



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

**Special Advisory Committee on Private Activity Bonds
April 29, 2014 at 9:30AM**

1. Call to order by Chair

Director Breslow called the meeting to order at 9:36AM

The following members were in attendance:

Bruce Breslow, Director, Department of Business & Industry
Ash Mirchandani, Deputy Director, Department of Business & Industry
Terry Reynolds, Deputy Director, Department of Business & Industry
Carrie Foley, Program Officer II, Department of Business & Industry
Bruce Johnson, Administrator, Housing Division
Wes Henderson, Nevada League of Cities
Richard Jost, Fennemore Craig Jones Vargas
Jeff Fontaine, Nevada Association of Counties
CJ Manthe, Nevada Rural Housing Authority
Colleen Platt, Deputy Attorney General, Attorney General's Office
Rose Cook, Nevada Rural Housing Authority
Gary Longaker, Nevada Rural Housing Authority

The following members were not in attendance:

Steve Hill, Executive Director, Governor's Office of Economic Development

2. Approval of the Agenda

Approved

3. Public Comments

None

4. Approval of December 11, 2012 meeting minutes, December 11, 2013 meeting minutes and March 7, 2014 meeting minutes

Wes Henderson made a comment regarding the December 11, 2012 minutes, under the attendance he was listed Wes Henderson, Executive Director of Nevada League of Cities, however he was not the Executive Director at that time, David Fraser was.

Director Breslow asked for a motion to approve the minutes. Ash Mirchandani made a motion to approve the minutes. Bruce Johnson second the motion. All members voted in favor. The meeting minutes from December 11, 2012, December 11, 2013 and March 7, 2014 with the noted change from Wes Henderson were approved.

5. *Report on the allocation of 2014 State Volume CAP to local governments based upon pro rata share of State's population*

Director Breslow stated that we have to wait for the State Demographer to come out with their annual demographic report before we can provide the allocations to local governments.

Ash Mirchandani asked Carrie Foley to provide the information regarding the 2014 allocation.

Carrie Foley stated that the residential figures for 2014 for the population of Nevada is 2,790,136. The 2014 volume cap is based on either \$100.00 per resident or \$296,825,000.00 whichever is greater. The 2014 volume cap for Nevada is \$296,825,000.00.

Carrie Foley read the 2014 population estimate and allocations for each county and city. The sheet with all of the information was provided to members prior to the meeting. The sheet is also posted online at www.business.nv.gov and has been distributed to county and city managers, as well as rural development authorities in the state of Nevada.

Ash Mirchandani said he has received 6-7 inquiries in the last 2-3 months for projects which are manufacturing, renewable and a fish farm. He said it looks a lot more promising now than it used to in the past few years. Ash Mirchandani said a lot counties also reached out to B & I, including Lyon County and Nye County.

Director Breslow encouraged NACO and NV League of Cities to get the word out to the cities and counties that the money is available to do bond projects in their jurisdictions.

Director Breslow asked for a motion to approve the report and allocation. Ash Mirchandani made a motion to approve. Jeff Fontaine second the motion. All voted in favor, motion carried unanimously.

6. *Report on usage and reversions of 2013 State Volume CAP by local governments and agencies receiving Volume CAP*

Carrie Foley stated at the December 11, 2013 Volume Cap meeting it was reported that \$17,850,310.45 from the 2013 volume cap would be used for three projects Agate Apartments \$13 million, Orvis Ring \$2,500,000.00 and Advanced Rail Energy Storage for \$2,350,310.45.

The amount has since changed. Orvis Ring Apartments for \$2,500,000.00 will be taken from the 2012 carry forward as it expires first. The total 2013 volume cap assigned to projects is \$15,350,310.45.

At the December 11, 2013 Volume Cap meeting it was reported that the remaining 2012 carry forward amount was \$199,451,585.00. Since Orvis Ring Apartments for the amount of \$2,500,000.00 will be taken from the 2012 carry forward the remaining 2012 carry forward is \$195,801,585.00.

The total volume cap that expired in December 2013 was \$187,770,000.00 from the 2010 carry forward.

The total 2013 volume cap carry forward is \$225,634,381.85. This amount includes the \$145,937,500.00 carry forward from the Director's Office, \$69,621,541.66 carry forward from the Housing Division and \$10,075,340.19 carry forward from the local jurisdictions.

Carrie Foley said for qualified mortgage bonds or mortgage credit certificates total currently available from 2011, 2012 and 2013 is \$457,382,814.00. The total qualified residential rental projects for 2011, 2012 and 2013 available is \$96,435,967.00. The total available is \$553,818,781.00.

Members discussed project Neon. Jeff Fontaine asked if someone could explain to him the Advanced Rail Energy Storage project in Nye County. Carrie Foley stated she would email Jeff Fontaine the information received from Nye County last year.

Director Breslow asked for a motion to accept the report on the usage and reversions of 2013 volume cap. Jeff Fontaine made a motion to approve the report. Wes Henderson second the motion. All members voted in favor, the motion carries.

7) Discussion on upcoming projects against 2014 Volume Cap allocations

In April, 2014 Carrie Foley received an email from David Heath which contained resolution No. 2509. The resolution is from the City of North Las Vegas to transfer their 2014 private activity bond volume cap to the Nevada Housing Division for use in eligible projects located in the City of North Las Vegas.

The amount of the transfer is \$11,800,000.00 however the City of North Las Vegas has not yet been notified of their allocation of the 2014 volume cap which is actually \$11,985,421.85. Carrie Foley will notify the City of North Las Vegas of their 2014 allocation and either requested a revised allocation with the total amount allocated to the City of North Las Vegas or advise that the difference between what was allocated with resolution number 2509 and the amount allocated to the City of North Las Vegas will revert to the Director's Office.

Director Breslow asked the folks in northern Nevada what projects are on the horizon for them that might qualify for bonds, tax exempt or non-exempt.

Jeff Fontaine stated they do not have anything right now. Jeff said they have enough allocation of cap right now for MCC's to last another year or two. They don't need anything

additional right now.

Bruce Johnson said nothing in the horizon, just North Las Vegas and Agate.

Carrie Foley stated she received something some from Lyon County last year, however they said they are still working on things and will get back in touch with B & I in the future.

8) ***Report on any additional requests for 2014 Volume CAP by Director and other agencies or issues***

No members were aware of any additional requests. Director Breslow said if we do have somebody that needs to come forward and request money we can schedule a telephonic meeting and get together to discuss projects for economic development in the future.

Jeff Fontaine inquired about communication issues with the rural counties. There are at least six counties that don't have a county manager, or someone that is devoted specifically to economic development.

Ash Mirchandani asked Carrie Foley to email the contact list that we have to Jeff Fontaine and Wes Henderson to verify we have the right person and to let us know if we should send information to additional people as well.

Ash Mirchandani said he and Director Breslow are going on a rural tour and will cover 6-7 counties in the first leg. The goal is to go to the counties, make those connections and see what the needs are and how we can be of help.

Director Breslow mentioned B & I is working on a 55 plus page document on access to capital to help businesses grow. Ash Mirchandani said we can help counties with access to capital, we can help with regulations, business advocacy, and new market tax credit programs. There are 6-7 types of bonds that we have.

Director Breslow said we have water systems, sewer systems, charter schools, etc. which if they know the bonding is available they might start thinking differently about how they want to do development.

Ash Mirchandani said B & I has a quarterly newsletter where we can highlight what type of projects are happening, what a county does, how a county is helping Nevada and growing the workforce in Nevada. Ash said B & I has many tools that we can use. We can talk with them about our housing projects and what we can do in terms of housing data, how we can bring affordable housing in those neighborhoods.

Director Breslow said he will provide Jeff Fontaine and Wes Henderson with a copy of the rural tour schedule, and asked Jeff and Wes to provide him with an email and invite to their upcoming meetings.

9) ***Recommendations on the request for use of Volume CAP by the Special Advisory Committee tot eh Director***

Ash Mirchandani said this has been covered by previous agenda items. Carrie Foley said

going forward she will combine a couple agenda items. Director Breslow said that's fine and to run it by Colleen Platt.

10) *Suggestion of agenda items for next meeting*

Director Breslow asked if anyone has ideas on a future meeting. He said generally we meet in April and meet in December. We can come together again if there is a need to transfer allocation to a project. Ash Mirchandani agreed and suggested that if we have requests for volume cap the committee should meet again to discuss. It might be a good idea for the entity requesting the money to come to the meeting and discuss the project in which they are requesting the money for.

There were no other suggestions for the next meeting.

11) *Public comments*

Gary Longaker discussed his relationship with B & I and his involvement in Private Activity Bond Cap meetings along with the Nevada Rural Housing Authority.

During the fall 2006 meeting NRHA requested the \$38 million in transfers from the cities and counties be approved and asked for a match from the State which was granted. Since then NRHA has had four successful tax exempt programs and 3 MCC programs. The total in transfers and matching funds is approximately \$340 million. Mr. Longaker went on to discuss various programs and partnerships.

Rose Cook with NRHA also expressed her appreciation of the working relationship between NRHA and the Nevada Housing Division. She specially wanted to thank Director Breslow and Bruce Johnson for their efforts in partnering.

Rose Cook announced that CJ Manthe would be leaving the NRHA after 10 years. She wished CJ the best and thanked her for her service.

12) *Adjournment*

Director Breslow asked for a motion to adjourn. Ash Mirchandani made a motion to adjourn. Bruce Johnson second the motion. All members voted in favor. The meeting was adjourned at 10:45am.