



Wa She Shu Casino & Travel Plaza

Project Location

Gardnerville, NV

Owner/Agency

Washoe Tribe of Nevada & California

Contact Person

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Project Description

New Casino - \$8 Million
Travel Plaza & Infrastructure - \$11.6 Million

Financing Amount & Type

\$8 Million Alternative Financing (Tribe)
\$11.6 Million in New Market Tax Credits

- ☐ \$6.2 Million NMTC Investor Proceeds
- ☐ \$5 Million Net Benefit to Tribe After All Closing Costs & Fees

Completion Date

April 2015 – Travel Plaza
June 2015 – Casino

Description

FSA helped scope, develop and secure financing for the travel plaza and casino. When engaged, FSA along with Ceiba Legal facilitated multiple workshops with the Tribal Council to help the Council determine the appropriate project scope. FSA facilitated the RFP process for the selection of the lender, architect, owner’s representative and contractor for the projects.

The Wa She Shu Travel Plaza project was the first stacked New Market Tax Credit economic development project like it completed in Indian Country and paved the way for other tribes to consider using New Market Tax Credit financing for similar types of projects. The Washoe Tribe was able to obtain state and federal tax credits (a “stacked” structure) and secured \$11.6 million in funding. The Tribe borrowed \$5.2 million for the project and received \$6.4 million as an equity contribution through the New Market Tax Credits structure, which equates to 53.3% of the debt that will not have to be paid back. The Tribe was not able to obtain traditional financing for the proposed casino because it was a greenfield (start-up) project in the very competitive Reno-Carson City gaming market. There were no traditional or alternative financing structures that could be obtained. The Tribe’s legal counsel then discussed the possibility of leasing tribal land to a casino operator and solicited proposals for this structure. The Washoe Tribe received two proposals and selected PCI Gaming Authority, the gaming arm of the Poarch Band of Creek Indians. One of the major benefits of the structure, is that all the risk was on PCI to operate a successful casino, while Washoe was able to receive a gaming tax and land lease revenue regardless of the profitability of the casino.

