



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** July 18, 2019

Staff Contact: Lee Plemel, AICP, Director

Agenda Title: For Possible Action: Discussion and possible action regarding a proposed Resolution providing for the transfer of Carson City’s 2019 Private Activity Bond Volume Cap to the Nevada Rural Housing Authority (NRHA). (Lee Plemel, lplemel@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 2019, Carson City’s share of the Bond Volume Cap is \$2,920,671.60.

Agenda Action: Resolution **Time Requested:** 10 Minutes

Proposed Motion

I move to adopt Resolution No. 2019-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 2019. 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 loan 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.

If you have questions regarding this item, contact Lee Plemel, Community Development Director, at 283-7075 or lplemel@carson.org.

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:

[PAB 1.Resolution 2019 NRHA.docx](#)

[PAB 2.2019-Request-NRHA.pdf](#)

Board Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)

RESOLUTION NO. 2019-__

A RESOLUTION PROVIDING FOR THE TRANSFER OF CARSON CITY'S 2019 PRIVATE ACTIVITY BOND VOLUME CAP TO THE NEVADA RURAL HOUSING AUTHORITY.

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”), the amount of \$2,920,671.60 tax-exempt private activity bond volume cap for year 2019 (the “2019 Bond Cap”); and

WHEREAS, the Nevada Rural Housing Authority (the “NRHA”), has requested that the City transfer its 2019 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 2019 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, BE IT RESOLVED that 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 2019 Bond Cap in the amount of \$2,920,671.60 to the NRHA for its Single Family Programs.

Section 3. Use of 2019 Bond Cap. The NRHA will use the 2019 Bond Cap for single family purposes in calendar year 2019 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-Recorder of the City are hereby authorized and directed to take all actions as necessary to effectuate the transfer of the 2019 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 2019 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 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.

Upon motion by Supervisor _____, seconded by Supervisor _____, the foregoing Resolution was passed and adopted this _____ day of _____, 2019 by the following vote:

AYES: _____

NAYS: _____

ABSENT: _____

ABSTAIN: _____

Robert L. Crowell, Mayor
Carson City, Nevada

ATTEST:

Aubrey Rowlett, Clerk-Recorder
Carson City, Nevada

CERTIFICATE OF TRANSFER OF VOLUME CAP

I, Aubrey Rowlatt, am the duly chosen and qualified Clerk-Recorder of Carson City, Nevada (the “City”) and in the performance of my duties as Clerk-Recorder 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 \$2,920,671.60 has been transferred as follows:

\$2,920,671.60 has been transferred pursuant to NAC 348A.180 from the City, a local government, located in Carson City 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-Recorder

cc: Diane Arvizo, Nevada Rural Housing Authority



May 29, 2019

The Honorable Robert Crowell
Mayor, Carson City
201 N. Carson Street, Ste. 2
Carson City, NV 89701

Dear Mayor Crowell:

I would like to thank you for Carson City’s partnership with the Nevada Rural Housing Authority (NRHA). Each year, Carson City has transferred its unused Private Activity Bond Cap (PABC) to NRHA, resulting in our continued success operating the award-winning, single-family housing program, Home At Last and helping to fulfill NRHA’s mission to promote, provide and finance affordable housing opportunities for all rural Nevadans.

What does that mean? It means 8,106 families have achieved their dream of affordable homeownership. It means \$26.4 million in homeowner tax savings have been invested back into our Nevada communities. It means Sheila and her two children in 2018 were finally able to move into a home of their very own. Home At Last!

The transfer of PABC does not obligate Carson City in any way. It simply gives us the financing tools to ensure we can successfully offer our homeownership programs – like the mortgage credit certificate (the “MCC”), which, in turn, support your community through single-family housing financing and tax credits to homeowners reinvested in your local economy.


Home At Last provides pathways. From comprehensive homebuyer education to the Trio lease-to-own program launching this year, we know homeownership isn’t only about getting approved and moving in. It’s about building long-term success. It’s about putting down roots and becoming engrained in a community – goals I know we share with you and your leadership.

Please accept this letter as our formal request to schedule this action (or consent) item for your July 18, 2019 Board of Supervisors meeting. To simplify the transfer, a draft resolution and corresponding transfer certificate is attached. Within 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
Nevada Department of Business & Industry
3300 W. Sahara Ave., Suite 425
Las Vegas, NV 89102**

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

With Sincere Gratitude,


William L. Brewer
Executive Director

Enclosures: 3
Attachment 1: 2019 Distribution of PABC
Attachment 2: Resolution
Attachment 3: Transfer Certificate



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



The Nevada Rural Housing Authority mission is to promote, provide and finance affordable housing opportunities for all rural Nevadans.

Home At Last™ is an integral part of expanding and ensuring homeownership opportunities in rural Nevada, which is a key component to successful economic development throughout the state. We recognize the tremendous value in working with our local communities – your commitment to helping ensure every citizen has a home they can afford is what makes rural Nevada a great place to live and thrive. It’s also a cornerstone for building healthy communities.

Total Home At Last™ Program Performance (Since 2006 Launch)

\$1.6 BILLION
 in Mortgages Provided

8,106 FAMILIES ASSISTED
 with Mortgage Credit Certificates and/or
 Down Payment Assistance

\$26.4 MILLION
 in tax savings reinvested into local
 communities

\$46.7 MILLION
 in Down Payment Assistance



**\$22.8 Million in PABC Transfers
 from Carson City to NRHA**



**\$2.7 Million in Federal Tax Savings
 to Homeowners in Carson City**



**\$3.7 Million in Down Payment
 Assistance to Carson City Homebuyers**



687 Families Assisted in Carson City

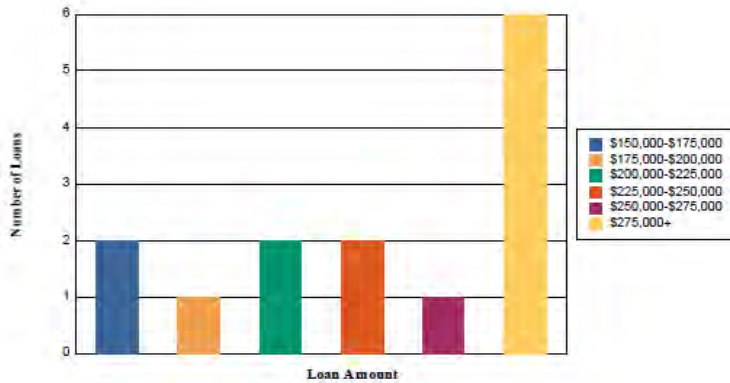
**Carson City
 Impact**

**\$120.5
 Million in
 Loan Volume**

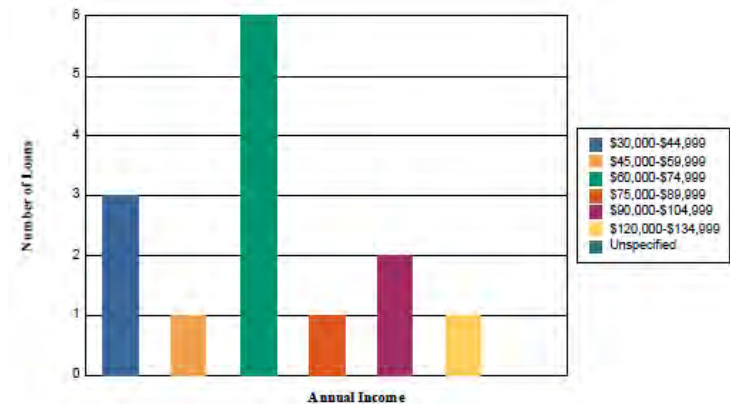
Home At Last™ in Carson City

As a national award-winning program, Home At Last™ provides unprecedented access to credit, resulting in doors being opened so that rural Nevadans can afford to own a home of their own. Local government transfer of private activity bond cap supports Nevada Rural Housing Authority's ability to help support your rural community through single-family home financing.

Location	Loan Volume Since 2006	Families Assisted Since 2006
Carson City	\$120,514,324	687
Program	Loan Volume Since 2006	Families Assisted Since 2006
Down Payment Assistance	\$91,723,453	517
Mortgage Credit Certificates	\$28,790,871	170
Total	\$120,514,324	687



Average Loan Size in Carson City (2018-2019): \$258,783



Average Household Income in Carson City (2018-2019): \$69,229

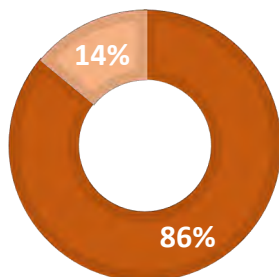
Average FICO Credit Score in Carson City (2018-2019): 707

PROPERTY TYPE

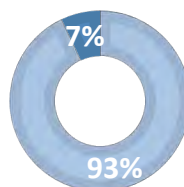
ETHNICITY

1 Unit Single Family

Manufactured Housing



■ Non-Hispanic ■ Hispanic

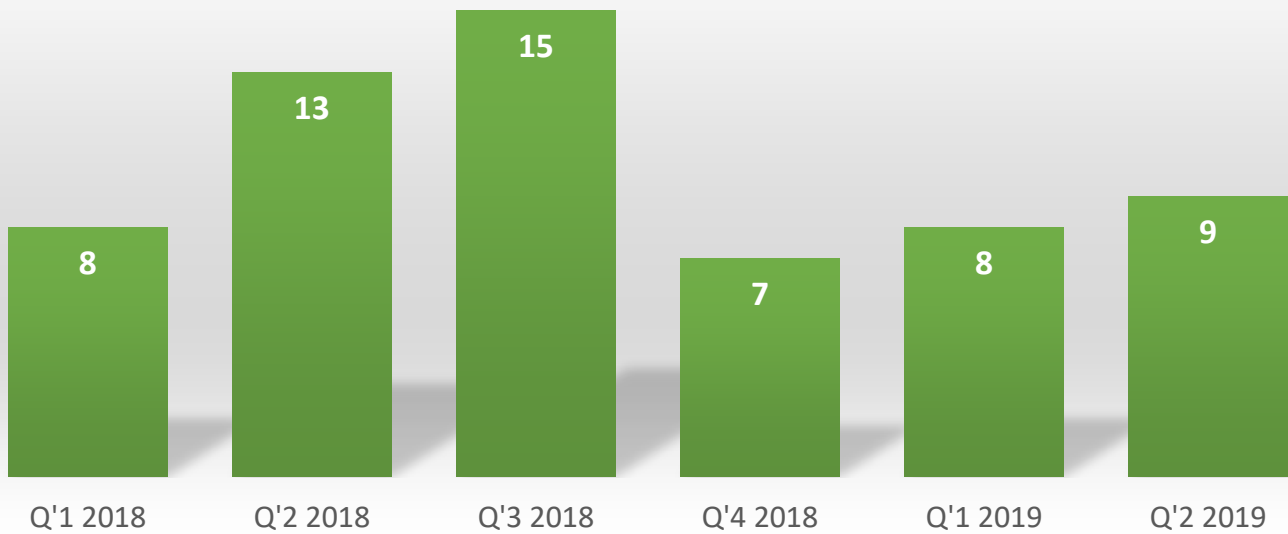


Top Lenders in Carson City:

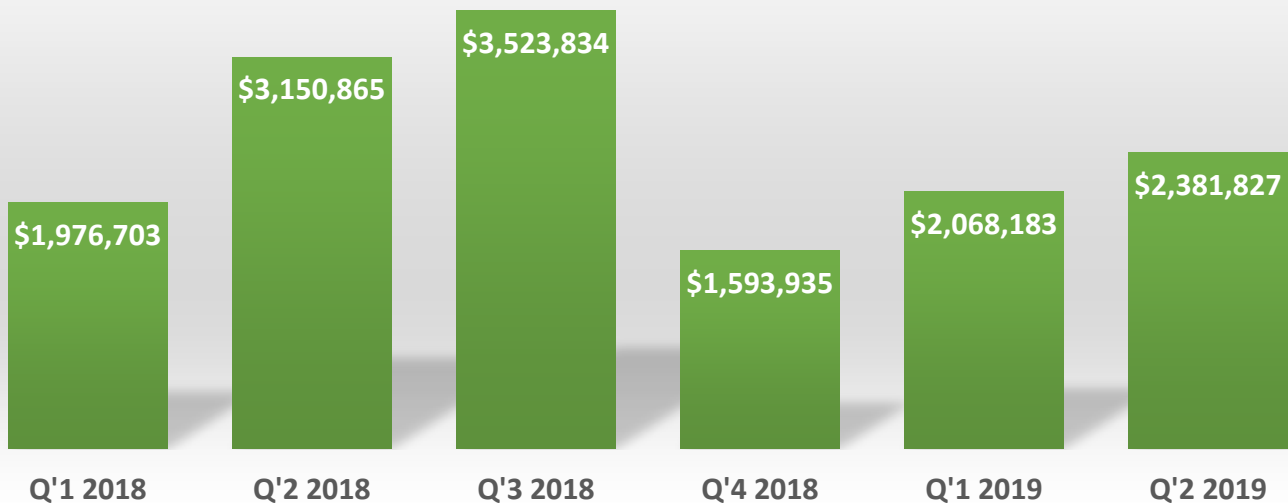
- Guild Mortgage
- Movement Mortgage
- PrimeLending
- Academy Mortgage
- iServe Residential

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**Families Assisted in Carson City – Per Quarter
 January 2018 – April 2019**



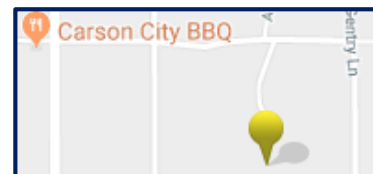
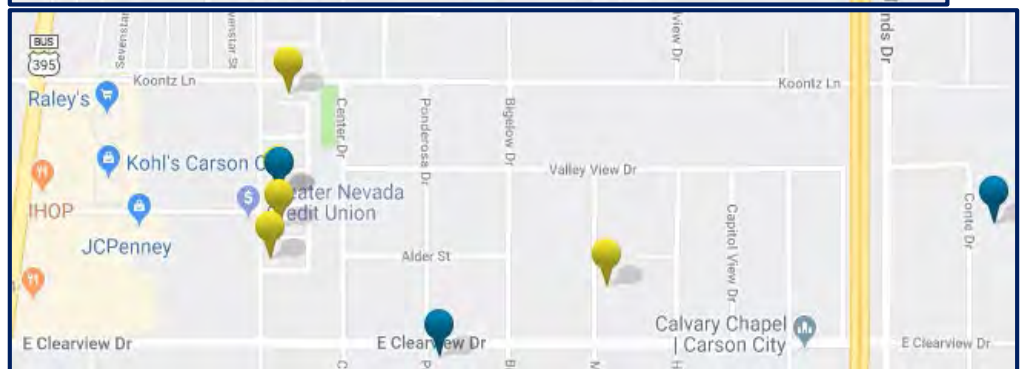
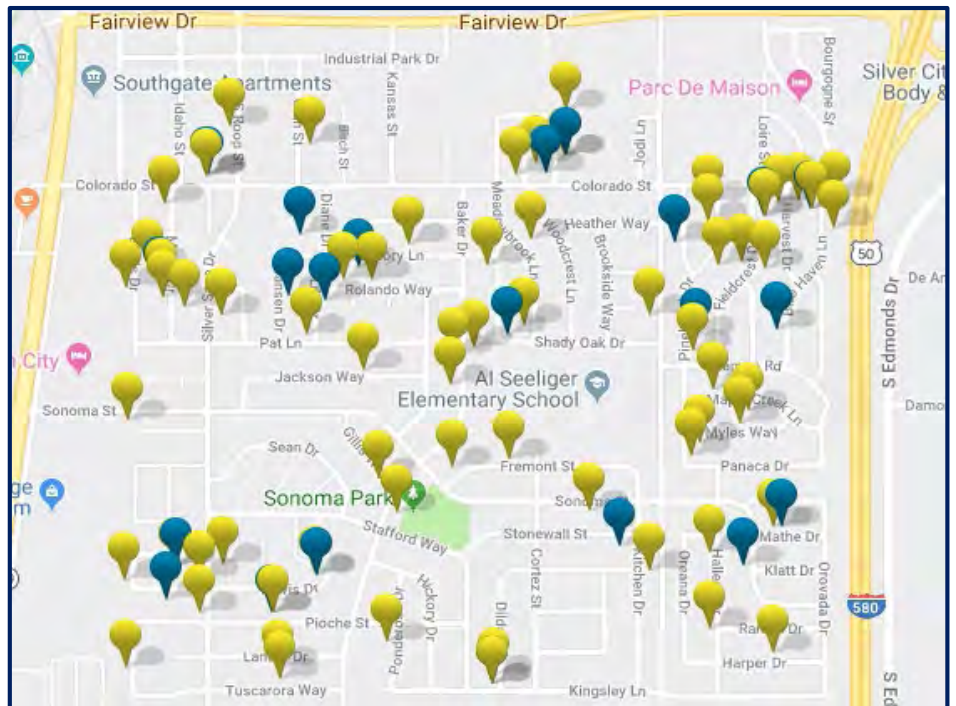
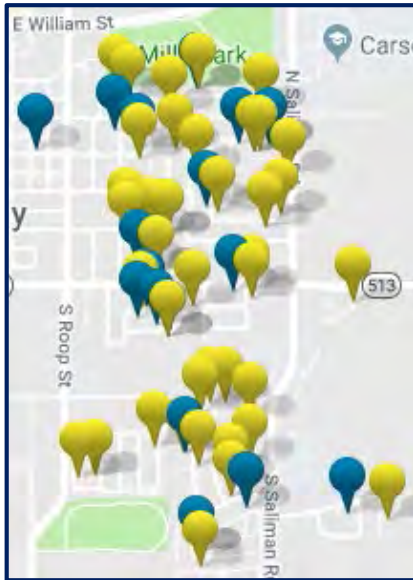
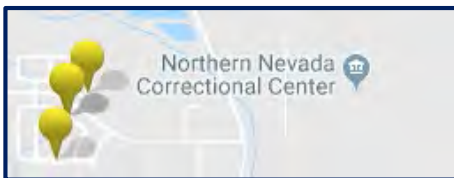
**Mortgages Provided in Carson City – Per Quarter
 January 2018 – April 2019**



Pursuant to NRS 315.977, NRHA operates under the oversight of a board of commissioners consisting of five commissioners appointed by the Nevada Association of Counties and Nevada League of Cities and Municipalities. NRS 315.983 defines that NRHA is an instrumentality, local government and political subdivision of the State, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out the purposes and provisions of NRS 315.961 to 315.99874, inclusive. NRHA's area of operation is defined per NRS 315.9835, as follows: The State Authority may operate in 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.

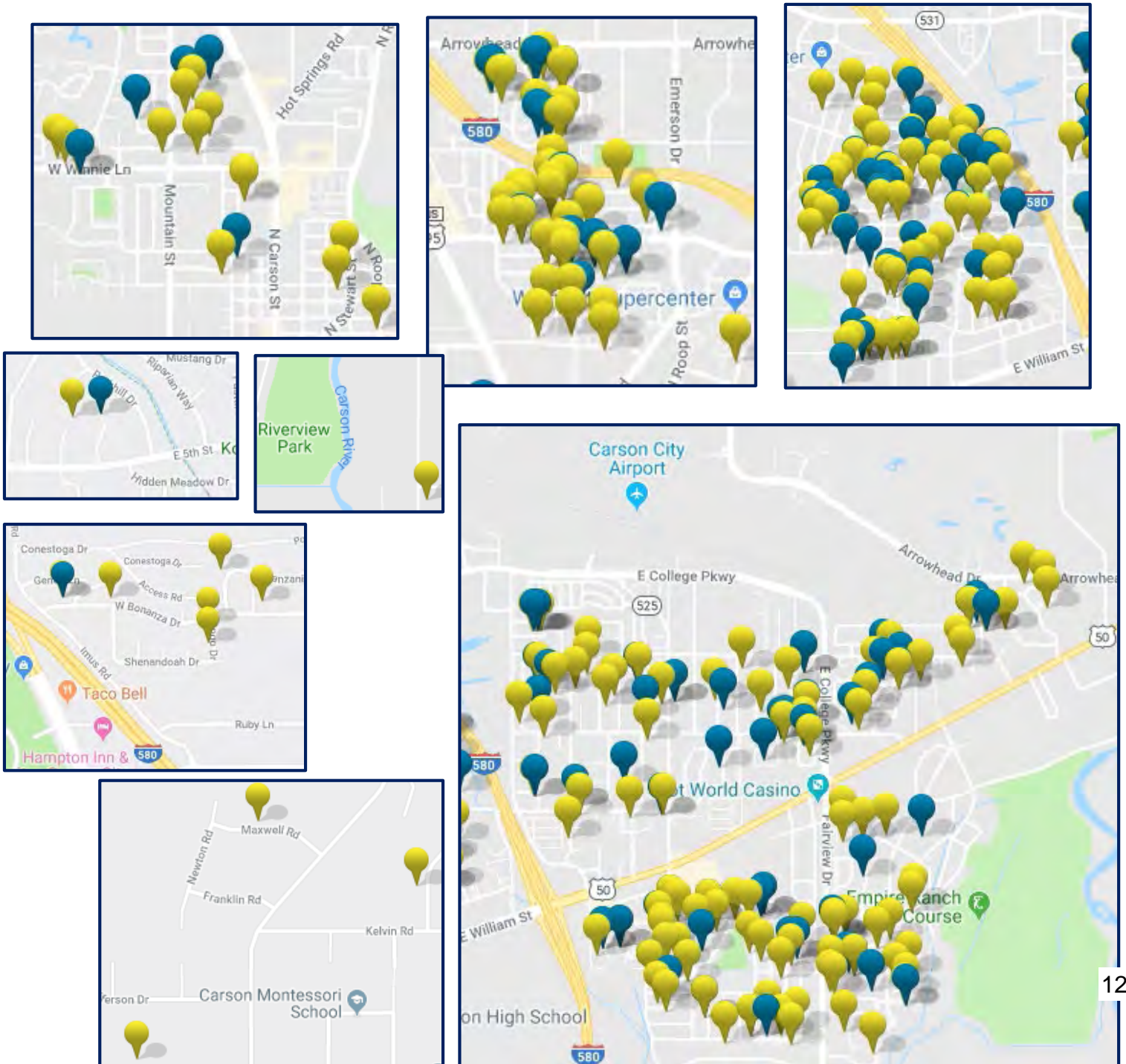
Down Payment Assistance

Mortgage Credit Certificates



Pursuant to NRS 315.977, NRHA operates under the oversight of a board of commissioners consisting of five commissioners appointed by the Nevada Association of Counties and Nevada League of Cities and Municipalities. NRS 315.983 defines that NRHA is an instrumentality, local government and political subdivision of the State, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out the purposes and provisions of NRS 315.961 to 315.99874, inclusive. NRHA's area of operation is defined per NRS 315.9835, as follows: The State Authority may operate in 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.

● Down Payment Assistance ● Mortgage Credit Certificates



Nevada State Department of Business & Industry
Distribution of Federal Tax Exempt Private Activity Bonding Authority [CAP]
For Use in Calendar Year 2019

\$318,611,160.00 =Total statewide allocation
 \$159,305,580.00 =Local jurisdictions allocation Total

Based upon estimates from the Nevada State Demographer, Nevada Department of Taxation

Counties & Incorporated Cities	2018		Percentage of State		Total for Distribution \$	159,305,580
	Population Estimate**		Population			
	County Totals	Jurisdiction Totals				
Carson City	56,057	56,057	1.83338%		\$	2,920,671.60
Churchill County	25,628					
Fallon		9,125	0.29844%		\$	475,429.09
Unincorporated County		16,503	0.53974%		\$	859,836.30
Clark County	2,251,175					
Boulder City		15,887	0.51959%		\$	827,741.58
Henderson		310,244	10.14671%		\$	16,164,276.33
Las Vegas		644,113	21.06609%		\$	33,559,458.11
Mesquite		22,557	0.73774%		\$	1,175,260.70
North Las Vegas		248,701	8.13391%		\$	12,957,774.17
Unincorporate County		1,009,673	33.02194%		\$	52,605,798.59
Douglas County	49,070	49,070	1.60486%		\$	2,556,636.20
Elko County	54,326					
Carlin		2,613	0.08546%		\$	136,142.05
Elko		21,158	0.69198%		\$	1,102,370.26
Wells		1,365	0.04464%		\$	71,118.98
West Wendover		4,406	0.14410%		\$	229,560.61
Unincorporated County		24,784	0.81058%		\$	1,291,291.45
Esmeralda County	969	969	0.03169%		\$	50,486.66
Eureka County	1,951	1,951	0.06381%		\$	101,650.65
Humboldt County	16,989					
Winnemucca		7,856	0.25694%		\$	409,311.88
Unincorporated County		9,133	0.29870%		\$	475,845.90
Lander County	6,065	6,065	0.19836%		\$	315,997.52
Lincoln County	5,255					
Caliente		1,084	0.03545%		\$	56,478.37
Unincorporated County		4,171	0.13641%		\$	217,316.68
Lyon County	55,551					
Fernley		19,790	0.64724%		\$	1,031,094.97
Yerington		3,424	0.11198%		\$	178,396.62
Unincorporated County		32,337	1.05760%		\$	1,684,816.48
Mineral County	4,690	4,690	0.15339%		\$	244,357.53
Nye County	47,856	47,856	1.56516%		\$	2,493,384.59
Pershing County	6,858					
Lovelock		1,965	0.06427%		\$	102,380.07
Unincorporated County		4,893	0.16003%		\$	254,934.19
Storey County	4,227	4,227	0.13825%		\$	220,234.38
Washoe County	460,237					
Reno		248,806	8.13735%		\$	12,963,244.86
Sparks		100,140	3.27514%		\$	5,217,476.03
Unincorporated County		111,291	3.63984%		\$	5,798,463.39
White Pine County	10,678					
Ely		4,149	0.13570%		\$	216,170.44
Unincorporated County		6,529	0.21353%		\$	340,172.77
Totals =	3,057,582	3,057,582	100.0000%		\$	159,305,580.00

IRS Notice 2019-19

**State Demographer's 'Governor Certified Population of Nevada Counties, Cities and Towns 2018'

Saved in Excel as: 2019 Volume Cap Distribution & Demographer Info