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*Governor*

STATE OF NEVADA



TERRY J. REYNOLDS  
*Director*

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*Deputy Director*

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*Deputy Director*

**DEPARTMENT OF BUSINESS AND INDUSTRY  
OFFICE OF THE DIRECTOR**

**Private Activity Bond Council  
Minutes from February 12, 2020 at 12:00 PM**

**The Following were in attendance:**

Terry Reynolds, Director-Business & Industry  
Bob Potts, Deputy Director – Governor’s Office of Economic Development  
Julia Ratti, Nevada State Senate  
Teresa Benitez-Thompson, Nevada State Assembly  
Dagny Stapleton, Executive Director-Nevada Association of Counties  
Jo Walker, Executive Assistant-Nevada League of Cities  
Mike Mullin, Founder & Former CEO of Nevada HAND  
Steve Aichroth, Nevada Housing Division  
Michael Holliday, Nevada Housing Division  
Marcel Schaeerer, Business & Industry  
Carrie Foley, Business & Industry  
Leslie Olson, Business & Industry  
Budd Milazzo, Business & Industry  
Rosa Reynolds, City of Henderson  
Hassan Chaudhry, Foresight Companies  
Deanna Judkins, Clark County  
Elizabeth Enriquez, Nye County  
Diane Arvizo, Nevada Rural Housing Authority  
Bill Brewer, Nevada Rural Housing Authority

**1. Call to order by Chair, Director Terry Reynolds**

Director Reynolds called the meeting to order at 12:00 PM

**2. Public Comments – public comments may be limited to 3 minutes per speaker**

There were no public comments in Carson City or Las Vegas.

**3. Report and allocation of volume cap carryover for 2019**

Director Reynolds gave an overview of the 2019 carry forward. The State of Nevada received an allocation of \$318,611,160.00. Both the Director’s Office and local jurisdictions each received \$159,305,580.00. The Director’s Office did not use their allocation. The local jurisdictions used \$142,282,910.32 from the 2019 allocation. The

unused local jurisdiction allocation was \$17,022,669.68, which reverted to the Director's Office. This leaves the Director's Office with a total of \$176,328,249.68 available which will be carried over.

**4. Letter dated January 29, 2020 from William Brewer, Executive Director with the Nevada Rural Housing Authority requesting remaining 2019 volume cap in the amount of \$11 million (for possible action)**

Director Reynolds said in the letter dated January 29<sup>th</sup> Mr. Brewer requested an additional \$11 million of volume cap for their Mortgage Credit Certificate Program. That would bring their total allocation to \$40,210,452.00.

Director Reynolds asked if there were any questions or comments on the letter. Bill Brewer thanked the committee for their consideration of the request for an additional \$11 million. Bill Brewer said they've indicated a few different ways of implementation with the 20%, 10% or up to 50%. Using the 20% tax credit rate they can serve approximately 60 additional homebuyers. At the 10% rate they could serve around 120 homebuyers. Bill Brewer said they would begin offering the program at the 20% rate and depending on the demand they could adjust that. If the demand is very strong, they could drop to the 10% rate in order to stretch the money out.

Senator Ratti said there is no question that the number of rental units and home ownership are priorities. She indicated that she is comfortable supporting the additional \$11 million to the Nevada Rural Housing Authority this year. Senator Ratti said she would like to put on the record that she thinks it is going to be the job of the Housing Advisory Board to look into what the priorities are for our state's housing needs. She said that speaking for herself personally, the priority would look like 30% and 50% AMI affordable housing units, 60% multi-family, and then home ownership in that order.

Director Reynolds asked for a motion on agenda item number 4 to allocate an additional \$11 million to the Nevada Rural Housing Authority. Senator Ratti made a motion to approve agenda item number 4. Assemblywoman Benitez-Thompson seconded the motion. All members voted in favor. The motion passed unanimously.

**5. Letter dated January 30, 2020 from Steve Aichroth, Administrator with the Nevada Housing Division in response to a request by Senator Ratti**

Steve Aichroth said his letter of January 30<sup>th</sup> is in response to a question from Senator Ratti posed at the last meeting regarding the impact of an \$11 million reduction to the Housing Division. Steve Aichroth said that using their existing model they would anticipate a deficit of new production of approximately 85 units of affordable housing, or the deficit in rehabilitation of approximately 104 units of affordable housing.

Director Reynolds asked if anyone had questions on the January 30<sup>th</sup> letter. Senator Ratti thanked Steve Aichroth for the analysis.

**6. Letter dated January 23, 2020 from Michael Holliday, Chief Financial Officer with the Nevada Housing Division requesting remaining 2019 volume cap in the amount of \$176,328,250.00 (for possible action)**

Director Reynolds said the request dated January 23<sup>rd</sup> from Michael Holliday would be reduced by the \$11 million which was just allocated to the Nevada Rural Housing Authority for a new total allocation of \$165,328,249.68.

Director Reynolds asked for a motion to grant the request for volume cap carryover to the Nevada Housing Division. Senator Ratti made a motion to approve. Assemblywoman Benitez-Thompson seconded the motion. All members voted in favor. The motion passed unanimously.

## **7. Recommendations for future agenda items (for possible action)**

Director Reynolds said he believed that Senator Ratti suggested a future agenda item at the January 28<sup>th</sup> meeting. Director Reynolds said he thought the suggestion was to review the overall housing plan priorities. Senator Ratti said the Housing Advisory Board needs some coordination on financing and the Housing Advisory Board has signed on to have that conversation.

Director Reynolds said he would like to synch the Housing Advisory meetings with the Private Activity Bond Council meetings. Director Reynolds said he would also like to be able to report on what the states allocation is and the distribution of volume cap for 2020.

Director Reynolds asked if there were any other recommendations for future agenda items, there were none. Director Reynolds asked for a motion for agenda item number 7. Senator Ratti made a motion to approve. Bob Potts seconded the motion. All members voted in favor. The motion passed unanimously.

## **8. Committee comments**

There were no committee comments.

## **9. Public comments – public comments may be limited to 3 minutes per speaker**

There were no public comments in Carson City or Las Vegas

## **10. Adjournment**

The meeting was adjourned at 12:18 PM.