



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** August 19, 2021

Staff Contact: Hope Sullivan, Community Development Director

Agenda Title: For Possible Action: Discussion and possible action regarding a proposed resolution providing for the transfer of Carson City's 2021 Private Activity Bond Volume Cap to the Nevada Rural Housing Authority ("NRHA"). (Hope Sullivan, hsullivan@carson.org)

Staff Summary: According to the provisions of NAC Chapter 348A and NRS Chapter 348A, Carson City may annually allocate a share of State money that is set aside for tax exempt loans to fund industrial development and affordable housing projects. The Private Activity Bond Cap provides lower-interest financing for eligible projects and can be transferred to another local government. If no application is received by the City for the use of the Bond Volume Cap and the City does not allocate its share to a specific entity such as the NRHA, the allocation goes back into the State-wide pool for re-allocation. The City has received no other requests for the allocation, and the NRHA is requesting the City's unused portion of the allocation. For 2021, Carson City's share of the Bond Volume Cap is \$3,097,034.98.

Agenda Action: Resolution **Time Requested:** 20 Minutes

Proposed Motion

I move to adopt Resolution No. 2021-R-____.

Board's Strategic Goal

Quality of Life

Previous Action

N/A

Background/Issues & Analysis

The Private Activity Bond Volume Cap program is managed through the State of Nevada Office of Business and Industry ("OBI"), which accepts applications and assists applicants who have qualifying projects. The annual Bond Volume Cap allocations are typically announced in the first quarter of each year, and applications are accepted by the OBI shortly thereafter.

If the OBI had received an application for another project in Carson City, such an application would have been received by the City earlier in 2021. Since there are no other applicants for the City's share of the Bond Volume Cap, the NRHA is requesting that the City transfer its unused allocation (the full amount allocated) for its Home at Last home load program. The NRHA has indicated that they try to collect the unused portion of the allocation from various jurisdictions within their operational region, and they do not compete with other projects that are seeking the same funds.

Should the City take no action, the City's share of the Bond Volume Cap reverts back to the State pool of funds, which is then distributed to applicants on a state-wide basis. This typically means the funds will be used primarily in the larger counties, including Washoe and Clark Counties, according to NRHA.

Applicable Statute, Code, Policy, Rule or Regulation

NRS Chapter 348A; NAC Chapter 348A

Financial Information

Is there a fiscal impact? No

If yes, account name/number:

Is it currently budgeted? No

Explanation of Fiscal Impact: There is no cost to the City in transferring the City's portion of the Bond Volume Cap to the NRHA, and there is no other use for which the funds could be used by the City.

Alternatives

Do not transfer the City's Private Activity Bond Volume Cap to the NRHA and allow the City's allocation to go back into the State-wide pool for use by other State agencies.

Attachments:

[PABC 2021 Request Carson City - Final DA.docx](#)

[PABC 2021 Resolution Carson City - Final DA.docx](#)

Board Action Taken:

| | | |
|---------------|----------|---------|
| Motion: _____ | 1) _____ | Aye/Nay |
| | 2) _____ | _____ |
| | | _____ |
| | | _____ |
| | | _____ |

(Vote Recorded By)



July 30, 2021

Lori Bagwell
Mayor, Carson City
201 N. Carson Street, Ste. 2
Carson City, NV 89701

Re: Request for Private Activity Bond Cap

Dear Mayor Bagwell:

Better together – it’s a phrase that rings truer than ever after a year of unprecedented challenges. I’d like to thank Carson City for your past, present and future support of Nevada Rural Housing Authority’s mission to promote, provide and finance affordable housing opportunities for all rural Nevadans. Since 2006, Carson City has transferred its unused Private Activity Bond Cap (PABC) to the Nevada Rural Housing Authority (NRHA), resulting in our continued success operating Home At Last™, the award-winning, single-family housing program created exclusively for rural homebuyers.

Transferring PABC to NRHA does not obligate the County in any way – it simply provides us with a financing tool to ensure we can continue offering affordable homeownership programs like the Mortgage Credit Certificate (MCC), offered exclusively through NRHA.

Last year, our Home At Last™ program assisted more than 1,000 rural Nevada families achieve their dreams of affordable homeownership ... despite a global pandemic. This achievement is bittersweet, of course. As we watched hundreds of families move into homes of their own, we also assisted renters who were negatively impacted by COVID-19 and on the brink of losing their homes. But that’s what NRHA does – we look at the entire rural housing picture, always seeking to innovate and operate programs that support our communities in real ways that make a difference. With your support, Home At Last™ not only delivers the financial tools our people need to live the American Dream – we also deliver hope.

Can you measure hope? Well, we like to think so!

Since 2006, over 10,000 families have experienced the giddy feeling of closing day. Home At Last™ has had the privilege of providing over \$2.1 billion in affordable mortgages, \$60 million in down payment assistance and \$35.6 million in estimated tax savings to first-time buyers – with those savings being reinvested in our local communities. Homeownership grows stability. Homeownership grows generational wealth. Homeownership helps our neighbors grow roots in our communities, and when one of us does better, we all do better. Hope is being home at last.



3695 Desatoya Drive, Carson City, NV 89701 • P: 775-887-1795 • F: 775-887-1798
TDD: 800-545-1833 ext. 545 • nvrural.org • Diane@nvrural.org
This institution is an equal opportunity provider and employer.



Getting homebuyers in the door isn't where our work ends. Responsible homeownership starts with education, which is why we offer free, easy-to-access homebuyer education through Home At Last™ University (or HAL U, for short). Since launching HAL U in 2019, we've "graduated" more than 9,000 future homebuyers, and in 2020, HAL U snagged a Single-Family Excellence Award from the National Association of Local Housing Finance Agencies.

Please accept this letter as our formal request to schedule this action (or consent) item for the August 19, 2021 County Commissioners meeting. To simplify the transfer of PABC to NRHA, a draft resolution and corresponding transfer certificate required by the State of Nevada is attached. Within five (5) days of approval, please email a copy of the signed resolution and transfer certificate to Diane@NVRural.org and mail the original documents to:

Attn: Carrie Foley
State of Nevada, Department of Business & Industry
3300 W. Sahara Ave., Suite 425
Las Vegas, NV 89102

If you have any questions about the transfer or this request, please consult your counsel or NRHA's bond counsel, Ryan Bowen at (312) 845-3277.

With Sincere Gratitude,



William L. Brewer
Executive Director

Enclosures: 2
Attachment 1: Resolution
Attachment 2: Transfer Certificate



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RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF CARSON CITY, NEVADA PROVIDING FOR THE TRANSFER OF CARSON CITY'S 2021 PRIVATE ACTIVITY BOND VOLUME CAP TO THE NEVADA RURAL HOUSING AUTHORITY; AND OTHER MATTERS RELATED THERETO

WHEREAS, pursuant to the provisions of Chapter 348A of the Nevada Revised Statutes (“NRS”) and Chapter 348A of the Nevada Administrative Code (“NAC”), there has been allocated to Carson City, Nevada (the “City,” and “County”, respectively), the amount of \$3,097,034.98 tax-exempt private activity bond volume cap for year 2021 (the “2021 Bond Cap”); and

WHEREAS, the Nevada Rural Housing Authority (the “NRHA”), has requested that the City transfer its 2021 Bond Cap to the NRHA for the purpose of providing a means of financing the costs of single family residential housing that will provide decent, safe and sanitary dwellings at affordable prices for persons of low and moderate income (“Single Family Programs”); and

WHEREAS, the City is a local government as defined by NAC 348A.070; and

WHEREAS, Section 348A.180 of the NAC provides a procedure whereby the City may, by resolution, transfer to any other local government located within the same county, all or any portion of its 2021 Bond Cap; and

WHEREAS, pursuant to NRS 315.983(1)(a), the NRHA is an instrumentality, local government and political subdivision of the State; and

WHEREAS, the NRHA is located within Carson City, pursuant to NRS 315.963, which defines the NRHA's area of operation as “any area of the State which is not included within the corporate limits of a city or town having a population of 150,000 or more.”

NOW, THEREFORE, the Board of Supervisors of the City does hereby find, resolve, determine and order as follows:

Section 1. Recitals. The recitals set forth herein above are true and correct in all respects.

Section 2. Transfer of Private Activity Bond Volume Cap. Pursuant to NAC 348A.180, the City hereby transfers its 2021 Bond Cap in the amount of \$3,097,034.98 to the NRHA for its Single Family Programs.

Section 3. Use of 2021 Bond Cap. The NRHA will use the 2021 Bond Cap for single family purposes in calendar year 2021 or carry forward any remaining amount according to the Internal Revenue Code of 1986, as amended, for such purposes.

Section 4. Representative of City. Pursuant to NAC 348A.180(1), the Director of the State of Nevada Department of Business and Industry (the “Director”) may contact Nancy Paulson regarding this Resolution at (775) 887-2100 or in writing at 201 N. Carson Street, Suite 2, City Hall, Carson City, NV 89701.

Section 5. Additional Action. The Mayor and Clerk of Carson City are hereby authorized and directed to take all actions as necessary to effectuate the transfer of the 2021 Bond Cap, and carry out the duties of the City hereunder, including the execution of all certificates pertaining to the transfer as required by NAC Ch. 348A.

Section 6. Direction to the NRHA. The NRHA shall notify the Director in writing as soon as practicable of the occurrence or nonoccurrence of any term or condition that would affect the disposition of the 2021 Bond Cap.

Section 7. Representative of the NRHA. Pursuant to NAC 348A.180(3), the Director may contact Diane Arvizo, Director of Homeownership Programs of the NRHA regarding this Resolution at (775) 886-7900 or by email at Diane@NVRural.Org or in writing at Nevada Rural Housing Authority, 3695 Desatoya Drive, Carson City, Nevada 89701.

Section 8. Obligation of the City. This Resolution is not to be construed as a pledge of the faith and credit of or by the City, or of any agency, instrumentality, or subdivision of the City. Nothing in this Resolution obligates or authorizes the City to issue bonds for any project or to grant approvals for a project or constitutes a representation that such bonds will be issued.

Section 9. Enforceability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution. This Resolution shall go into effect immediately upon its passage.

ADOPTED, SIGNED AND APPROVED this ____ day of _____, 2021.

CARSON CITY, NEVADA

By _____
Lori Bagwell, Mayor

ATTEST:

By _____
Aubrey Rowlett, Clerk

CERTIFICATE OF TRANSFER OF VOLUME CAP

I, Aubrey Rowlatt, am the duly chosen and qualified Clerk of Carson City, Nevada (the “City”) and in the performance of my duties as Clerk do hereby certify to the Office of Business Finance and Planning in accordance with Section 348A.260 of the Nevada Administrative Code (“NAC”), that the private activity bond volume cap allocated to Carson City in the amount of \$3,097,034.98 has been transferred as follows:

\$3,097,034.98 has been transferred pursuant to NAC 348A.180 from Carson City, a local government, located in Carson City, Nevada to the Nevada Rural Housing Authority, a local government, located within Carson City for the purpose of providing a means of financing the costs of single family residential housing that will provide decent, safe and sanitary dwellings at affordable prices for persons of low and moderate income.

This certificate is being filed within five (5) days of the transfer being made in accordance with NAC 348.260.

CARSON CITY, NEVADA

By _____
Aubrey Rowlatt, Clerk

cc: Diane Arvizo, Nevada Rural Housing Authority