

City of Carson City
Agenda Report

Item # 23E

Date Submitted: May 11, 2010

Agenda Date Requested: May 20, 2010

To: Redevelopment Authority

Time Requested: 15 minutes

From: Joe McCarthy, Office of Business Development

Subject Title: Action to recommend to the Board of Supervisors denial of the \$40,180.00 incentive request by James and Jie Gotchy, owners of Lily's China Bistro in conjunction with their new remodeling project located at 1280 S. Carson Street, with the Redevelopment Authority finding that this project does not meet the incentive program criteria and the necessary findings set forth in NRS 279.486. (Joe McCarthy)

Staff Summary: The owners and operators of Lily's China Bistro, James and Jie Gotchy, are requesting a redevelopment incentive to support improvements associated with the remodeling and reopening of a new Asian restaurant in the space formerly occupied by a defunct fast food fish and chips establishment and more recently a bakery. This new restaurant is currently open for business. The applicants want to apply incentive funds to pay off costs incurred with the rehabilitation of the property and apply some of the funding to a second phase planned for later this year.

The applicant paid for the remodel and opened the business without the assistance of a redevelopment grant, making the applicant ineligible for funding. The RDA's incentive program does not provide costs reimbursement for projects already completed prior to a hearing by the Redevelopment Authority Citizens Committee. On May 3, 2010 RACC recommended denial of this expenditure.

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 recommend to the Board of Supervisors denial of the \$40,180.00 incentive request by James and Jie Gotchy, owners of Lily's China Bistro in conjunction with their new remodeling project located at 1280 S. Carson Street, with the Redevelopment Authority finding that this project does not meet the incentive program criteria and the necessary findings set forth in NRS 279.486.

Explanation for Recommended Board Action: See Staff Summary.

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

Fiscal Impact: \$40,180.00 of tax increment funds available in the RDA's unspent bond

Explanation of Impact: Incidental to redevelopment's overall annual budget

Funding Source: Bond proceeds associated with Redevelopment Project Area No. 1

Alternatives: Not approve the funding program, whole or in part

Supporting Material: Application with supporting material

Prepared By: Eva Chwalisz, Management Assistant

Reviewed By:

James W. Conroy
(Department Head)

Date: 5-7-10

[Signature]
(City Manager)

Date: 5/4/10

Melanie Boukett
(District Attorney)

Date: 5-11-10

[Signature]
(Finance Director)

Date: 5/11/10

Board Action Taken:

Motion: _____

1) _____	Aye/Nay
2) _____	_____

(Vote Recorded By)

Lily's China Bistro

**Lyly's China Bistro, LLC
1280 S. Carson Street
Carson City, NV 89701
775-885-8080**

February 23, 2010

Joe McCarthy, Director
Office of Business Development
201 N. Carson Street, Suite #1
Carson City, NV 89701

RE.: Incentive Program Application for Redevelopment Lyly's China Bistro

Dear Mr. McCarthy,

Enclosed is our Incentive Program Application for our project located at 1280 S. Carson Street, Carson City, Nevada. As stated in our application, our redevelopment objective is to cure the blighted building and convert it to the bistro.

We are a family business attempting to open a new business. Our available capital is extremely limited amounting to \$30,000.00 only in cash the balance of the money is all borrowed short term including:

- Unsecured line of credit
- Three credit cards
- Family members

If anyone thinks this type of financing is "reasonable" for an endeavor like this, I would like to debate that opinion. However, we will be successful because of the following facts:

- ✓ We have the best location
- ✓ We offer dine in Chinese cuisine and sushi, and a potentially equally profitable drive-thru
- ✓ We have extensive experience in our respectful fields, small business operation and restaurant operation management
- ✓

Also, this redevelopment project will allow us to enhance employment opportunities by adding new employees. But, we need your help to open and produce revenue.

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

Sincerely,

James & Jie Gotchy

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



Incentive Program Application

Name of Business: Lily's China Bistro		Date: January 25, 2010	
Business Address: 1280 S. Carson Street, Carson City, NV 89701			
Name of Tenant: James & Jie Gotchy		Phone Number: 775-882-3609 Home 775-885-8080 Bistro # 775-450-2538 Cell #	
Address of Tenant: 3540 E. Nye Ln., Carson City, NV 89706		Fax: 775-882-3609	
		E-mail: N/A	
Name of Property Owner: Benjamin Chayra		Phone Number: 775-853-1688	
Address of Property Owner: 10114 ViaPonte, Reno, NV 89511		Fax: 775-882-3609	
		E-mail:	
History of Development Entity: Formerly Long John Silver's-closed for 3 years. Recently the Suger Plum Bakery. Now leased to Lily's China Bistro, LLC for 10 years. Building Permit issued December 24, 2009.		How Development vision complies with objectives of redevelopment agency plan: Takes a potential good building and puts a going business in producing sales tax revenue.	
Project Name: Lyly's China Bistro		Project Area: (check one) • Area #1 <input type="checkbox"/> • Area #2 <input type="checkbox"/>	
Project Address / Location: 1280 S. Carson Street, Carson City, NV		Assessors Parcel Number: 003-063-14	
Bldg Size: 2,085 sqft		Land Area: Part of Burger King parcel = 1.41 acres for both areas to be parceled in the future	

Does the applicant own an existing business?	✓ Yes and	✓ No
If yes, what is the name of the business?	Gotchy Family Shoes	
Number of years business has existed:	25 years in CC	
Number of year's business has existed under the ownership of applicant?	25 years	
Please attach the most recent financial reports for this business along with a credit report.	Schematic drawings of conceptual site plan.	
<ul style="list-style-type: none"> Organizational structure of development entity, including delineation of lines of responsibility. 	<ul style="list-style-type: none"> Proof of development entity ownership control, or a description of how entity intends to gain ownership control. 	<ul style="list-style-type: none"> Breakdown of the sources and use of funds for the construction of the project. Pro-forma profit and loss statement for the project covering at least 5 years.
Project Team: *Attach resumes for all	*Architect / *Designer	Robert Darney 883-3444
	*Contractor	Norm Denny 691-7101
	*Attorney	Sandra-Mae Pickens
	*Accountant	Pro-Balanced 246-3363
	*Project Manager	Nick Maerz 230-8169
	*Construction Manager	James Gotchy
	*Development Consultant	
Economic Impact Information	Anticipated Annual Payroll	\$94,000.00
	Description of how applicant will adhere to employment plan, if applicable.	Growth will insure current numbers of employees and require add additional employees
	Anticipated Annual Sales Tax Collections	\$29,000.00
	Anticipated Increase in Property Value (for business)	\$150,000.00

Project Description:

Phase I – will be completed on March 15, 2010. Remodeling the space to include new kitchen, hood, deep fryers, refers, ice maker, sushi counter, update existing signage.

Phase II –commencing in October 2010 or April 2011:

Remodel bathrooms @ \$5,000, kitchen @ \$3,900, new roof @ \$6,000, exterior sign, interior lighting L.E.D., drive thru, equipment update @ \$2,000, gas meter @ \$2,200 and other costs = **total cost of \$26,000.00**

See attached.

Total Tenant / Property Owner Investments	Land Acquisition:	\$	
	Site Development Costs:	\$	
	Public Improvements:	\$	
	Building Costs (Hard): DEPOSITS	\$7,000.00	
	Soft Costs (Professional / legal, etc.)	\$4,000.00	
	Other: Lease Hold/Improvements	\$65,000.00	
	Other: Personal Properties	\$53,000.00	
	Total	\$129,000.00	
Total Tenant Investment	Site Development Costs:	\$	%
	Public Improvements:	\$	%
	Building Costs (Hard): Start-up costs	\$21,000.00	%
	Soft Costs (Professional / legal, etc.)	\$	%
	Other:	\$	%
	Other:	\$	%
		Total	\$149,000.00
Total Property Owner Investment	Land Acquisition:	\$	%
	Site Development Costs: Prior Bakery	\$175,000.00	%
	Public Improvements:	\$	%
	Building Costs (Hard):	\$	%
	Soft Costs (Professional / legal, etc.)	\$	%
	Other:	\$	%
	Other:	\$	%
	Total	\$	%
Total Estimated Project Cost for Tenant Phase I & II		\$200,900.00	
Total Incentive Funds Requested plus Phase II \$26,000.00		\$40,180.00	
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. See attached			
Estimated Project Start Date		12/26/2009	
Estimated Project Completion Date		03/15/2010	
Do you have a Business Plan?		<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Number of years business has existed under current organization:		New Business	

PROJECT DESCRIPTION:

PHASE I

Was completed March 23, 2010. Remodeling the space includes: new kitchen, hood, deep fryer, refers, ice maker, sushi counter, updating existing signage, also, the gas meter. Many equipment repairs and other small equipment was needed.

PHASE II

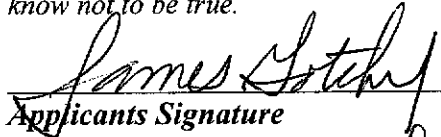
Commencing in October 2010 or April 2011. Remodel bathroom at \$ 2,600.00, new roof at \$7,000.00, drive thru, equipment update at \$2,500, exterior paint at \$3,850.00, new booth seating at \$ 4,800.00. Total cost of \$24.900.00

Total Tenant Investment	Site Development Costs:	\$	%
	Public Improvements:	\$	%
	Building Costs (Hard):	\$65,000.00	%
	Soft Costs (Professional / legal, etc.)	\$4,000.00	%
	Other:	\$53,000.00	%
	Other:	\$31,000.00	%
	Total	\$160,000.00	%
Total Property Owner Investment	Land Acquisition:	\$525,000.00	%
	Site Development Costs:	\$	%
	Public Improvements:	\$	%
	Building Costs (Hard):	\$175,000.00	%
	Soft Costs (Professional / legal, etc.)	\$	%
	Other:	\$	%
	Other:	\$	%
Total	\$	%	
Submittals Checklist	Please submit where applicable:		
		Architects / Designer Proposal	
		Architects / Designer Renderings or Drawings	
		Project Budget Detail	
		Site Plan	
		Lease Agreement	
		Building / Project Elevations	
		Principals and Key Individuals Resumes (see above)	
		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.	
		Identification of current banking relationships and major credit references.	
		Name, address and phone number of companies that have issued performance bonds on previous developments.	
<ul style="list-style-type: none"> Your project must conform to all applicable codes, ordinances, and regulations as well as the common design principles established by Downtown Design Standards. 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. Shop drawings must also be submitted for review for all awnings, ornamental ironwork, and signs prior to beginning work. 			

Acknowledgement of Application Provisions:

- I affirm that this project will not be initiated without written commitments and completed contract with the Consolidated Municipality of Carson City.
- I affirm that this project conforms to all applicable codes, ordinances and regulations, as well as the common design principles for Downtown Carson City.
- All applicable permits will be obtained for this project and all accompanying inspections will be successfully completed to receive reimbursement.
- 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.
- 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.

I declare, under penalty of perjury, that I have not, in the filing of this application; willfully made any false statements nor have I made any unqualified statements that I know not to be true.



Applicants Signature

Date

02/06/2010



Applicants Signature

02/06/2010

Applicants Signature

***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.

(For Internal Use Only)	Date
Application Approved:	
Project Commenced:	
Project Completed:	
Reimbursement Request submitted to Finance Department	
Reimbursement remitted to Applicant	

James Gotchy
RESUME

EDUCATION:

- Bachelor Degree in Business /Marketing – UNR in 1972
- UNR Ski Team

WORK EXPERIENCE:

- Creator and owner of Gotchy Family Shoes in:
 1. Carson City "Carson Mall"
 2. in Downtown Reno
 3. Park Lane Mall
 4. Meadow Mall
- In 1975 License Contractor
- Previous owner of cattle ranch in Fallon, Nevada

GOALS/SKILLS:

- ✓ An entrepreneur
- ✓ A survivor
- ✓ Hard working
- ✓ Lover of projects
- ✓ Very productive

FAMILY:

Re-married with three grown children and grandchildren

**Jie Gotchy
RESUME**

EDUCATION:

- Accounting Degree in China

WORK EXPERIENCE:

- Gotchy Family Shoes in: Carson City "Carson Mall"
- In Carson City, China East - restaurant, waitress
- In Carson City, China Chef - restaurant, waitress
- In Carson City, Mings - restaurant, waitress
- In Carson City, Bamboo Garden - restaurant, waitress
- In Vacaville, CA – restaurant, bus girl
- Company in China - accounting

GOALS/SKILLS:

- ✓ A survivor
- ✓ Hard working
- ✓ Lover of projects
- ✓ Very productive

FAMILY:

Re-married with grown child

PRO-BALANCED
BOOKKEEPING  TAX SERVICE

PO BOX 21743, CARSON CITY, NV 89721 PH 775-246-3363 FAX 775-246-5577

March 4, 2010

Carson City Business Development
Attn: Ava Chwalisz

To Whom it May Concern:

James and Lilly Gotchy have agreed to retain our services to prepare their financial statements and annual tax returns for Lilly's China Bistro. I have worked with James for years in his prior business and foresee a prosperous outcome for his new endeavor. If I can be of any further assistance please don't hesitate to ask.

Kelly King
Owner

ROBERT M. DARNEY
4137 Kings Canyon Rd.
Carson City, NV 89703
775-721-7563

REGISTRATION:

Nevada Registered Architect #3044
Arizona Registered Architect #23471

EDUCATION:

Bachelor of Sciences/Architecture; Arizona State University
Associate of Science in Architectural Technology; University of Nevada, Reno
Technical degree in Architectural Drafting; Phoenix Institute of Technology

EXPERIENCE:

Thirty (30) years of Design and Project Management experience in a diverse variety of Gaming, Destination Resorts, Hospitality, Education, Healthcare, Entertainment, Commercial, Industrial, Government and Residential projects.

- 2005 – Present Owner, Robert M. Darney, Architect, private practice, Carson City, NV
Commercial, Gaming, Hospitality, Industrial, Multi-family, high end Residential.
- 1995-2005 Partner, Hannafin/Darney Architects, LLP. Carson City NV
Commercial, Industrial, Hospitality, Government Contracts and high end Residential
- 1993 – 1995 Morris and Brown Architects, Project Architect, Reno, NV
Entertainment, Hospitality, Commercial, specializing in large high-rise Hotel/Casinos, Gaming Vessels, and Destination Resorts.
- 1994 - 1995 Fred Dolven Architect, Project Architect, Reno, NV
Education, Healthcare, Government Contracts
- 1990 – 1993 Peter B. Wilday, Architect, Project Architect, Reno, NV
Entertainment, hospitality, commercial, contract interiors, and high end Residential. Specializing in Hotel/Casinos, Gaming Vessels and Destination Resorts.
- 1989 – 1990 Mentgen Associates, Architects, Project Architect, Reno, NV
Education, University of Nevada, Reno

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- 1988 – 1989 Brock, Craig and Thacker Architects, Project Architect, Mesa, AZ.
Education, specializing in K-12, commercial, Government Contracts.
- 1987 – 1988 Hickman, Schafer, Turley, Beck Architects, Project Architect, Mesa, AZ
Education, specializing in K-12 schools, Government Contracts.
- 1984 – 1987 Brock, Craig and Thacker Architects, Project Manager, Mesa, AZ.
Education, specializing in K-12 schools, commercial, Government
Contracts.
- 1982 – 1984 Peter B. Wilday Architect, Job Captain – Draftsman, Reno, NV
Entertainment, Hospitality, Commercial, Contrast Interiors, and high
end Residential. Specializing in Hotel/Casinos and Destination
Resorts.
- 1981 Aquamatic Systems Ltd., Senior Draftsman, Reno, NV
Restaurant Kitchen Designer, Stainless Steel, Ventilation systems.
- 1980 – 1981 Dolven, Larsen, Daniels, Job Captain – Draftsman, Reno, NV
Education, specializing in K-12 schools, commercial, Airport
Terminals, Government Contracts.
- 1979 Guardino Architect, Draftsman, Phoenix, AZ
Education, Commercial.

COMMUNITY SERVICE:

- 2001 – Present Historic Resources Commission, Vice Chairman, Carson City, NV
- 2003 Carson City Leadership Program, Class President.
- 2001 – 2005 Carson City Development Services, Appeals Committee, Vice Chairman
- 1974 – Present Boy Scouts of America, Eagle Scout, ongoing volunteer.
- 1981 Alumnus, Sigma Nu Fraternity, Delta Xi chapter, UNR

ESTIMATE PROJECT COST

Contractor – includes all kitchen	\$52,000.00	
Project Manager	\$ 5,000.00	
Architect	\$ 2,500.00	
Leasehold Improvements	\$65,000.00	
Personal Property	\$53,000.00	
<hr/>		
TOTAL COST TO OPEN:		\$150,000.00

SOURCE OF CREDITS

Bank of America	(\$70,000.00)	
Owner/cash	(\$92,000.00)	
<hr/>		
TOTAL DEBT:		\$162,000.00

CREDIT SCORE: 810

ESTIMATE PROFIT & LOSS STATEMENT

The economic projections conditions for profit and loss :

1. Our business will peak in 2012 before the economy generally retreats after 2012, in the years 2013 and 2014 as the economy suffers from:
 - ✓ High interest rates and a contraction of the economy
 - ✓ An annual inflation rate of 5-8% annually
 - ✓ Increased unemployment in 2013 and 2014 after generally high rates of unemployment in 2010 through 2011. In 2012 employment will be the best year in our opinion running around 8%.

2. The slowing and flatter economy after 2012 will affect our bottom line as indicated in our estimates.

**ESTIMATE PROFIT & LOSS STATEMENT
FOR 2010**

Income :		
Monthly average	\$30,000.00	
		\$369,000.00

Expenses:		
Payroll	\$108,000.00	
Rent	\$ 50,000.00	
Utilities	\$ 30,000.00	
Credit Cards	\$ 12,000.00	
Cost of food	\$ 24,000.00	
Advertising	\$ 10,000.00	
Other Payments (insurance, etc)	\$ 26,000.00	
		\$260,000.00
Estimated Profit:		\$100,000.00



**ESTIMATE PROFIT & LOSS STATEMENT
FOR 2011**

Income :		
Monthly average	\$40,000.00	
		\$480,000.00

Expenses: 3% Increase		
Payroll	\$118,000.00	
Rent	\$ 53,000.00	
Utilities	\$ 36,000.00	
Credit Cards	\$ 16,000.00	
Cost of food	\$ 25,000.00	
Advertising	\$ 10,000.00	
Other Payments (insurance, etc)	\$ 28,000.00	
		\$286,000.00
Estimated Profit:		\$194,000.00

**ESTIMATE PROFIT & LOSS STATEMENT
FOR 2012**

Income :		
Monthly average	\$45,000.00	
		<hr/> \$540,000.00
Expenses: 3% Increase	\$303,000.00	
		<hr/> \$303,000.00
Estimated Profit:		\$237,000.00



**ESTIMATE PROFIT & LOSS STATEMENT
FOR 2013**

Income :		
Monthly average	\$40,000.00	
		<hr/> \$480,000.00
Expenses: 3% Increase	\$312,000.00	
		<hr/> \$312,000.00
Estimated Profit:		\$168,000.00



**ESTIMATE PROFIT & LOSS STATEMENT
FOR 2014**

Income :		
Monthly average	\$35,000.00	
		<hr/> \$420,000.00
Expenses: 3% Increase	\$321,000.00	
		<hr/> \$321,000.00
Estimated Profit:		\$ 99,000.00

Pinnacle Construction Consultants Inc. DbA P.C.C.I.

Nevada Contractor License # 0072914 Bid Limit \$ 750,000.00

P.O. Box 1634 Minden Nv. 89423

Phone 775-783-9629 Cell 775-691-7101 Fax 775-783-0076

Lilly's China Bistro Extra's

Coleman Electric 2-17-2010

1. Repair sign circuit and time clock \$ 288.00
2. Install 220 volt circuit to dishwasher, plans show 110 volt, bigger wire and repull to box \$172.00
3. Repull circuit to walkin box, original wire was fed under slab and removed when we removed wing wall at 3 compartment sink, unknown location \$ 120.00
4. Relocate circuit to AC on roof, circuit removed during demo, unforeseen location \$ 191.00

3-3-2010

1. Clear trouble in drive up window lights at tenants request \$ 120.00
2. Connect solenoid to MAU ,not on plans. \$ 65.00
3. Trace wiring in parking lot at tenants request \$ 200.00
4. Install power to fluorescent light above mixer, unforeseen circuit during demo \$ 65.00
5. Add outlets for rice cooker and warmer, appliances not on plans \$ 150.00

Total Coleman Electric \$ 1371.00

Olsen Heating

1. Seal ducts on roof \$ 390.00

Total Olsen \$ 390.00

Gore Plumbing

2-17-2010

1. Install 1" gas piping to MAU on roof, install 3/4 " drain line from MAU to downspout and water supply from water heater area to MAU. [Not on plans or hood comparison sheet] material and labor \$ 1290.00
2. Replace spout on prep sink per request \$ 39.00
3. Assemble and install owner supplied 3 compartment sink, material and labor \$ 182.00

Gore Plumbing Cont.

3-05-2010

- 1. Bid for medium pressure gas system conversion see attached. \$ 1525.00
Extra labor may be involved if existing system does not hold pressure**

Total Gore Plumbing \$ 3036.00

ABC Fire

- 1. Relocate ansul fire nozzles over wok area's, hood was ordered with plans dated 11-10-09
specification sheets not received until permits were issued \$ 350.00**

Total ABC Fire \$ 350.00

Total Extra's \$ 4797.00

Phase I

Pinnacle Construction Consultants Inc. Dba P.C.C.I.

Nevada Contractor License # 0072914 Bid Limit \$ 750,000.00

P.O. Box 1634 Minden Nv. 89423

Phone 775-783-9629 Cell 775-691-7101 Fax 775-783-0076

Lilly's China Bistro

Tenant improvement contract totals

1. Original contract amount \$ 49,469.40
2. Change order 1 totals \$ 1,748.64
3. Change order 2 totals \$ 4,797.00

Total \$ 56,014.04

Phase II

Pinnacle Construction Consultants Inc. DbA P.C.C.I.

Nevada Contractor License # 0072914 Bid Limit \$ 750,000.00

P.O. Box 1634 Minden Nv. 89423

Phone 775-783-9629 Cell 775-691-7101 Fax 775-783-0076

Proposed Estimate for Lilly's Tenant Improvements

- | | |
|---|------------|
| 1. Pressure wash and paint exterior of structure two color | \$ 3850.00 |
| 2. Relocate the sink in the Men's bathroom | \$ 1200.00 |
| 3. Remove one sink in women's restroom install vanity | \$ 1100.00 |
| 4. Relocate water closets in restrooms | \$ 4200.00 |
| 5. Sheetrock repair and texture in bathroom | \$ 300.00 |
| 6. Provide and install seating booths per your design | \$ 4800.00 |
| 7. Repair all electrical lights in parking lot and drive thru | \$ 1500.00 |
| 8. Rebuild menu boards | \$ 600.00 |

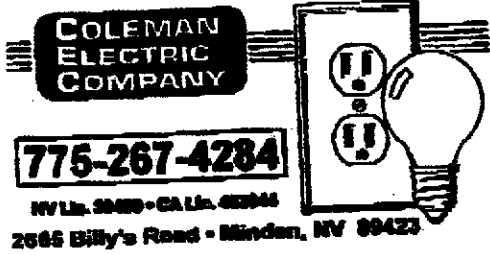
Sub Total \$ 17,550.00

Pinnacle supervision, profit and overhead 20 % \$ 3510.00

Total \$ 21,060.00

17,550
4800
12,750

2600
7000
2500
3850
4800
20750
4150
24900
x 20%



ORIGINAL BID

Sept. 25, 2009

Pinnacle Construction Consultants
P.O. 1634
Minden, NV 89423

Proposal for Lilly's China Bistro

Electrical work as listed

- 1. Roof make up air unit \$325.00
- 2. Item 1 change 220 circuit to 2 110 volt outlets \$150.00
- 3. Item 2 110 volt outlet \$75.00
- 4. Item 3 110 volt outlet \$75.00
- 5. Item 4 x 2 110 volt outlets \$150.00
- 6. Item 5 x 2 110 volt outlets \$150.00
- 7. Item 9 110 volt outlet \$75.00
- 8. Item 12 110 volt outlet \$75.00
- 9. Item 14 110 volt outlet \$75.00
- 10. Item 15 110 volt outlet \$75.00
- 11. Item 16 110 volt outlet \$75.00
- 12. Item 22 Hood wiring \$450.00
- 13. New closet \$150.00

Total Job Amount \$ 1900.00

Thank you

Doug Coleman
Coleman Electric Company

Second Line



1/14/2010

Estimate

To: James Gotchy
3540 Eny Lane
Carson City, NV 89706
Phone: (775) 450-2538
Fax: (775) 882-3609

From: Cullincini Restaurant Supply
Dante Cullincini
973 Arden Way
Sacramento, CA 95815-3238
Phone: (916) 921-1190
Fax: (918) 921-1699

Table with columns: Item, Qty, Description, Sell Each, Sell Total. Contains 6 main items: 6 (Sushi display case), 7 (Fryer), 10 (Hotplate), 11 (Equipment stand), 12 (Water boiler), 14 (Bus cart).

direct

James Gotchy

Item	Qty	Description	Sell Each	Sell Total
		Bus Cart, 31-3/4" x 15-3/4", (3) open shelves, push handle, stainless steel construction, casters		
		Extended Total for Item No. 14:	\$198.00	
15	1	ea MINI DISPLAY WARMER Hatco Model No. MDW-1X Packed: each	889.00	889.00
		Mini Display Warmer, counter model, one door, (3) magnetically adjustable shelves for horizontal or slanted display, thermostatic control w/rocker switch, 470W		
	1	ea NOTE: Includes 24/7 parts & service assistance, call 800-558-0807		
	1	ea 120v/60/1-ph, 3.9 Amps, NEMA 5-15P		
		Extended Total for Item No. 15:	\$699.00	
17	1	ea SIGN, LIGHTED Winco Model No. LED-10 Packed: 5 pieces	75.00	75.00
		LED Sign, "Open", with dust proof cover		
		Extended Total for Item No. 17:	\$75.00	
24	1	ea ICE MAKER WITH BIN, CUBE-STYLE Manitowoc Model No. QD-0212A Packed: each	2,100.00	2,100.00
		Ice Maker w/Bin, cube-style, air-cooled, self-contained condenser, up to 220-lb approximately/24 hours, 80-lb. ice storage capacity, dice size cube, front opening bin, stainless steel finish, 6' cord w/NEMA 5-15P plug, ENERGY STAR® Qualified		
	1	ea 3 year parts & labor warranty		
	1	ea 5 year parts & labor warranty on evaporator		
	1	ea 5-year parts & 3-year labor warranty on compressor		
	1	ea 115v/60/1ph, std. 7.8 amps, NEMA 5-15P,		
		Extended Total for Item No. 24:	\$2,100.00	
28	1	ea FOOD WARMER/BAIN MARIE, COUNTERTOP, ELECTRIC Admiral Craft Model No. FW-1200W Packed: each	119.00	119.00
		Food Warmer, electric, countertop, base only, holds full size pan, wet heat, infinite control, stainless steel construction, 120v/60/1-ph, 1200 watts, NSF, UL		
		Extended Total for Item No. 28:	\$119.00	
29	1	ea RICE COOKER Sharp Model No. KSH-777DW Packed: each	179.00	179.00
		Rice Cooker, electric, thermostatic control, one touch, automatic cook and hold up to 6 hours, 38 (raw) 8 oz cups capacity, silicone sheet helps keep rice from burning, 1700 watts, 120v/60/1-ph, 15 amp, NEMA 5-15P, NSF-4, UL		
	1	ea Warranty- 1 year exchange, standard		
		Extended Total for Item No. 29:	\$179.00	
30	1	ea RICE WARMER Town Equipment Model No. 56919 Packed: each	225.00	225.00
		RiceMaster® Rice Warmer, electric, 23 quart capacity, s/s exterior finish, non-Teflon pot, 120v/60/1, .8 Amp, ETL, NSF		
		Extended Total for Item No. 30:	\$225.00	
31	2	ea FLOOR MAT, RUBBER Winco Model No. RBM-35K Packed: 25 pieces	15.00	30.00
		Floor Mat, 3' x 5', anti-fatigue, black		
		Extended Total for Item No. 31:	\$30.00	
32	3	ea FLOOR MAT, RUBBER	23.00	69.00

1/14/2010

James Gotchy

Item	Qty	Description	Sell Each	Sell Total
		Winco Model No. RBM-35R Packed: 25 pieces Floor Mat, 3' x 5' X 1/2", grease proof, red Extended Total for Item No. 32:		\$69.00
33	2	ea GARBAGE CAN DOLLY Winco Model No. DLR-18 Packed: 12 pieces Dolly, 18" dia. x 6" H, round, heavy duty, black, plastic Extended Total for Item No. 33:	15.00	30.00
34	5	ea TOTE BOX Update International Model No. BB-5G Packed: 12 pieces Tote Box, 16" x 20-1/2" x 5-1/4", polypropylene, grey Extended Total for Item No. 34:	4.00	20.00
35	10	ea TOTE BOX Update International Model No. BB-7G Packed: 12 pieces Tote Box, 7", polypropylene, grey Extended Total for Item No. 35:	4.75	47.50
36	1	ea TRASH CONTAINER Update International Model No. TC-32G Packed: 6 pieces Trash Can, 32 gallon capacity, polypropylene Extended Total for Item No. 36:	18.00	18.00
37	1	ea LOBBY DUST PAN Update International Model No. LDPC-12BP Packed: 10 pieces Lobby Dust Pan, 12" black plastic hopper, 34" aluminum handle Extended Total for Item No. 37:	5.25	5.25
38	1	ea MOP BUCKET/WRINGER COMBINATION Update International Model No. MBK-9 Packed: each Mop Bucket w/Wringer, 36 quart bucket, PP material, yellow Extended Total for Item No. 38:	31.00	31.00
39	2	ea MOP HANDLE Update International Model No. PHS-60SL Packed: 24 pieces Wet Mop Handle, 60" long, plastic side release, metal handle, blue Extended Total for Item No. 39:	3.00	6.00
40	12	ea WET MOP HEAD Update International Model No. MOP#32CE Packed: 12 pieces Mop Head, 680 grams, cut ends Extended Total for Item No. 40:	2.63	31.56
41	2	ea DISHWASHER RACK, FOR FLATWARE Crestware Model No. RBFS Packed: 6 pieces Dishwasher Flatware Rack Base, flat and open, thick mesh bottom, chemical resistant polymers, handgrips Extended Total for Item No. 41:	12.95	25.90
42	2	ea DISHWASHER RACK, PLATES/BOWLS Crestware Model No. RBPT Packed: 6 pieces Dishwasher Plate & Tray Rack, peg, closed-end, chemical resistant polymers, handgrips Extended Total for Item No. 42:	12.95	25.90
43	3	ea SERVING TRAY Update International Model No. GT-1400BK Packed: 12 pieces Tray, 14" round, grip tight, black	2.40	7.20

James Gotchy

		Extended Total for Item No. 43:		\$7.20	
44	2	ea	PAN RACK		
			Update International Model No. APR-20 Packed: each	100.00	200.00
			Pan Rack, 20 tiers, aluminum		
		Extended Total for Item No. 44:		\$200.00	
45	15	ea	BUN PAN		
			Winco Model No. ALXP-1826 Packed: 12 pieces	5.49	82.35
			Sheet Pan, 18" x 26", aluminum, NSF		
		Extended Total for Item No. 45:		\$82.35	
46	6	ea	THERMOMETER, REFRIG/FREEZER		
			Update International Model No. THRE-20 Packed: 24 pieces	2.00	12.00
			Refrigerator Thermometer, 2" dial, NSF		
		Extended Total for Item No. 46:		\$12.00	
47	3	ea	POCKET THERMOMETER		
			Update International Model No. THP-550 Packed: 24 pieces	2.00	6.00
			Pocket Thermometer, 50° to 550°F, 1" dial, red sleeve, NSF		
		Extended Total for Item No. 47:		\$6.00	
48	3	ea	SOAP DISPENSER		
			Update International Model No. SD-32 Packed: 12 pieces	5.00	15.00
			Soap Dispenser, 32 oz., push button, wall mounted		
		Extended Total for Item No. 48:		\$15.00	
49	3	ea	SOAP DISPENSER		
			Update International Model No. SD-20 Packed: 24 pieces	3.00	9.00
			Soap Dispenser, 20 oz., push up, wall mount		
		Extended Total for Item No. 49:		\$9.00	
50	3	ea	DISPENSER, PAPER TOWEL		
			Update International Model No. TD-MFOLD Packed: 10 pieces	9.00	27.00
			Paper Towel Dispenser, multi-fold		
		Extended Total for Item No. 50:		\$27.00	
51	1	ea	CHEMICALS: CLEANER		
			Glass Pro Model No. DIS-302 Packed: case	7.95	7.95
			Sanitizer Test Strips Dispenser, chlorinated strips, 100 strips per dispenser		
		Extended Total for Item No. 51:		\$7.95	
52	1	ea	WORK TABLE, 36" LONG		
			Ascend Mfg. Model No. EWT-2436	109.00	109.00
			Economy Worktable, 24" deep x 36" long, 430 series s/s top with all edges turned down, galvanized undershelf & legs, adjustable bullet feet, shipped knock-down, NSF		
		Extended Total for Item No. 52:		\$109.00	
54	1	ea	WORK TABLE, 96" LONG		
			Ascend Mfg. Model No. EWT-3096	229.00	229.00
			Economy Worktable, 30" deep x 96" long, 430 series s/s top with all edges turned down, galvanized undershelf & legs, adjustable bullet feet, shipped knock-down, NSF		
		Extended Total for Item No. 54:		\$229.00	
55	1	ea	WORK TABLE, 72" LONG		
			Ascend Mfg. Model No. EWT-3072	159.00	159.00
			Economy Worktable, 30" deep x 72" long, 430 series s/s top with all edges turned down, galvanized undershelf & legs, adjustable bullet feet, shipped knock-down, NSF		

James Gotchy

		Extended Total for Item No. 55:	\$159.00	
56	1	ea FOOD MIXER		
		Custom Model No. UP30	2,100.00	2,100.00
		30 quart Mixer. 2.0 HP. 15 lbs flour capacity.		
		Comes with safety guard, whip, flat beater, dough hook and stainless steel mixing bowl.		

		Extended Total for Item No. 56:	\$2,100.00	
57	1	ea MEAT GRINDER ATTACHMENT		
		AllPoints Foodservice Parts & Supplies Model No. 26-3753	100.00	100.00
		Attachment Assembly, for #12 hub, includes: ring, worm & cylinder, (CCC item GR-112)		

		Extended Total for Item No. 57:	\$100.00	
58	1	ea MEAT GRINDER ATTACHMENT		
		AllPoints Foodservice Parts & Supplies Model No. 76-1240	375.00	375.00
		Complete Grater/Shredder Attachment, fits #12 hub, includes: housing, door, pusher and slicer plate w/ "S" knife, (CCC item GR-123)		

		Extended Total for Item No. 58:	\$375.00	
59	1	cs ICE TEA/COOLER GLASS		
		Libbey Glass Inc. Model No. 2369 Packed: 3 dozen	64.15	64.15
		Cooler Glass, 15-1/2 oz., Safedge rim, LEXINGTON, (H 5-7/8"; T 2-7/8"; B 2-7/8"; D 2-7/8")		
		3 dozen per case		
		Extended Total for Item No. 59:	\$64.15	

X3
cases

64.15 64.15

58.32

Also Added
3 - RACKS 6x6 for glasses
2 - BATHROOM SIGNS

Merchandise	12,542.76
Freight	600.00
Total	13,142.76

4.78% X

beer
impression
LG 1604 Pilsner
Bristol Valley
G 8564 SR
G 8541 SR

**Cullincini, Inc. - dba:Cullincini Restaurant Supply requires 100% pre-payment of purchase to secure interest in equipment or supplies.

** Unless in stock. Most equipment orders can take anywhere from 2-8 weeks.

** Delivery does not include installation of any equipment.

** Inside delivery is contingent upon accessibility.

** Freight Damage: If you choose to accept delivery via Freight Carrier, you are required to inspect equipment immediately upon delivery. Any damage should be noted on freight bill and you should immediately call freight company to schedule an inspection.

** Warranty: All new equipment comes with manufactures warranty. No additional warranty is expressed or implied. Some manufacturers offer extended warranties, however, these are options that should be mentioned to your salesman.

** No Warranty of any kind on USED EQUIPMENT.

** Returns: New equipment can be returned up to 10 days from purchase, if, it is unused. If you use it or install it, you cannot return it. There will be a 30% restocking fee. Special orders cannot be returned. Used equipment cannot be returned.

** Prices as quoted are good for 15 days.

beer 1 order 160z
white 1 order 8 1/2 Oz
Wms
Red 8 1/2 Oz
Wms

VISA OR MASTERCARD ACCEPTED

copy

STATE OF NEVADA



ROSS MILLER
Secretary of State

SCOTT W. ANDERSON
Deputy Secretary
for Commercial Recordings

OFFICE OF THE
SECRETARY OF STATE

Certified Copy

August 14, 2009

Job Number: C20090814-1525
Reference Number:
Expedite:
Through Date:

The undersigned filing officer hereby certifies that the attached copies are true and exact copies of all requested statements and related subsequent documentation filed with the Secretary of State's Office, Commercial Recordings Division listed on the attached report.

Document Number(s)	Description	Number of Pages
20090618383-10	Articles of Organization	1 Pages/1 Copies



Respectfully,

ROSS MILLER
Secretary of State

Certified By: Nita Hibshman
Certificate Number: C20090814-1525
You may verify this certificate
online at <http://www.nvsos.gov/>

Commercial Recording Division
202 N. Carson Street
Carson City, Nevada 89701-4069
Telephone (775) 684-5708
Fax (775) 684-7138



ROSS MILLER
 Secretary of State
 206 North Carson Street
 Carson City, Nevada 89701-4299
 (775) 684 5708
 Website: www.nvsos.gov

**Articles of Organization
 Limited-Liability Company**
 (PURSUANT TO NRS CHAPTER 86)

Filed in the office of 	Document Number 20090618383-10
Ross Miller Secretary of State State of Nevada	Filing Date and Time 08/14/2009 12:30 PM
	Entity Number E0438392009-6

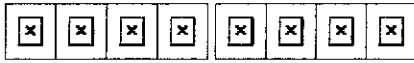
USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

1. Name of Limited-Liability Company: (must contain approved limited-liability company wording; see instructions)	Lily's CHINA BISTRO LLC			Check box if a Series Limited-Liability Company <input type="checkbox"/>
2. Registered Agent for Service of Process: (check only one box)	<input type="checkbox"/> Commercial Registered Agent: _____ Name <input checked="" type="checkbox"/> Noncommercial Registered Agent OR <input type="checkbox"/> Office or Position with Entity (name and address below) JAMES Gotchy TRUSTEE OF THE JAMES L. Gotchy TRUST Name of Noncommercial Registered Agent OR Name of Title of Office or Other Position with Entity 1280 S. CARSON ST. CARSON CITY Nevada 89701 Street Address City Zip Code 3540 E. NYE LN. CARSON CITY Nevada 89706 Mailing Address (if different from street address) City Zip Code			
3. Dissolution Date: (optional)	Latest date upon which the company is to dissolve (if existence is not perpetual): _____			
4. Management: (required)	Company shall be managed by: <input type="checkbox"/> Manager(s) OR <input checked="" type="checkbox"/> Member(s) (check only one box)			
5. Name and Address of each Manager or Managing Member: (attach additional page if more than 3)	1) JAMES Gotchy TRUSTEE OF THE JAMES L. Gotchy TRUST Name 3540 E. NYE LN. CARSON CITY NV 89706 Street Address City State Zip Code 2) Jie Gotchy Name 3540 E. NYE LN. CARSON CITY NV 89706 Street Address City State Zip Code 3) _____ Name _____ Street Address City State Zip Code			
6. Name, Address and Signature of Organizer: (attach additional page if more than 1 organizer)	JAMES Gotchy Name X James Gotchy Organizer Signature 3540 E NYE LN. CARSON CITY NV 89706 Address City State Zip Code			
7. Certificate of Acceptance of Appointment of Registered Agent:	I hereby accept appointment as Registered Agent for the above named Entity. X James Gotchy Authorized Signature of Registered Agent or On Behalf of Registered Agent Entity 8-12-2009 Date			

This form must be accompanied by appropriate fees.

Nevada Secretary of State NRS 86 DLLC Articles
 Revised on 7-1-08



MAPQUEST.

Sorry! When printing directly from the browser your directions or map may not print correctly. For best results, try clicking the Printer-Friendly button.

★ **1280 S Carson St**
Carson City, NV 89701-5231



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ESTIMATE PROJECT COST

Contractor – includes all kitchen	\$52,000.00	
Project Manager	\$ 5,000.00	
Architect	\$ 2,500.00	
Leasehold Improvements	\$65,000.00	
Personal Property	\$53,000.00	
<hr/>		
TOTAL COST TO OPEN:		\$150,000.00

SOURCE OF CREDITS

Bank of America	(\$70,000.00)	
Owner/cash	(\$92,000.00)	
<hr/>		
TOTAL DEBT:		\$162,000.00

CREDIT SCORE: 810

ESTIMATE PROFIT & LOSS STATEMENT

The economic projections conditions for profit and loss :

1. Our business will peak in 2012 before the economy generally retreats after 2012, in the years 2013 and 2014 as the economy suffers from:
 - ✓ High interest rates and a contraction of the economy
 - ✓ An annual inflation rate of 5-8% annually
 - ✓ Increased unemployment in 2013 and 2014 after generally high rates of unemployment in 2010 through 2011. In 2012 employment will be the best year in our opinion running around 8%.

2. The slowing and flatter economy after 2012 will affect our bottom line as indicated in our estimates.

**ESTIMATE PROFIT & LOSS STATEMENT
FOR 2010**

Income :		
Monthly average	\$30,000.00	
		\$369,000.00

Expenses:		
Payroll	\$108,000.00	
Rent	\$ 50,000.00	
Utilities	\$ 30,000.00	
Credit Cards	\$ 12,000.00	
Cost of food	\$ 24,000.00	
Advertising	\$ 10,000.00	
Other Payments (insurance, etc)	\$ 26,000.00	
		\$260,000.00
Estimated Profit:		\$100,000.00



**ESTIMATE PROFIT & LOSS STATEMENT
FOR 2011**

Income :		
Monthly average	\$40,000.00	
		\$480,000.00

Expenses: 3% Increase		
Payroll	\$118,000.00	
Rent	\$ 53,000.00	
Utilities	\$ 36,000.00	
Credit Cards	\$ 16,000.00	
Cost of food	\$ 25,000.00	
Advertising	\$ 10,000.00	
Other Payments (insurance, etc)	\$ 28,000.00	
		\$286,000.00
Estimated Profit:		\$194,000.00

**ESTIMATE PROFIT & LOSS STATEMENT
FOR 2012**

Income :		
Monthly average	\$45,000.00	
		<hr/> \$540,000.00
Expenses: 3% Increase	\$303,000.00	
		<hr/> \$303,000.00
Estimated Profit:		\$237,000.00



**ESTIMATE PROFIT & LOSS STATEMENT
FOR 2013**

Income :		
Monthly average	\$40,000.00	
		<hr/> \$480,000.00
Expenses: 3% Increase	\$312,000.00	
		<hr/> \$312,000.00
Estimated Profit:		\$168,000.00



**ESTIMATE PROFIT & LOSS STATEMENT
FOR 2014**

Income :		
Monthly average	\$35,000.00	
		<hr/> \$420,000.00
Expenses: 3% Increase	\$321,000.00	
		<hr/> \$321,000.00
Estimated Profit:		\$ 99,000.00

**NOTICE OF
ASSESSED VALUATION**
THIS IS NOT A TAX BILL - IT IS A NOTICE OF
VALUE ONLY

DAVID A DAWLEY
CARSON CITY ASSESSOR
201 N CARSON ST STE 6
CARSON CITY, NV 89701
(775) 887-2130
www.carson-city.nv.us

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PERMIT # 188

DISRICT	APPRAISAL YEAR	MAILING DATE
2.4	2006	11/30/09

THIS FISCAL YEAR	NEXT FISCAL YEAR
<u>2009-10</u> <u>ASSESSED VALUES</u> <u>LAND</u> 31,500 <u>STRUCTURES, ETC</u> 2,877 <u>PERSONAL PROPERTY</u>	<u>2010-11</u> <u>ASSESSED VALUES</u> <u>LAND</u> 26,250 <u>STRUCTURES, ETC</u> 2,641 <u>PERSONAL PROPERTY</u>
<u>EXEMPTIONS</u>	<u>EXEMPTIONS</u>
<u>ASSESSED TOTAL</u> 34,377	<u>ASSESSED TOTAL</u> 28,891
<u>TAXABLE TOTAL</u> 98,220	<u>TAXABLE TOTAL</u> 82,546
<u>VALUE EXCLUDED FROM</u> <u>PARTIAL ABATEMENT</u>	<u>VALUE EXCLUDED FROM</u> <u>PARTIAL ABATEMENT</u>

PARCEL NUMBER: 008-491-05

PROPERTY LOCATION:
3320 SURREY LN

SURREY

Abatement Status: RENTAL

SEE OTHER SIDE FOR ADDITIONAL INFORMATION.

YOUR PROPERTY TAX BILL IS CAPPED, NOT YOUR ASSESSED VALUE

GOTCHY, JAMES L TRUST 11/5/04
% JAMES L GOTCHY, TRUSTEE
3540 E NYE LN
CARSON CITY, NV 89706

*Proposed Property collateral to secure
the Redevelopment Funds.*

*the property is owned free & clear with
no liens, unencumbered.*

*this single family residence is currently
a rental property.*

FINANCIAL STATEMENT FOR

LEASE APPLICATION JAMES GOTCHY

* Do not leave any questions unanswered. Please use "N/A" or "NONE" where necessary.

*Jie Gotchy HAS
ONLY 1 Automobile
NO OTHER ASSETS*

Return to: Coldwell Banker Commercial Premier Broker
Attn: **Nicholas Maerz**
223 S Division St
Carson City, NV 89703
phone 775-888-6165
fax 775-888-6201

Spouse's

General Information

*FINANCIAL STATEMENT
FOR*

Applicant Name:		Spouse Name:	JAMES L. GOTCHY	
Lessee Name:		State Inc.'d:	Year Inc.'d:	
Lease Guarantor:		Federal I.D. Number:		
DBA/Trade Name:		Email:		
Notice Address:		City, State, Zip:		
Home Phone:		Fax:		

Employment Information (Applicant)

Present Employer:		How Long:	
Work Address:		City, State, Zip:	
Work Phone:		Position:	

Do you plan to leave this job within the next year? Yes No

Sources of Income	In Even Dollars
Salary	
Bonuses and Commissions	
Dividends	
Real Estate Income	
Other Income (Itemize)	
TOTAL	

Employment Information (Spouse)

Present Employer:	<i>See Jie Gotchy's</i>	How Long:	
Work Address:	<i>APPLICATION</i>	City, State, Zip:	
Work Phone:		Position:	

Does your spouse plan to leave this job within the next year? Yes No

Sources of Income	See Jie Gotchy's APPLICATION	In Even Dollars
Salary		
Bonuses and Commissions		
Dividends		
Real Estate Income		
Other Income (Itemize)		
	TOTAL	

Spouse's Business Information

Please complete the following and attach additional information regarding your related background and business plans as necessary.

What background do you have in this business? (Please attach a resume if available)
I've operated (general manager) the Gotchy shoe business since 1978 in downtown Reno, Meadowood Mall 10 yrs, Park Lane Mall & Carson City - store manager 12 years.

How do you plan to generate business?
Using my business expertise in Advertising and Promotion

How many locations do you currently operate? *one shoe store*

Do you have expansion plans? Yes No

How much do you estimate you will initially spend to build-out the Premises?

How much do you estimate you will initially spend on inventory?

What level of Annual Gross Sales/Receipts do you feel you need:

To stay in business?

To be satisfied in business?

To be extremely pleased with business?

Spouse's Financial Information

Assets	Single Family Homes	In Even Dollars
Cash on hand and in Banks (See Schedule A)	<i>RENTAL PROPERTIES OWNED</i>	<i>15 K CASH</i>
U.S. Government Securities (See Schedule B)		
Listed Securities (See Schedule B)	<i>1775 EMERALD PL RENO</i>	<i>190K</i>
Unlisted Securities (See Schedule B)	<i>3320 E. NYE LN. CARSON CITY</i>	<i>80K</i>
Other Equity Interests (See Schedule B)	<i>3520 " "</i>	<i>190K</i>
Accounts and Notes Receivable	<i>3530 " "</i>	<i>130K</i>
Real Estate Owned (See Schedule C)	<i>3540 " "</i>	<i>190K</i>
Cash Value Life Insurance (See Schedule D)	<i>N/A NONE</i>	
Other Assets (Itemize)	<i>TOOLS + EQUIP 98 GMC PICKUP</i>	<i>8K</i>
	<i>" " FOR CONSTRUCTION</i>	<i>2K</i>
	<i>SHOE BUSINESS / INVENTORY</i>	<i>30K</i>
	TOTAL ASSETS (A)	<i>835K</i>

N/A
N/A
N/A
N/A
N/A

Spouse's Information

Liabilities	In Even Dollars
Notes Payable: This Bank (See Schedule A)	
Notes Payable: Other Institutions (See Schedule A)	
Notes Payable: Relatives <i>Helen Gotchy TRUST</i>	<i>376 K AT 03.6%</i>
Notes Payable: Others <i>B OF A LINE OF CREDIT</i>	
Accounts and Bills Due <i>ACCT # [REDACTED]</i>	<i>10K</i>
Unpaid Taxes <i>45K AVAIL-LINE OF CREDIT</i>	
Real Estate Mortgages Payable (See Schedule C) <i>B OF A EMERALD MORTGAGE</i>	<i>BALANCE 60K</i>
<i>N/A</i> Land Contracts Payable (See Schedule C) <i>[REDACTED]</i>	
Life Insurance Loans (See Schedule D) <i>NONE N/A</i>	
Other Liabilities (Itemize) <i>NOTE PAYABLE 4 MO. LEFT ON 3320 SURREY NOTE TO CYR</i>	<i>1,200. owed</i>
TOTAL LIABILITIES (B)	<i>447 K</i>

Net Worth	
Total Assets (A)	<i>835 K</i>
(Total Liabilities) (B)	<i>447 K</i>
TOTAL NET WORTH	<i>388 K</i>

Schedule A: Banks, Brokers, Savings & Loan Association, Finance Companies or Credit Unions

List the names of all the institutions at which you maintain a deposit account and/or where you have obtained loans.

Name of Institution	Name on Account	Balance on Deposit	High Credit	Amount Owing	Monthly Payment	Secured by What Assets?
<i>B OF A</i>	<i>JAMES Gotchy</i>	<i>4K</i>	<i>45K</i>	<i>10K</i>	<i>\$ 28.</i>	<i>UNSECURED</i>
<i>BANK OF Gotchy FAMILY</i>		<i>11K</i>				
TOTAL		<i>15K</i>	TOTAL	<i>10K</i>		

Schedule B: U.S. Governments, Stocks (Listed & Unlisted), Bonds (Gov't & Comm.), and Partnership Interests (General & Ltd.)

No. of Shares, Face Value (Bonds), or % of Ownership	Indicate: 1. Agency or name of company issuing security or name 2. Type of investment or equity classification 3. Basis of valuation*	In Name of	Market Value*	Pledged	
				Yes	No
<i>NONE</i>	<i>N/A</i>			<input type="checkbox"/>	<input type="checkbox"/>
<i>"</i>	<i>"</i>			<input type="checkbox"/>	<input type="checkbox"/>
<i>"</i>	<i>"</i>			<input type="checkbox"/>	<input type="checkbox"/>
<i>"</i>	<i>"</i>			<input type="checkbox"/>	<input type="checkbox"/>
<i>"</i>	<i>"</i>			<input type="checkbox"/>	<input type="checkbox"/>
TOTAL					

NO 401K

*If unlisted security or partnership interest, provide current financial statements to support basis for valuation.

JAMES L. Gotchy TRUST

Schedule C: Real Estate Owned (and Related Debt, if Applicable)

Description of Property or Address	Title in Name of	Date Acquired	Cost + Improvements	Present Market Value	Mortgage or Land Contract Payable		
					Bal. Owing	Mo. Pmt.	Holder
EMERALD/RAND	"	2005	90K	190K	60K	\$ 712.	B of A
SURREY/CC	"	3-2002	65K	80K	1K	33.	CYR
3520 EAVE/CC	"	9-2002	(cost)				
3530 "	"	"	229K	565K	376K	1156.	Helen Gotchy TR.
3540 "	"	"	116K				
TOTAL			500K	835K	437K	2201.	

Schedule D: Life Insurance Carried

Name of Company	Face Amount	Cash Surrender Value	Loans	Beneficiary
NONE N/A				
TOTAL		0	-	

The information is presented as a true and accurate statement of my/our financial condition on the date indicated. This statement is provided for the purpose of obtaining and maintaining credit with Kimco Realty Corporation. I/we agree that if any material change(s) occur(s) in my/our financial condition that I/we will immediately notify Kimco Realty Corporation of said change(s) and unless Kimco Realty Corporation is so notified, it may continue to rely upon this financial statement and the representations made herein as a true and accurate statement of my/our financial condition.

I/we authorize Kimco Realty Corporation to make whatever credit inquiries it deems necessary in connection with this financial statement. I/we authorize and instruct any person or consumer reporting agency to furnish to Kimco Realty Corporation any information that it may have or obtain in response to such credit inquiries.

I/we also hereby certify that no payment requirements listed herein are delinquent or in default except as follows; if "NONE" so state.

James L. Gotchy

I/we fully understand that it is a federal crime punishable by fine or imprisonment or both to knowingly make any false statements concerning any of the above facts, pursuant to 18 U.S.C. Section 1014.

Applicant Signature _____ Date _____ Social Security # _____ Date of Birth _____

Spouse Signature *James Gotchy* Date 3-5-09 Social Security # ~~_____~~ Date of Birth 7-26-47

COPY

COMMERCIAL LEASE AND DEPOSIT RECEIPT

AGENCY RELATIONSHIP CONFIRMATION. The following agency relationship is hereby confirmed for this transaction and supersedes any prior agency election (if no agency relationship, insert "NONE"):

LISTING AGENT: Coldwell Banker Commercial Caly & Associates is the agent of (check one):
(Print Firm Name)

the Lessor exclusively; or both the Lessee and the Lessor.

LEASING AGENT: Coldwell Banker Commercial Premier Brokers N. Macay (if not the same as the Listing Agent) is the agent of (check one):
(Print Firm Name) Clay & Associates J.G.

the Lessee exclusively; or the Lessor exclusively; or both the Lessee and the Lessor.

Note: This confirmation DOES NOT take the place of the AGENCY DISCLOSURE form which may be required by law.

RECEIVED FROM Lily's China Bistro, LLC - Jie Li Catchy, Managing Member hereinafter referred to as LESSEE, the sum of \$ _____ (a Nevada Limited Liability Company J.G.) dollars), evidenced by _____ as a deposit which will belong to Lessor and will be applied as follows:

	TOTAL	RECEIVED	BALANCE DUE PRIOR TO OCCUPANCY
Rent for the period from <u>Cert of Occ</u> to <u>1 Month after CO</u>	\$ _____	\$ _____	0.00 \$ _____
Security deposit (not applicable toward last month's rent)	\$ _____	\$ _____	0.00 \$ _____
Other	\$ _____	\$ _____	\$ _____
TOTAL	\$ _____	\$ _____	0.00 \$ _____

In the event this Lease is not accepted by the Lessor within 5 days, the total deposit received will be refunded.

Lessee offers to lease from Lessor the premises described as 1280 S Carson St Carson City, NV 89701
(Street Address) (City/State/Zip)

("the Premises") consisting of approximately 3,000 square feet, which is approximately 100 % of the total rental square footage of the entire property, upon the following terms and conditions:

1. **TERM.** The term will commence on (date) Certificate of Occupancy, and end on (date) 10yrs after Certificate Occupancy.

2. **RENT.** The base rent will be \$ _____ per month payable on the 1st day of each month.

After the first 12 months the rent will be adjusted as follows: effective upon the first day of the month immediately following the expiration of 12 months from date of commencement of the term, and upon the expiration of each 12 months thereafter, in accordance with changes in the U.S. Consumer Price Index for All Urban Consumers (1982-84 = 100), or (other index) 3% Annual Increases, for each additional year(s) 2-10 ("CPI"). The base rent will be increased to an amount equal to the monthly rent, multiplied by a fraction, the numerator of which is the CPI for the second calendar month immediately preceding the adjustment date, and the denominator of which is the CPI for the second calendar month preceding the commencement of the Lease term; provided however, that the monthly rent will not be less than that immediately preceding the adjustment.

All rents will be paid to Lessor or his or her authorized agent, at the following address 10114 Via Ponte, Reno, NV 89511 or at such other places as may be designated by Lessor from time to time. In the event rent is not received by Lessor within 5 days after due date, Lessee agrees to pay a late charge of \$ _____ plus interest at _____ % per annum on the delinquent amount. Lessee further agrees to pay \$ _____ for each dishonored bank check. The late charge period is not a grace period, and Lessor is entitled to make written demand for any rent if not paid when due.

3. **NET LEASE PROVISIONS.** If checked AND INITIALED BELOW BY LESSEE, the following provisions are included in this Lease:

Lessee agrees to pay, in addition to the base monthly rental set forth in Item 2, Lessee's proportionate share of the Lessor's operating expenses, including utility and service costs, insurance, real property taxes, and common area maintenance. Lessee's share is based on the ratio of the square footage of the Premises to the total square footage of the rental space of the entire property of which the Premises are a part. Lessee's monthly share of said expenses at the commencement of the term is \$ _____.

(initial) Lessee (J.G.) agrees to the foregoing additional rental provisions.

4. **USE.** The premises are to be used for the operation of Chinese and Sushi restaurant, drive-thru will provide authentic Asian menu. and for no other purpose, without prior written consent of Lessor. Lessee will not commit any waste upon the premises, or any nuisance or act which may disturb the quiet enjoyment of any tenant in the building.

5. **USES PROHIBITED.** Lessee will not use any portion of the premises for purposes other than those specified. No use will be made or permitted to be made upon the premises, nor acts done, which will increase the existing rate of insurance upon the property, or cause cancellation of insurance policies covering the property. Lessee will not conduct or permit any sale by auction on the premises.

6. **ASSIGNMENT AND SUBLETTING.** Lessee will not assign this Lease or sublet any portion of the premises without prior written consent of the Lessor, which will not be unreasonably withheld. Any such assignment or subletting without consent will be void and, at the option of the Lessor, will terminate this Lease.

Lessee (J.G.) has read this page.

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- 7. ORDINANCES AND STATUTES.** Lessee will comply with all statutes, ordinances, and requirements of all municipal, state and federal authorities now in force, or which may later be in force, regarding the use of the premises. The commencement or pendency of any state or federal court abatement proceeding affecting the use of the premises will, at the option of the Lessor, be deemed a breach of this Lease.
- 8. MAINTENANCE, REPAIRS, ALTERATIONS.** Unless otherwise indicated, Lessee acknowledges that the premises are in good order and repair. Lessee will, at his or her own expense, maintain the premises in a good and safe condition, including plate glass, electrical wiring, plumbing and heating and air conditioning installations, and any other system or equipment. The premises will be surrendered, at termination of the Lease, in as good condition as received, normal wear and tear excepted. Lessee will be responsible for all repairs required during the term of the lease, except the following which will be maintained by Lessor: roof, exterior walls, structural foundations ~~(including any retrofitting required by governmental authorities)~~ and the following: None, Tenant Shall take possion in it's "AS IS" condition, all work required shall be at the sole expense of the Tenant.
 Lessee will, will not maintain the property adjacent to the premises, such as sidewalks, driveways, lawns, and shrubbery, which would otherwise be maintained by Lessor.
 No improvement or alteration of the premises will be made without the prior written consent of the Lessor. Prior to the commencement of any substantial repair, improvement, or alteration, Lessee will give Lessor at least **two (2) days written notice** in order that Lessor may post appropriate notices to avoid any liability for liens.
- 9. ENTRY AND INSPECTION.** Lessee will permit Lessor or Lessor's agents to enter the premises at reasonable times and upon reasonable notice for the purpose of inspecting the premises, and will permit Lessor, at any time **within sixty (60) days** prior to the expiration of this Lease, to place upon the premises any usual "For Lease" signs, and permit persons desiring to lease the premises to inspect the premises at reasonable times.
- 10. INDEMNIFICATION OF LESSOR.** Lessor will not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the premises. Lessee agrees to hold Lessor harmless from any claims for damages arising out of Lessee's use of the premises, and to indemnify Lessor for any expense incurred by Lessor in defending any such claims.
- 11. POSSESSION.** If Lessor is unable to deliver possession of the premises at the commencement date set forth above, Lessor will not be liable for any damage caused by the delay, nor will this Lease be void or voidable, but Lessee will not be liable for any rent until possession is delivered. Lessee may terminate this Lease if possession is not delivered within 30 days of the commencement term in Item 1.
- 12. LESSEE'S INSURANCE.** Lessee, at his or her expense, will maintain plate glass, public liability, and property damage insurance insuring Lessee and Lessor with minimum coverage as follows: ~~_____ per occurance and _____ aggergate~~
 Lessee will provide Lessor with a Certificate of Insurance showing Lessor as additional insured. The policy will require **ten (10) day's written notice to Lessor prior to cancellation or material change of coverage.**
- 13. LESSOR'S INSURANCE.** Lessor will maintain hazard insurance covering one hundred percent (100%) actual cash value of the improvements throughout the Lease term. Lessor's insurance will not insure Lessee's personal property, leasehold improvements, or trade fixtures.
- 14. SUBROGATION.** To the maximum extent permitted by insurance policies which may be owned by the parties, Lessor and Lessee waive any and all rights of subrogation against each other which might otherwise exist.
- 15. UTILITIES.** Lessee agrees that he or she will be responsible for the payment of all utilities, including water, gas, electricity, heat and other services delivered to the premises, except: None
- 16. SIGNS.** Lessee will not place, maintain, nor permit any sign or awning on any exterior door, wall, or window of the premises without the express written consent of Lessor, which will not be unreasonably withheld, and of appropriate governmental authorities.
- 17. ABANDONMENT OF PREMISES.** Lessee will not vacate or abandon the premises at any time during the term of this Lease. If Lessee does abandon or vacate the premises, or is dispossessed by process of law, or otherwise, any personal property belonging to Lessee left on the premises will be deemed to be abandoned, at the option of Lessor.
- 18. CONDEMNATION.** If any part of the premises is condemned for public use, and a part remains which is susceptible of occupation by Lessee, this Lease will, as to the part taken, terminate as of the date the condemnor acquires possession. Lessee will be required to pay such proportion of the rent for the remaining term as the value of the premises remaining bears to the total value of the premises at the date of condemnation; provided, however, that either party may, at his or her option, terminate this Lease as of the date the condemnor acquires possession. In the event that the premises are condemned in whole, or the remainder is not susceptible for use by the Lessee, this Lease will terminate upon the date which the condemnor acquires possession. All sums which may be payable on account of any condemnation will belong solely to the Lessor; except that Lessee will be entitled to retain any amount awarded to him or her for his or her trade fixtures and moving expenses.
- 19. TRADE FIXTURES.** Any and all improvements made to the premises during the term will belong to the Lessor, except trade fixtures of the Lessee. Lessee may, upon termination, remove all his or her trade fixtures, but will pay for all costs necessary to repair any damage to the premises occasioned by the removal.

Lessee  has read this page.



20. **DESTRUCTION OF PREMISES.** In the event of a partial destruction of the premises during the term, from any cause except acts or omission of Lessee, Lessor will promptly repair the premises, provided that such repairs can be reasonably made within sixty (60) days. Such partial destruction will not terminate this Lease, except that Lessee will be entitled to a proportionate reduction of rent while such repairs are being made, based upon the extent to which the making of such repairs interferes with the business of Lessee on the premises. If the repairs cannot be made **within sixty (60) days**, this Lease may be terminated at the option of either party by giving written notice to the other party **within the sixty (60) day period**.
21. **HAZARDOUS MATERIALS.** Lessee will not use, store, or dispose of any hazardous substances upon the premises, except the use and storage of such substances that are customarily used in Lessee's business, and are in compliance with all environmental laws. Hazardous substances means any hazardous waste, substance or toxic materials regulated under any environmental laws or regulations applicable to the property. Lessee will be responsible for the cost of removal of any toxic contamination caused by lessee's use of the premises.
22. **INSOLVENCY.** The appointment of a receiver, an assignment for the benefits of creditors, or the filing of a petition in bankruptcy by or against Lessee, will constitute a breach of this Lease by Lessee.
23. **DEFAULT.** In the event of any breach of this Lease by Lessee, Lessor may, at his or her option, terminate the Lease and recover from Lessee: (a) the worth at the time of award of the unpaid rent which had been earned at the time of termination; (b) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (c) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (d) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform his or her obligations under the Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, that portion of any leasing commission paid by Lessor and applicable to the unexpired term of the lease.

Lessor may, in the alternative, continue this Lease in effect, as long as Lessor does not terminate Lessee's right to possession, and Lessor may enforce all of Lessor's rights and remedies under the Lease, including the right to recover the rent as it becomes due under the Lease. If said breach of Lease continues, Lessor may, at any time thereafter, elect to terminate the Lease.

These provisions will not limit any other rights or remedies which Lessor may have.

24. **SECURITY.** The security deposit will secure the performance of the Lessee's obligations. Lessor may, but will not be obligated to, apply all or portions of the deposit on account of Lessee's obligations. Any balance remaining upon termination will be returned to Lessee. Lessee will not have the right to apply the security deposit in payment of the last month's rent.
25. **DEPOSIT REFUNDS.** The balance of all deposits will be refunded **within thirty (30) days** (or as otherwise required by law), from date possession is delivered to Lessor or his or her authorized agent, together with a statement showing any charges made against the deposits by Lessor.
26. **ATTORNEY FEES.** In any action, arbitration, or other proceeding involving a dispute between Lessor and Lessee arising out of this Lease, the prevailing party will be entitled to reasonable attorney fee, expert witness fees, and costs.
27. **WAIVER.** No failure of Lessor to enforce any term of this Lease will be deemed to be a waiver.
28. **NOTICES.** Any notice which either party may or is required to give, will be given by mailing the notice, postage prepaid, to Lessee at the premises, or to Lessor at the address shown in Item 2, or at such other places as may be designated in writing by the parties from time to time. Notice will be effective **five (5) days after mailing**, or on personal delivery, or when receipt is acknowledged in writing.
29. **HOLDING OVER.** Any holding over after the expiration of this Lease, with the consent of Owner, will be a month-to-month tenancy at a monthly rent equal to the preceding month's rent plus _____, payable in advance and otherwise subject to the terms of this Lease, as applicable, until either party terminates the tenancy by giving the other party **thirty (30) days written notice**.
30. **TIME.** Time is of the essence of this Lease.
31. **HEIRS, ASSIGNS, SUCCESSORS.** This Lease is binding upon and inures to the benefit of the heirs, assigns, and successors of the parties.
32. **OPTION TO RENEW.** Provided that Lessee is not in default in the performance of this Lease, Lessee will have the option to renew the Lease for an additional term of 260 months commencing at the expiration of the initial Lease term. All of the terms and conditions of the Lease will apply during the renewal term, except that the monthly rent will be the sum of \$ Market which will be adjusted after commencement of the renewal term in accordance with the cost of living increase provision set forth in Item 2.
The option will be exercised by written notice given to Lessor **not less than 90 days** prior to the expiration of the initial Lease term. If notice is not given within the time specified, this Option will expire.
33. **AMERICANS WITH DISABILITIES ACT.** The parties are alerted to the existence of the Americans With Disabilities Act, which may require costly structural modifications. The parties are advised to consult with a professional familiar with the requirements of the Act.

Lessee JG [] has read this page.

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34. LESSOR'S LIABILITY. In the event of a transfer of Lessor's title or interest to the property during the term of this Lease, Lessee agrees that the grantee of such title or interest will be substituted as the Lessor under this Lease, and the original Lessor will be released of all further liability; provided, that all deposits will be transferred to the grantee.

35. ESTOPPEL CERTIFICATE.

(a) On ten (10) days' prior written notice from Lessor, Lessee will execute, acknowledge, and deliver to Lessor a statement in writing: [1] certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), the amount of any security deposit, and the date to which the rent and other charges are paid in advance, if any; and [2] acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective buyer or encumbrancer of the premises.

(b) At Lessor's option, Lessee's failure to deliver such statement within such time will be a material breach of this Lease or will be conclusive upon Lessee: [1] that this Lease is in full force and effect, without modification except as may be represented by Lessor; [2] that there are no uncured defaults in Lessor's performance; and [3] that not more than one month's rent has been paid in advance.

(c) If Lessor desires to finance, refinance, or sell the premises, or any part thereof, Lessee agrees to deliver to any lender or buyer designated by Lessor such financial statements of Lessee as may be reasonably required by such lender or buyer. All financial statements will be received by the Lessor or the lender or buyer in confidence and will be used only for the purposes set forth.

36. SUBORDINATION. This Lease, at Lessor's option, will be subordinate to any mortgage, deed of trust, or other security now existing or later placed upon the property; provided, however, that Lessee's right to quiet possession will not be disturbed if Lessee is not in default on the payment of rent or other provision of this lease.

37. ENTIRE AGREEMENT. The foregoing constitutes the entire agreement between the parties and may be modified only in writing signed by all parties. The following exhibits are a part of this Lease:

- Exhibit A: Duty Owed
- Exhibit B: Concent to Act

38. ADDITIONAL TERMS AND CONDITIONS. a. Addendum #1 (List of Equipment) the equipment shall be purchased in a seperat Bill of sale. b. Tennant shall have conditions to terminate the lease without cause, 1. A death to one of the owners, 2. An act of God surcomstance, (pandemic). c. Rent shall commence One (1) month from Certificate of Occupancy, (shall equal to One (1) months free rent). d. Addendum #2 (Detailed Terms and Conditions, Future Development).

The undersigned Lessee acknowledges that he or she has thoroughly read and approved each of the provisions contained in this Offer, and agrees to the terms and conditions specified.

Lessee Jie Li Gotchy Date 9-29-2009 Lessee _____ Date _____
Lily's China Bistro, LLC Jie Li Gotchy - Managing Member

Receipt for deposit acknowledged by _____ Date _____
Nicholas Maerz

ACCEPTANCE

The undersigned Lessor accepts the foregoing Offer and agrees to lease the premises on the terms and conditions set forth above.

NOTICE: The amount or rate of real estate commissions is not fixed by law. They are set by each broker individually and may be negotiable between the owner and broker.

The Lessor agrees to pay to Coldwell Banker Commercial Caly & Associates, the Broker in this transaction, the sum of \$ _____ for services rendered and authorizes Broker to deduct said sum from the deposit received from Lessee.

~~In the event the Lease is extended for a definite period of time or on a month-to-month basis after expiration of the original term, Lessor will pay to Broker an additional commission of _____ % of the total rental for the extended period. This commission will be due and payable at the commencement of the extended period if for a fixed term, or if on a month-to-month basis, at the termination of Lessee's occupancy or one year, whichever is earlier.~~

In any action for commission, the prevailing party will be entitled to reasonable attorney fees.

Lessor Benjamin Chayra Date 10/1/09 Lessor _____ Date _____
Benjamin Chayra Lydia Chayra

Lessor's Address 10114 Via Ponte Telephone _____ Fax _____
Reno, NV 89511 E-mail _____

Lessee acknowledges receipt of a copy of the accepted Lease on (date) _____ [] []
(initials)

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ADDENDUM NO. _____

#1

To Agreement dated 09-29-2009, between Benjamin Chayra and Lydia Chayra,
and Lily's China Bistro, LLC - Jie Li Gotchy, Managing Member, concerning property located at
1280 S Carson St Carson City, NV 89701

The parties agree as follows:
List of Kitchen Equipment:

This Addendum, upon its execution by both parties, is made a part of the above Agreement.
If checked this Addendum is of no force or effect unless executed by all parties and delivered prior to
(date) _____ (time) _____ a.m. p.m., to _____
(Name of Party)

Seller/Lessor _____ Date _____
Benjamin Chayra

Seller/Lessor _____ Date _____
Lydia Chayra

Buyer/Lessee _____ Date _____
Lily's China Bistro, LLC Jie Li Gotchy - Managing Member

Buyer/Lessee _____ Date _____

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Rev. by _____
Date _____



ADDENDUM NO.

#2

To Agreement dated 09-29-2009 between Benjamin Chayra and Lydia Chayra and Lily's China Bistro, LLC - Jie Li Gotchy, Managing Member concerning property located at 1280 S Carson St Carson City, NV 89701

The parties agree as follows:

A) Rate shall be based on the following; Rate shall be \$1.65/Square Foot Monthly. Subsequent years 2 -10 of the original term shall reflect 3% annual increases. Rent for option periods shall be at market rents at that time, and shall be determined by a rent survey and by mutual agreement of the parties. One (1) free month and there after a monthly rate of \$3,440.25 per month, for the remaining Eleven (11) months of the year One (1) year (1-12 months) as a NNN lease, plus all CAM fees. B) Upon Certificate of Occupancy. Target completion date is estimated at 30 - 60 days after Lease Execution. C) Commencement of Rent, Tenant shall occupy premises Upon Certificate of Occupancy, with rent to commence Thirty (30) days after Certificate of Occupancy in the amount of \$3,440.25. D) Common Area Maintenance, be paid by Tenant based on a cost per SqFt and is in addition to the base rent. CAM fees to be paid each month. All CAM Expenses shall reflect actual expenses and shall be reconciled at the end of each calendar year. Landlord shall be responsible for the maintenance and general repair of the exterior wall, roof, and shall be maintained in a proper working condition. E) Tenant agrees to pay all expenses including but not limited to: electrical, gas, janitorial, trash, phone, and cable for the premises which they occupy. Tenant shall be responsible for HVAC maintenance, landscaping, and snow removal. F) Tenant shall take possession AS IS, with the following changes to be provided by Landlord, shall provide replacement landscaping for dead plants, Tenant to provide detailed drawings approved by the Carson City and Nevada Health Department jurisdictions, and ADA restroom shall be in working order. Tenant and Landlord shall split the cost associated to make both walk-in freezer and refrigerator to proper working order. The Tenant shall make all additional necessary improvement to conduct business operations. G) Landlord reserves the right to develop the current site. In the event the Landlord exercises its right to develop the site Tenant shall be provided no less than 180 days notice. Landlord shall give Tenant the first choice of unit(s) within the new development, at the Tenants current Lease Rate at that time. Tenant shall be provided a unit comparable in size, features, and functionality to the Tenant current leased space. While the Landlord acknowledges that there will be an impact to the Tenant the Landlord will conduct the construction of new development in a manner that should impact the Tenant in the least amount as possible. Any interruption to the Tenants ability to conduct normal business the Tenant will not be charged rent. H) Signage shall be at Tenants sole Expense. I) Tenant shall have the right to sub-divide or sublease the premises with Landlord's approval, such a sub-lease shall not release Tenant from any of its obligations provided herein. Tenant shall Have First Right of Refusal. JG

This Addendum, upon its execution by both parties, is made a part of the above Agreement.

If checked [] this Addendum is of no force or effect unless executed by all parties and delivered prior to (date) (time) [] a.m. [] p.m., to Nicholas Maerz (Name of Party)

Seller/Lessor Benjamin Chayra 10/1/09

Date

Seller/Lessor Lydia Chayra

Date

Buyer/Lessee Jie Gotchy Lily's China Bistro, LLC Jie Li Gotchy - Managing Member

Date 9-29-2009

Buyer/Lessee

Date

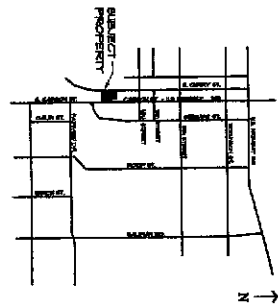
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Rev. by Date

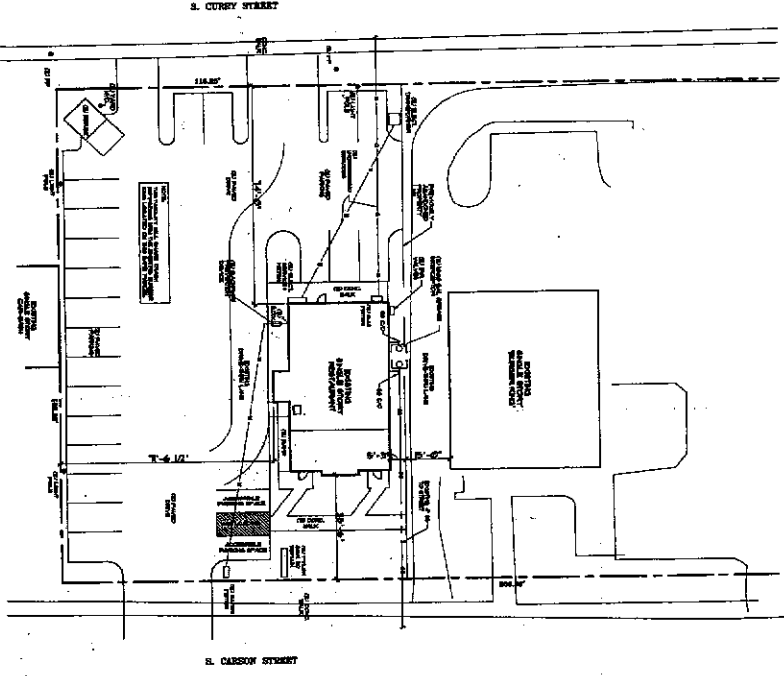


A NEW TENANT IMPROVEMENT FOR:
LILY'S CHINA BISTRO
 1280 S. Carson Street
 Carson City, Nevada 89701

VICINITY MAP



SITE PLAN



CONSULTANTS:

OWNER:	H. Benjamin Oryx 8014 Via Pecos Reno, Nevada 89501	Phone: (775) 853-1558
ARCHITECT:	Robert M. Darney, Architect 1771 California St. Carson City, Nevada 89701	Phone: 853-3444 NV Lic. # 3544
GENERAL CONTRACTOR:	Practical Construction Hinden, NV 89423	Phone: 793-8678 NV Lic. # 597354-D-1 LETTI # 1592900
ELECTRICAL CONTRACTOR:	Carson Electric Co., LLC 1275 S. Virginia St., Suite 34 Carson City, NV 89702	Phone: 257-4344 NV Lic. # 1504954-C-24 LETTI # 1592900
PLUMBING CONTRACTOR:	Carson Plumbing & Heating Hinden, NV 89423	Phone: 257-3388 NV Lic. # 1504954-C-1 LETTI # 1592900
MECHANICAL CONTRACTOR:	Oliver Heating & Air Conditioning, Inc. 2941 Hild Rd Hinden, NV 89423	Phone: 257-9447 NV Lic. # 6047399-C-31820 LETTI # 1592900
PROJECT MANAGER:	Commercial Investment Properties of Northern Nevada, LLC 1925 US Hwy 50 N. #1072H Gardnerville, NV 89418	Phone: 256-8145

DRAWING INDEX

TS	TITLE SHEET SITE & VICINITY MAP
AM	MECHANICAL ROOM PLAN & LCCO DETAILS
EM	ELECTRICAL ROOM PLAN & LCCO DETAILS

CODE DATA

PROJECT APN:	003-063-014
ZONING:	DC
ADOPTED CODES:	8007 NNA 8008 IBC, IRC, UPC, UMC, IECC 8008 NEC, 8005 ASH 1,984 sq.ft.
FLOOR AREA:	A-2
OCCUPANCY GROUP:	Restaurant: 15
OCCUPANT LOAD FACTOR:	Kitchen: 200
OCCUPANT LOAD:	923 sf / 15 = 55 Kitchen: 150 1717 sf / 200 = 8

Total Egress Occupant Load: 91

ACTUAL SEATING:	36
CONSTRUCTION TYPE:	T-B
BUILDING HEIGHT:	1 STORY
FIRE SPRINKLERS:	NO
FIRE ALARM SYSTEM:	NO

DEFERRED SUBMITTALS:

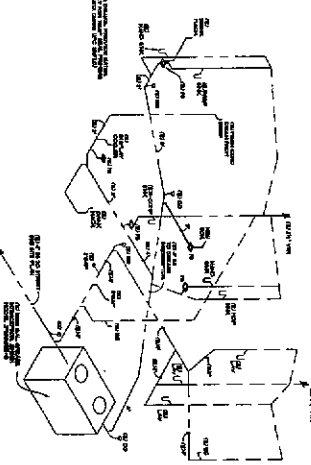
1. Fire Suppression System
2. Signage
3. Landscape changes

ROBERT M. DARNEY ARCHITECT
 Design Development Planning
 1971 CALIFORNIA STREET, CARSON CITY, NV 89701
 PHONE: (775) 853-3444 FAX: 853-8447
 E-MAIL: darneyarch@boglobal.net

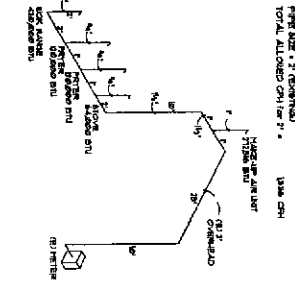
A TENANT IMPROVEMENT FOR:
LILY'S CHINA BISTRO
 1280 SOUTH CARSON STREET
 PROJECT SHEET TITLE
TITLE SHEET & SITE PLAN

DATE: 11-10-08
 DRAWN BY: BMD
 CHECKED BY: BMD
 SCALE: AS NOTED
 SHEET NO.: TS

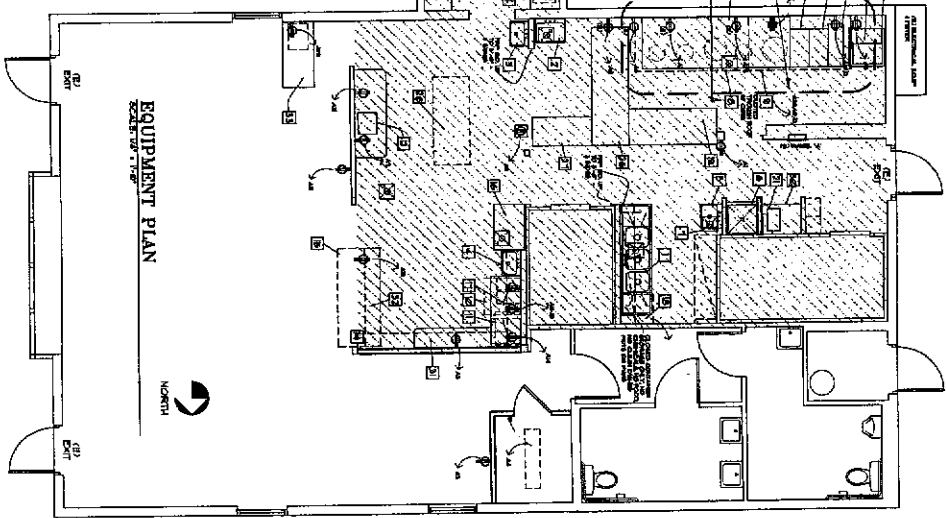
PLUMBING SCHEMATIC



GAS SCHEMATIC

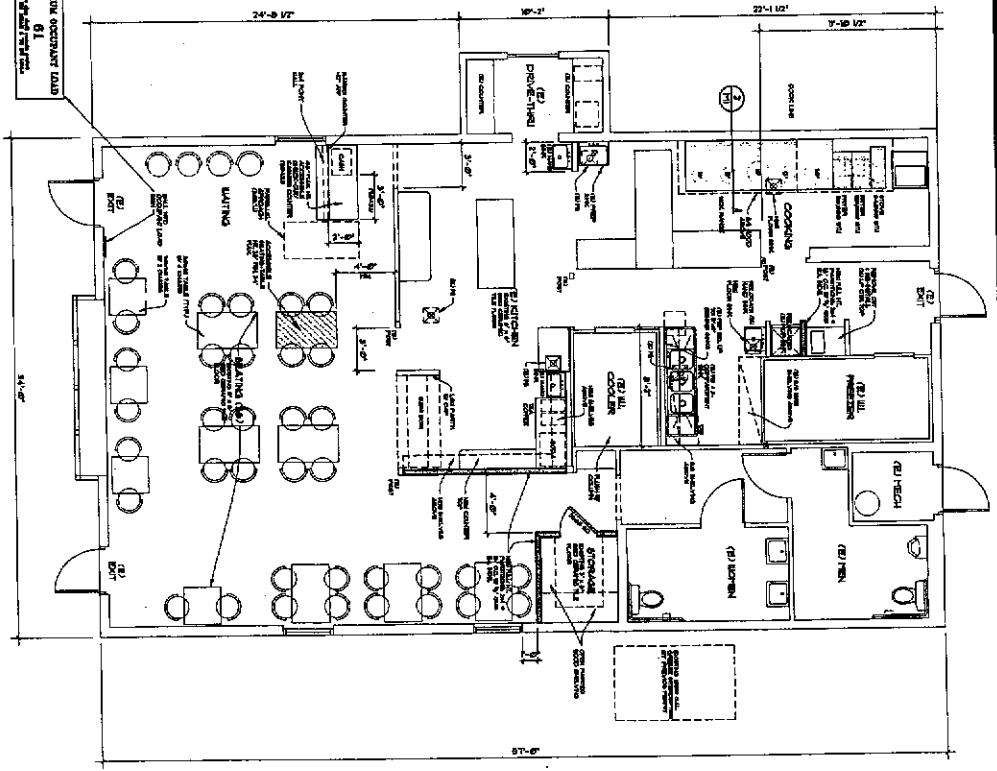


- ELECTRICAL SYMBOLS**
- NEW RECEPTACLE
 - NEW RECEPTACLE
 - FLOOR RECEPTACLE
 - TELEPHONE/DATA PORT
 - WIREWAY (SYMBOL)
- REVISIONS**
- | NO. | DESCRIPTION | DATE |
|-----|-------------------|----------|
| 1 | ISSUE FOR PERMITS | 11-18-09 |
| 2 | ISSUE FOR PERMITS | 11-18-09 |
| 3 | ISSUE FOR PERMITS | 11-18-09 |
| 4 | ISSUE FOR PERMITS | 11-18-09 |
| 5 | ISSUE FOR PERMITS | 11-18-09 |
| 6 | ISSUE FOR PERMITS | 11-18-09 |
| 7 | ISSUE FOR PERMITS | 11-18-09 |
| 8 | ISSUE FOR PERMITS | 11-18-09 |
| 9 | ISSUE FOR PERMITS | 11-18-09 |
| 10 | ISSUE FOR PERMITS | 11-18-09 |



EQUIPMENT SCHEDULE

NO.	DESCRIPTION	QTY	MANUFACTURER	MODEL	DATE
1	STOVE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
2	SINK	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
3	REFRIGERATOR	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
4	DISHWASHER	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
5	STOVE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
6	SINK	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
7	REFRIGERATOR	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
8	DISHWASHER	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
9	STOVE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
10	SINK	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
11	REFRIGERATOR	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
12	DISHWASHER	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09



FLOOR PLAN

NO.	DESCRIPTION	QTY	MANUFACTURER	MODEL	DATE
1	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
2	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
3	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
4	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
5	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
6	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
7	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
8	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
9	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
10	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
11	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09
12	TABLE	1	FRIGIDAIRE	FRIGIDAIRE	11-18-09

- FLOOR PLAN NOTES**
1. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
 2. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
 3. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
 4. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
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 6. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
 7. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
 8. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
 9. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
 10. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
 11. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
 12. ALL NEW FLOOR SHALL BE POLISHED AND ADJUSTED TO CONFORM.
- GENERAL ELECTRICAL NOTES**
1. ROUTING SYMBOLS SPECIFIC TO THIS PROJECT SHALL BE IDENTIFIED BY THE CONTRACTOR.
 2. ALL NEW ELECTRICAL SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITION OF THE NATIONAL ELECTRICAL CODE (NEC).
 3. ALL NEW ELECTRICAL SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITION OF THE NATIONAL ELECTRICAL CODE (NEC).
 4. ALL NEW ELECTRICAL SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITION OF THE NATIONAL ELECTRICAL CODE (NEC).
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 12. ALL NEW ELECTRICAL SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITION OF THE NATIONAL ELECTRICAL CODE (NEC).
- EQUIPMENT PLAN NOTES**
1. ALL NEW EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITION OF THE NATIONAL ELECTRICAL CODE (NEC).
 2. ALL NEW EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITION OF THE NATIONAL ELECTRICAL CODE (NEC).
 3. ALL NEW EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITION OF THE NATIONAL ELECTRICAL CODE (NEC).
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 12. ALL NEW EQUIPMENT SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST EDITION OF THE NATIONAL ELECTRICAL CODE (NEC).

DATE	11-18-09
DESIGNER	RD
CHECKER	RD
SCALE	AS NOTED
SHEET NO.	A1

PROJECT

A TENANT IMPROVEMENT FOR:
LILY'S CHINA BISTRO
 1280 SOUTH CARSON STREET
 APN 263-063-014

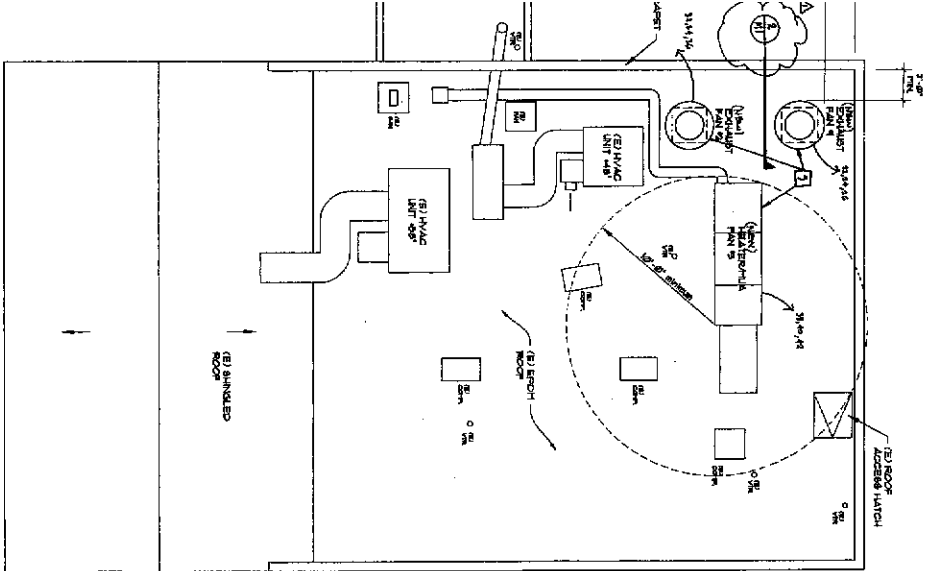
SHEET TITLE

FLOOR PLAN

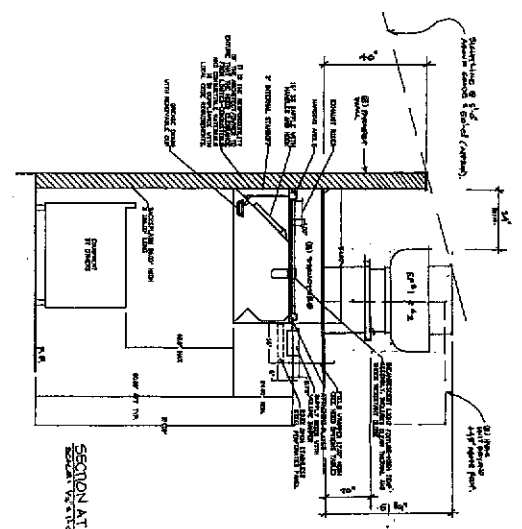
DATE	11-18-09
DESIGNER	RD
CHECKER	RD
SCALE	AS NOTED
SHEET NO.	A1

ROBERT M. DARNEY ARCHITECT

Design: Development Planning
 307 W. Winkle Lane, Suite 1 CARSON CITY, NV 89703
 PHONE: (775) 668-2444 FAX: (775) 668-2447
 E-MAIL: darneyarch@eboglobal.net



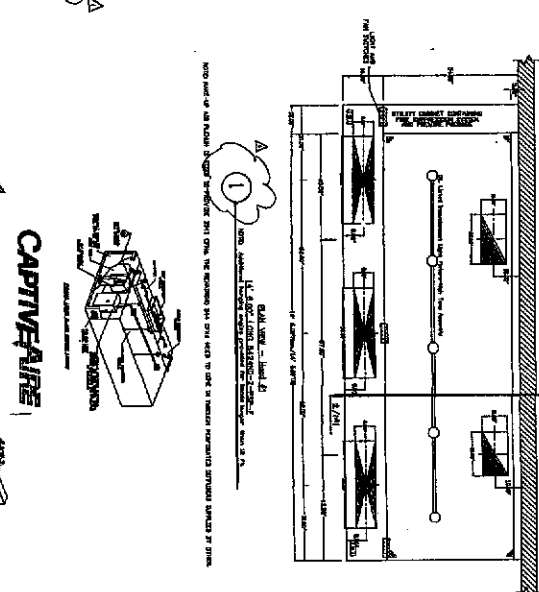
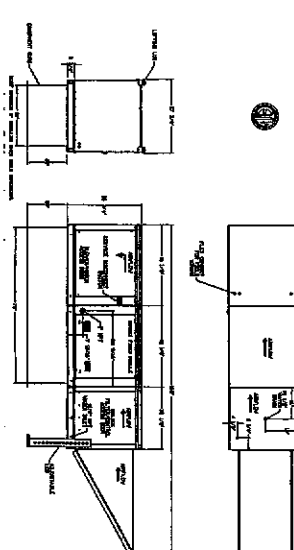
MECHANICAL ROOF PLAN
SCALE: 1/8" = 1'-0"



SECTION AT HATCH (2)

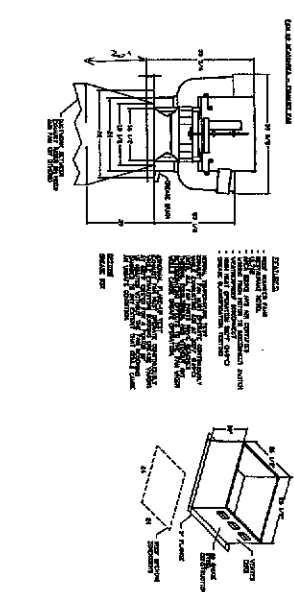
NOTES:
1. ALL ROOF ACCESS LATCHES TO BE INSTALLED IN ACCORDANCE WITH THE MANUFACTURER'S INSTRUCTIONS.
2. ALL MECHANICAL UNITS TO BE INSTALLED ON A CONCRETE PAD.
3. ALL DUCTWORK TO BE INSTALLED IN ACCORDANCE WITH THE MANUFACTURER'S INSTRUCTIONS.
4. ALL ROOF ACCESS LATCHES TO BE INSTALLED IN ACCORDANCE WITH THE MANUFACTURER'S INSTRUCTIONS.
5. ALL MECHANICAL UNITS TO BE INSTALLED IN ACCORDANCE WITH THE MANUFACTURER'S INSTRUCTIONS.
6. ALL DUCTWORK TO BE INSTALLED IN ACCORDANCE WITH THE MANUFACTURER'S INSTRUCTIONS.
7. ALL ROOF ACCESS LATCHES TO BE INSTALLED IN ACCORDANCE WITH THE MANUFACTURER'S INSTRUCTIONS.
8. ALL MECHANICAL UNITS TO BE INSTALLED IN ACCORDANCE WITH THE MANUFACTURER'S INSTRUCTIONS.
9. ALL DUCTWORK TO BE INSTALLED IN ACCORDANCE WITH THE MANUFACTURER'S INSTRUCTIONS.
10. ALL ROOF ACCESS LATCHES TO BE INSTALLED IN ACCORDANCE WITH THE MANUFACTURER'S INSTRUCTIONS.

NO.	DESCRIPTION	QTY	UNIT	PRICE	TOTAL
1	MECHANICAL UNIT	1	EA	1000.00	1000.00
2	DUCTWORK	10	LF	100.00	1000.00
3	ROOF ACCESS LATCH	1	EA	100.00	100.00
4	CONCRETE PAD	1	EA	100.00	100.00
5	DUCTWORK	10	LF	100.00	1000.00
6	ROOF ACCESS LATCH	1	EA	100.00	100.00
7	CONCRETE PAD	1	EA	100.00	100.00
8	DUCTWORK	10	LF	100.00	1000.00
9	ROOF ACCESS LATCH	1	EA	100.00	100.00
10	CONCRETE PAD	1	EA	100.00	100.00



SECTION AT HATCH (1)

NO.	DESCRIPTION	QTY	UNIT	PRICE	TOTAL
1	MECHANICAL UNIT	1	EA	1000.00	1000.00
2	DUCTWORK	10	LF	100.00	1000.00
3	ROOF ACCESS LATCH	1	EA	100.00	100.00
4	CONCRETE PAD	1	EA	100.00	100.00
5	DUCTWORK	10	LF	100.00	1000.00
6	ROOF ACCESS LATCH	1	EA	100.00	100.00
7	CONCRETE PAD	1	EA	100.00	100.00
8	DUCTWORK	10	LF	100.00	1000.00
9	ROOF ACCESS LATCH	1	EA	100.00	100.00
10	CONCRETE PAD	1	EA	100.00	100.00



DATE: 11-8-08
DRAWN BY: M1
CHECKED BY: M1
PROJECT NO: M1

PROJECT: A TENANT IMPROVEMENT FOR:
LILY'S CHINA BISTRO
1280 SOUTH CARSON STREET
APT. 202-203-204
SHEET TITLE: MECHANICAL EQUIPMENT & ROOF PLAN

NO.	REVISION	DATE

OLSON HEATING & AIR CONDITIONING, INC.
2884 MAC RD. MINDEN, NY 89423
PHONE: (772)267-5447 NY License # 0046780



Office of Business Development

201 North Carson Street, Suite 2
Carson City, Nevada 89701

Date: May 11, 2010
To: Redevelopment Authority/Board of Supervisors
From: Joe McCarthy, Director
Subject: Staff report for the May 20, 2010 meeting

On May 3, 2010, the Redevelopment Authority Citizens Committee (RACC) reviewed several project applications requesting redevelopment incentives and made the following recommendations in accordance with redevelopment policies and procedures:

1. Award, contingent upon funds being available, Luann and Warren Tucker a redevelopment incentive grant in the amount of \$37,364.00 to support upgraded exterior improvements associated with their construction of a new building at 303 Fleischmann Way. This new building will allow Luann's existing physical therapy practice to expand. The Tuckers intend to apply the incentive funds requested to help with exterior improvements and aesthetic upgrades to the new building and property including landscaping, sidewalks and lighting, signage and so forth. This redevelopment project strengthens the stability of an existing downtown business, improves the visual impact of the area and adds to the downtown mix of commercial activity.
2. Award, contingent upon funds being available, Two Rivers NV, LLC a redevelopment incentive of \$18,000 to support exterior improvements associated with the second phase of construction of a new building at 310 South Nevada Street. This new building is a multiple use office complex. Two Rivers NV, LLC requested the grant to supplement the costs associated with the next phase of adding exterior improvements to its new office building and property including landscaping, signage, fencing, lighting and associated public improvements. This redevelopment project has the intent to improve the visual impact of the area while adding new commercial activity.
3. Award, contingent upon funds being available, the Brewery Arts Center a redevelopment grant of \$20,000 to pay for a portion of the engineering costs essential to the planning and development of its proposed new arts and culture campus. As stated in its application, the BAC is meeting all its regulatory requirements within required timeframes as it also launching a capital campaign to fund to eventually project.
4. Deny the incentive request of the owners and operators of Lily's China Bistro, James and Jie Gotchy to help the cost of their improvements associated with the remodeling and reopening of an Asian restaurant in the space formerly Long John Silver's fast food restaurant. This

new restaurant is currently open for business. The applicants want to apply incentive funds requested to pay off costs incurred with the rehabilitation of the property and apply some of the funding to a second phase planned for later this year. RACC pointed out that the applicants have already paid for the remodel and opened the business without the assistance of a redevelopment grant, making the applicant ineligible for funding. The RDA's incentive program does not provide costs reimbursement for projects already completed prior review and consideration by RACC.

5. RACC recommended awarding Carson Rendezvous, Inc. a special events grant of \$6,000.00, "an expense incidental in carrying out the redevelopment plan, "in support of this year's 27th annual Rendezvous, "A Salute to the Pony Express." The applicant had requested \$10,000.00 in special events funding. Last year, the Redevelopment Authority awarded Carson Rendezvous, Inc a special events grant of \$7,500.00. The year previous, 2008, Carson Rendezvous Inc received a grant of \$4,500.00.

As part of its process in reviewing the current incentive applications, RACC made the following findings, as specified in NRS Chapter 279 and our redevelopment policies and procedures:

- (1) The buildings, facilities, structures or other improvements are of benefit to the redevelopment area; and
- (2) No other reasonable means of financing those buildings, facilities, structures and other improvements are available.

RACC also took into account the following factors:

1. Whether the buildings, facilities, structures or other improvement are likely to:
 - o Encourage the creation of new businesses or other appropriate development;
 - o Create jobs or other business opportunities for nearby residents;
 - o Increase local revenues from desirable sources;
 - o Increase levels of human activity in the redevelopment area or the immediate neighborhood in which the redevelopment area is located;
 - o Possess attributes that are unique, either as to type of use or level of quality and design;
 - o Require for their construction, installation or operation the use of quality and design;
 - o Require for their construction, installation or operation the use of qualified and trained labor; and
 - o Demonstrate greater social or financial benefits to the community than would a similar set of buildings, facilities, structures or other improvements; and
2. The opinions of persons who reside in the redevelopment area or the immediate neighborhood in which the redevelopment area is located.

As a helpful guideline when considering the second finding of "no other reasonable means of financing those buildings, facilities, structures and other improvements are available," RACC used the following summary of the City of Las Vegas Redevelopment Authority's criteria:

1. An inducement for new business/property owner to locate or existing businesses/property owner to remain within the redevelopment area in which the

- business/property owner would ordinarily choose to develop or locate outside the redevelopment area if the incentive were not required.
2. There is a public objective and/or requirement that is more stringent and/or costly to undertake than a business/property owner would ordinarily embark on/develop or redevelop.
 3. There is a lack of rehabilitation in the area and it is deemed unreasonable for the business/property owner to invest in improving the area unless an incentive is granted.
 4. The exterior of the improvements to the property or business does not have a direct affect on the revenues; therefore making such an investment by a customary financial institution is not viewed as acceptable.
 5. The visual improvement of the property or addition of the business/operation to the area is so dramatic that it is a catalyst for economic development in the area.