



# STAFF REPORT

**Report To:** Board of Supervisors

**Meeting Date:** December 1, 2016

**Staff Contact:** Hope Sullivan, Planning Manager

**Agenda Title:** For Possible Action: To approve the transfer of the gaming license of the Carson Horseshoe Club from Nevada Treasure Chest to Silver Bullet of Nevada, LLC. (Hope Sullivan, Planning Manager, hsullivan@carson.org)

**Staff Summary:** The applicant is seeking to transfer the ownership of the gaming license of the Carson Horseshoe Club. Per the provisions of Carson City Municipal Code (CCMC) 4.14.050, a license may be transferred upon a majority vote of the Board. The Board has the authority to grant the transfer or deny the request.

**Agenda Action:** Formal Action/Motion

**Time Requested:** 45 minutes

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## **Proposed Motion**

I move to approve the transfer of the gaming license of the Carson Horseshoe Club from Nevada Treasure Chest to Silver Bullet of Nevada, LLC.

## **Board's Strategic Goal**

Economic Development

## **Previous Action**

The City has records demonstrating that the Carson Horseshoe Club operated a casino at 402 North Carson Street as long ago as 1975. The City does not have the records demonstrating the original approval action and date.

## **Background/Issues & Analysis**

The Carson Horseshoe Club operated a casino at 402 North Carson Street as long ago as 1975. Per the provisions of CCMC 4.14.060, gaming licenses are issued for a period of three months and expire at the end of the quarterly period in which issued. The Carson Horseshoe Club was in operation and paid its gaming license fees in the last quarter of 2014. It did not pay the gaming license fees in the first quarter of 2015. Therefore, the Carson City gaming license expired on December 31, 2014. On October 12, 2016, the applicant Silver Bullet of Nevada, LLC dba Carson Horseshoe Club, applied for a transfer of ownership for a gaming license, and paid the gaming license fees for the last quarter of 2016. As only the Board may authorize a transfer of ownership of a gaming license, the application is pending Board action.

Prior to the Board Meeting, the District Attorney's office will prepare a legal memorandum with issues and analysis for the Board's review.

CCMC 4.14.020 obligates the sheriff of Carson City to investigate into the legal qualifications of each applicant for gaming licenses before any such license is issued. The sheriff's office has performed a background check and found that the applicant qualifies to hold a license.

**Applicable Statute, Code, Policy, Rule or Regulation**

CCMC Chapter 4.14 (Gaming Licenses and Regulations), CCMC 4.14.050 (License nontransferable), CCMC 4.14.045 (Requirements for unrestricted gaming license), CCMC 4.14.046 (Effect of discontinuation of unrestricted gaming for twenty-four (24) months.)

**Financial Information**

Is there a fiscal impact?  Yes  No

If yes, account name/number:

Is it currently budgeted?  Yes  No

Explanation of Fiscal Impact:

**Alternatives**

Deny the request to transfer the gaming license.

**Board Action Taken:**

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

1) \_\_\_\_\_

2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

GL# 16-31506



CARSON CITY LICENSE APPLICATION

Business License #: 16-31938  
Submittal Date: 10-12-2016

Please type or print in black ink; Incomplete or illegible applications will not be accepted. Applications must bear an original signature

1	<input checked="" type="checkbox"/> New Business	<input type="checkbox"/> Change of Location/Mailing	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Change of Corporate Officer	<input type="checkbox"/> Other
2	Type of License(s)	<input type="checkbox"/> Business	<input type="checkbox"/> Short-Term	<input checked="" type="checkbox"/> Gaming	<input type="checkbox"/> Liquor
3	Type of Entity	<input type="checkbox"/> Sole Proprietor	<input type="checkbox"/> Corporation	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company
				<input type="checkbox"/> Non-Profit	

4	Entity Name	SILVER Bullet of NEVADA, LLC			5	Business Opening Date	
6	Business Name (DBA)	Carson Horseshoe Club			7	EIN #	
						20-8833625	
8	Business Address	402 North CARSON Street	City	CARSON CITY	State	NV	
					Zip Code	89701	
9	Mailing Address	5650 South CARSON Street	City	CARSON CITY	State	NV	
					Zip Code	89701	
10	Corporate Phone	775.783.6695	Business Phone	775.783.6695	Cellular Phone	775.722.8997	
					Business Fax		
11	E-mail Address	earlh@Carsonvalleyinn.com			Business Website	www.Carsonvalleyinn.com	

12 Owner(s), Manager(s), or other Principal(s) attach additional pages if required See ATTACHED

Last, First, MI	Percent Owned	Title
Regram Michael E		
Residence Address (Street)	City, State, Zip	Residence Telephone
Last, First, MI	Percent Owned	Title
Residence Address (Street)	City, State, Zip	Residence Telephone
Last, First, MI	Percent Owned	Title
Residence Address (Street)	City, State, Zip	Residence Telephone
Liquor Manager (if applicable)	<input type="checkbox"/> On-Site <input type="checkbox"/> Off-Site	Contact Phone Number
Residence Address (Street)	City, State, Zip	

13 Describe in detail the activity of your business  
Operate 16 slot machines for 8 hours to preserve the grandfather status of the nonrestricted gaming license of the Horseshoe Club


Type of Liquor License Applying for (If applicable) N/A

<input type="checkbox"/> Tavern/Bar	<input type="checkbox"/> Dining Room w/Beer and Wine Only	<input type="checkbox"/> Packaged Liquor	<input type="checkbox"/> Dining Room w/Hard Liquor	<input type="checkbox"/> Combo (On-Premise & Pkg)	<input type="checkbox"/> General Wholesale
<input type="checkbox"/> Catering	<input type="checkbox"/> Additional Wet Bars _____	Will there be an Interim Management Agreement?			

16	List number of slot machines (If applicable)	List number of table games (If applicable)
	<input type="checkbox"/> 1 cent _____ <input type="checkbox"/> 5 cent _____ <input checked="" type="checkbox"/> 25 cent 16 <input type="checkbox"/> 1.00 _____	<input type="checkbox"/> Craps _____ <input type="checkbox"/> Roulette _____ <input type="checkbox"/> Twenty-One _____ <input type="checkbox"/> Keno _____
	<input type="checkbox"/> Multi _____ <input type="checkbox"/> Poker _____ <input type="checkbox"/> Mega Buck _____	<input type="checkbox"/> Baccarat _____ <input type="checkbox"/> Race Book _____ <input type="checkbox"/> Sports Book _____ <input type="checkbox"/> Poker _____

17 If this application is for a change of business name, location, or ownership, list the previous name, address, and owner below:

Miscellaneous Information	Please answer this section if your business is <i>located</i> in Carson City. If you are unsure of your answer or are installing signage, contact the Planning Division at (775) 887-2180	
	Is your business location zoned for this type of business <b>Yes</b>	Has a Special Use Permit been obtained for this business location
	Will you be installing any outdoor signs	Are there any existing signs of the property
	Will there be any outside storage (If yes, please explain items being stored and how being screened) <b>No</b>	
	Will any commercial vehicles be used for this business (If yes, please describe size, type, and location of storage) <b>No</b>	
	Please list the quantities, types, and storage location of any chemicals or hazardous materials that will be used for this business <b>N/A</b>	

Rules and Regulations	I, the undersigned understand that I cannot operate my business until my license is actually issued by this office indicating approval by all necessary city departments
	<ul style="list-style-type: none"> <li>• If any changes are made after completing said license application this office must be notified immediately and an updated is required.</li> <li>• A business license, liquor license, and/or gaming license are issued to a given owner at a SPECIFIC LOCATION and are NON-TRANSFERRABLE to a different owner or different location</li> <li>• Non-payment of annual and quarterly business license, liquor license, and/or gaming license fees by the due date will result in applied penalties and is grounds for the revocation of the license.</li> <li>• Any exception to any of the above is considered a violation of the Carson City Municipal Code and is subject to citation</li> </ul> <p>I hereby certify that the above information is correct to the best of my knowledge and belief. I understand that failure to complete this form truthfully is an act of perjury.</p> <p>Applicant's Signature <u>X </u> Date <u>10-5-16</u></p>

FEE STRUCTURE	FEE	LICENSE TOTAL FEES
Business License Fee	63.85	Business License Annual Fee: 83.00
Square Footage	13.00	Business License Pro-rated Fee: 20.75
Number of Employees	6.15	Business License Application/Update Fee: 25.00
Health Fee		Liquor License Annual Fee:
Number of Rental Units		Liquor License Pro-rated Fee:
Number of Coin Operated Machines		Liquor License Application Fee:
Number of Slot Machines 16	640.00	Liquor License Investigation Fee:
<b>TOTAL FEES DUE:</b>	<b>780.75</b>	Gaming License Quarterly Fee:
Payment Type <u>Off 13902</u>		Gaming License Application Fee: 25.00
Received By <u>SW</u>	Date <u>10-12-16</u>	Fictitious Name Fee: 20.00
Date Applicant Fingerprinted	By	File #
		Health Pre-Inspection Fee:

①  $20.75 + 640.00 + 25.00 + 20.00 + 25$

#### 4.14.010 - Definitions.

Whenever used in this chapter, unless the context otherwise requires:

1. "Banking game" shall mean a game conducted by one or more persons, where there is a fund, against which everyone has a right to bet, the bank being responsible for payment of all funds, taking all that is won and paying all that is lost. The fund which is provided for that purposes is generally called the "bank" and the person who conducts it the "banker."
2. "Board" shall mean the mayor and the members of the board of supervisors of Carson City.
3. "Convicted" shall mean a finding of guilt resulting from a plea of guilty, the decision of a court or magistrate or the verdict of a jury, irrespective of the pronouncement of judgment or the suspension thereof.
4. "Employee" shall mean an individual who performs services subject to the control by any employer. Where, for Federal Social Security tax purposes, a determination has been made that an individual is an employee, that determination will be controlling for the purposes of this chapter.
5. "Gambling device" shall mean and include any device or apparatus designed for carrying on any gambling game, or for determining whether the player is to win or lose.
6. "Gambling games" shall include all games specifically mentioned in this chapter and also shall be given a very general application and shall include bookmaking, pool selling, and all acts, games and contrivances by which one risks money or other things of value on a contest or chance of any kind.
7. "Jukebox" shall mean any mechanical device for the playing of music actuated and controlled by the placing of coins or tokens therein.
8. "License" shall mean a license issued pursuant to this chapter.
9. "Licensee" shall mean any person to whom a license has been issued pursuant to this chapter.
10. "Person" shall include an individual, partnership, firm or corporation, as the context requires.

(Amended by Ord. 1973-9 § 1(2) (part), 1973)

#### 4.14.046 - Effect of discontinuation of unrestricted gaming for twenty-four (24) months.

If gaming operations at any location for unrestricted gaming under the provisions of this code are discontinued for twenty-four (24) consecutive months, the exemptions set forth in Section 4.14.045 do not apply unless the licensee demonstrates that the discontinuance is due to the demolition and reconstruction, remodeling or expansion of the structure in which the licensed gaming activity took place. The licensee must have obtained a Carson City building permit for any such work and in any event has the burden of demonstrating that the discontinuance is for the purposes set forth herein. Any such demolition and reconstruction, remodeling or expansion must be diligently pursued and completed in a reasonably timely manner.

(Ord. 2002-7 § 2 (part), 2002).

#### 4.14.047 - Appeals.

1. If the Carson City gaming license is denied, the applicant may appeal to the board of supervisors as hereinafter provided.
2. A written notice of appeal from the denial of a license may be filed with the city treasurer not later than ten (10) business days after notice of the denial is provided to the applicant by certified mail sent to his last known address. Upon receipt of the notice of appeal, the treasurer shall schedule a hearing before the board of supervisors. Notice of the date, time and place of the hearing shall be

provided the applicant by certified mail sent to his last known address not later than ten (10) business days before the time specified for the hearing. The applicant or his representative must appear at the hearing. The board may sustain the treasurer's decision or order that the license be issued. The decision of the board must be in writing and must include one (1) or more of the following findings of fact:

- a. Evidence of payment dates showing timely post-marks or other proof of timely delivery of documents described in Section 4.14.045 (3) and (4);
- b. Evidence showing a reasonable sustained effort to timely comply or no fault of the applicant for failure to comply with performance dates set forth in Section 4.14.045 (3) and (4); or
- c. Evidence of special circumstances or conditions which apply to the applicant's parcel of real property which make compliance with the provisions of Section 4.14.045 difficult, provided that:
  - i. Such circumstances or conditions are not self-imposed; and
  - ii. The granting of the license will promote the public health, safety, and general welfare of Carson City by increasing tourism, commerce, or other similar activities in an amount equivalent to that which would be achieved by compliance with Section 4.14.045. The determination of equivalence shall be based on realistic estimates of either; a) an investment in tourism related infrastructure equivalent to that of one hundred (100) hotel rooms; or, b) an annual economic benefit equivalent to that which would have been achieved by one hundred (100) hotel rooms. Examples of items that may qualify as tourism related investments include, but are not limited to: parking garage, golf course, convention center or a visitor attraction facility such as a museum, amusement park, science center, etc. The measure of equivalence of annual economic benefit shall include an estimate of potential annual expenditures in the community from the resulting tourism.

(Ord. 2002-12 § 2 (part), 2002: Ord. 2002-7 § 2 (part), 2002).

#### 4.14.050 - License nontransferable.

1. A license issued to any person to conduct or operate a gambling game or gambling device under the provisions of this chapter on any premises in Carson City may not be used for any other premises or for any other part of the building containing the licensed premises, without the consent of the majority vote of the board.
2. No license granted under the provisions of this chapter may be transferred by the licensee to any other person except upon application made to the sheriff, and which application must be approved by a majority vote of the board, who shall have the power and authority to grant the transfer or deny the request and require that a new and original application be made by the proposed transferee.
3. If the licensee shall cease to operate the licensed business, or if said license shall be revoked, there shall be no refund on said license, or if a receiver or assignee for the benefit of creditors shall be appointed for said business, or guardian of the property of an individual holding a license shall be appointed during the time for which such license was granted, or if a person holding a license shall die during the term for which such license was given, such receiver or assignee or guardian of such a license, or the administrator or executor of the estate of such a deceased licensee, may continue to carry on the licensed business on the premises designated therein for the balance of the term for which said license was effective with the same rights and subject to the same restrictions and liabilities as if he had been the original holder of such license, providing the authority of the board be first obtained. Before continuing such business, such receiver, assignee or guardian or administrator or executor shall file a statement with the board, setting forth the facts and circumstances by which they/he has succeeded to the rights of the original licensee.

#### 4.14.060 - Expiration of license.

Every license issued under the provisions of this chapter shall be for a period of three (3) months and shall expire at the end of the quarterly period in which issued, namely, on March 31st, June 30th, September 30th, and December 31st.