subsequently executed by the parties hereto. This Lease, and the terms and conditions hereto, apply to and are binding on the heirs, legal representatives, successors, and assigns of both parties.

**20. LITIGATION COSTS**

If any such legal action is instituted to enforce this Lease or any term, condition, or covenant thereof, the prevailing party shall be entitled to recover attorneys fees and costs of such amount as the court may deem reasonable.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

LESSOR:

Division Street Enterprises, LLC

By \_\_\_\_\_  
Darsi Casey, Member

LESSEE:

Casey, Neilon & Associates, LLC

By \_\_\_\_\_  
Nicola Neilon, Member

STATE OF NEVADA        )  
                                      : ss  
CARSON CITY            )

On \_\_\_\_\_, \_\_\_\_\_, personally appeared before me, a Notary Public, Darsi J. Casey, who acknowledged that he executed the above instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEVADA        )  
                                      : ss  
CARSON CITY            )

On \_\_\_\_\_, \_\_\_\_\_, personally appeared before me, a Notary Public, Nicola Neilon, who acknowledged that she executed the above instrument.

\_\_\_\_\_  
Notary Public