

STATE BOARD OF FINANCE
October 17, 2025 – 1:00 pm
Summary Minutes

Location:

Via videoconference at the following locations:

Guinn Conference Room
Capitol Building, 2nd Floor
101 N. Carson Street
Carson City, NV 89701

Governor's Office Conference Room
1 State of Nevada Way, 4th Floor
Las Vegas, NV 89119

Governor Lombardo called the meeting to order at 1:15 pm. Due to technical issues, the meeting was moved from the Old Assembly Conference Room to the Guinn Conference Room.

Board members present:

Governor Joe Lombardo – Las Vegas
Treasurer Zach Conine – Las Vegas
Controller Andy Matthews – Las Vegas
David R. Navarro – Las Vegas
Benjamin Edwards – Las Vegas

Others present:

Debi Reynolds:	Governor's Office
Nicole Ting:	Attorney General's Office
Lori Hoover:	Treasurer's Office
Steven Hale:	Treasurer's Office
Ryan Merchant:	Treasurer's Office
Emily Nagel:	Treasurer's Office
Itzel Fausto:	Treasurer's Office
Stephen Aichroth:	Nevada Housing Division
Christine Hess:	Nevada Housing Division
Bill Brewer:	Nevada Rural Housing
Eric Novak:	Praxis Consulting
Bryan Moloney:	LAC
Diago Ishikawa:	Nevada HAND
Audra Hamernik:	Nevada HAND
Nic Smith:	Nevada HAND
Genie Calma:	Nevada HAND
Karen Schnog:	SNRHA
Nick Buccero:	Brinshore
Maggie Marshall:	PFM
Ryan Watt:	Ulysses Development

Agenda Item 2 – Public Comment.

No public comment in Carson City or Las Vegas. No written public comment.

Agenda Item 3 – For discussion and for possible action – on the Board of Finance minutes from the meeting held on August 20, 2025.

Controller Matthews moved to approve the minutes. Motion passed unanimously.

Agenda Item 4 – For discussion and for possible action: Discussion and for possible action on the Nevada Housing Division’s request to approve the Administrator’s Findings of Fact pertaining to the issuance of up to \$35,150,000 of Multi-Unit Housing Revenue Bonds (Serene Pines Apartments), for the purpose of new construction of a 231-unit affordable senior housing rental project in Clark County, Nevada. The project developer is Nevada HAND. The borrower/ownership entity will be Serene Pines LP. Wells Fargo Bank N.A. will be the equity investor partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Administrator Stephen Aichroth with the Nevada Housing Division (NHD) presented a request to seek approval of the Administrator’s Findings of Fact pertaining to the issuance of up to \$35.15 million NHD multi-unit housing revenue bonds for the Serene Pines Apartments. These bonds will be used to provide for the new construction of a 231-unit affordable senior apartment complex in Clark County. The rental housing will serve a hundred households at or below 80% of area median income, with 28 units serving 30% area median income households and below and 36 units at 50% AMI or below. This proposed development includes state tax credits for affordable housing in Clark County Community Housing funds. The development group is led by Nevada HAND. Ultimately this development will be tied into a 50-unit development being processed through their 9% tax credit program for a total of 281 units on site.

Chief Financial Officer Christine Hess, with NHD, provided an overview of the financial structure noting this project includes a public offering of tax-exempt bonds during construction not to exceed \$35,150,000. This will be collateralized by a Wells Fargo taxable construction loan that is not issued by the division upon conversion to the permanent phase. The permanent loan, which is a private placement, Freddie Mac TEL will be funded, and proceeds will be applied to redeem the construction phase. The permanent phase loan is estimated at \$17.8 million. This project is estimated to generate approximately \$26 million in 4% low-income housing tax credit equity investment by Wells Fargo. Other sources of funds include the Nevada Transferable State Tax Credits with an estimated equity investment of \$3.2 million. Clark County Community Housing funds of \$17 million and the developer Nevada HAND is also deferring \$3.3 million from the developer fee.

Governor Lombardo asked if there are an additional 50 units outside of the financing scheme since the documents show 231 units.

Mr. Aichroth noted that is correct as it comes from their additional tax credit program that is run by the division and not subject to board approval.

Governor Lombardo congratulated the team and representatives and thanked them for continuing to participate in affordable housing.

Motion to approve agenda item 4 from Treasurer Conine. Motion passed unanimously.

Agenda Item 5 – For discussion and for possible action: Discussion and for possible action on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to \$11,800,000 of Multi-Unit Housing Revenue Bonds (Silver Sky Apartments), for the purpose of acquisition and rehabilitation of a 92-unit senior affordable housing rental project in Las Vegas, Nevada. The project developer is Nevada HAND. The borrower/ownership entity is a to-be -created limited Partnership. The National Equity Fund will be the equity investor partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Mr. Aichroth presented the request for approval of the Board for the findings of fact pertaining to the issuance of up to \$11.8 million of NHD multi-unit housing revenue bonds for Silver Sky Apartments. These bonds will be used to provide for the acquisition and rehabilitation of an existing 92-unit senior assisted living facility converting it to a 92-unit independent senior living community off the Summerlin Parkway in West Las Vegas. The rental housing will serve 92 households at or below 60% of area median income with 53 units at 50% area median income and 3 units at 30% AMI and below. The proposed development includes a division GAHP loan, and the development group as was indicated previously is led by Nevada HAND.

Ms. Hess continued with the financing structure noting it is proposed as a direct placement with Citibank not to exceed \$11.8 million in tax exempt bonds issued by the division. Once construction is complete, the bonds will be reduced to approximately \$4.8 million upon conversion to the permanent loan. The project is anticipated to generate approximately \$6.4 million in 4% low-income housing tax credits which will be provided by the national equity fund. Additional sources include \$1.5 million of the division's GAHP loan and a deferred developer fee of \$765,000.

Motion to approve agenda item 5 from Member Navarro. Motion passed unanimously.

Agenda Item 6 – For discussion and possible action: Discussion and for possible action on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to \$16,530,000 of Multi-Unit Housing Revenue Bonds (Washoe Mill Apartments), for the purpose of acquisition and rehabilitation of a 115-unit senior affordable housing rental project in Reno, Nevada. The project developer is Lincoln Avenue Capital. The borrower/ownership entity will be Washoe Mill Apartments, LP. The NEF Assignment Corporation will be the equity investor partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Mr. Aichroth presented the request to seek the approval of the Board for the findings of facts pertaining to the issuance in an amount not to exceed \$16,530,000 in NHD revenue bonds for The Washoe Mill Apartments. These bonds will be used to provide for the acquisition and rehabilitation of an existing 115-unit senior affordable community in Reno just east of the Renown Medical Center. The rental housing will provide affordability restrictions for 115 households at or below 60% AMI with all units subject to a HUD HAP contract which provides project based rental assistance to all 115 units ensuring that no residents have no more than 30% of their income on rent. The development group is led by Lincoln Avenue Capital who is wrapping up construction on their Pinion Apartment complex nearby.

Ms. Hess went over the financing structure for this project, which was placed in service for less than 20 years and per the Nevada Housing Division qualified allocation plan they requested a waiver for the 20-year requirement for re-syndication. The division did grant that waiver because of the importance of preservation and maintaining high quality living conditions for the residents. She

reviewed the affordability period will be extended an additional 30 years and the HAP contract rental assistance that was mentioned earlier that provides the deep subsidies to support Reno 's most vulnerable seniors will be extended an additional 20 years at minimum. This financing structure includes a direct placement of a Freddie Mac TEL immediate loan issued with CPC Mortgage Company. The division will issue up to \$16,530,000 of tax-exempt bonds. This loan will be for both the construction and permanent phases. CPC will also provide a taxable loan which will not be issued by the division during construction. The project will generate approximately \$11 million in 4% low-income housing tax credits with NEF as the equity investor and the developer is deferring \$1.7 million of their developer fee. She stated it's important to note that this preservation project does not have any state funds as they're able to complete it with the tax-exempt bond support, the federal tax credits, and their deferred development fee.

Bryan Maloney stated he is the Director of Development for Lincoln Avenue and was congratulated by Governor Lombardo.

Motion to approve agenda item 6 from Member Edwards. Motion passed unanimously.

Agenda Item 7 – For discussion and possible action: Discussion and for possible action on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to \$31,000,000 of Multi-Unit Housing Revenue Bonds (Marble Manor I Apartments), for the purpose of construction of a 138-unit affordable housing rental project in Las Vegas, Nevada. The project developers are Brinshore Development and Affordable Housing Program. The borrower/ownership entity will be Marble Manor 1, LLC. Enterprise Housing Credit Investments will be the equity investor limited partner. The Marble Manor 1 project was originally approved by the Board of Finance in October of 2023 for an amount up to \$29,000,000 in Multi-Unit Housing Revenue Bonds. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Mr. Aichroth presented the request to seek the approval of the Board for the findings of facts pertaining to the issuance in an amount not to exceed \$31 million in NHD revenue bonds for the Marble Manor I Apartments. These bonds will be used to provide for the new construction of a 138-unit affordable family apartment complex in the historic West side of Las Vegas. The rental housing will serve 108 family households out or below 60% of area median income with 30 units at market rate this development is the first of a proposed 5 phase complete reconstruction of the marble Manor complex over what is proposed to be about an 8-year overhaul, and this first process represents the cornerstone of that endeavor. He noted this item was brought before the Board of Finance in October of 2023 with an ask at that time of \$29 million in bonding authority. The approval at that time allowed the developer to apply for the HUD Choice Neighborhood Grant which they did win. They are now here to receive another approval for an additional \$2 million for a total of \$31 million so that they can begin the financial close.

Ms. Hess discussed the financing structure which is proposed as a direct placement with R4 Capital Funding. The division will issue up to \$31 million in tax exempt bonds during construction. The bonds will be reduced to approximately \$20 million upon conversion to the permanent loan. The project is anticipated to generate approximately \$20.6 million in 4% low-income housing tax credits with Enterprise Housing Credit Investments as the equity investor. This is one of those projects with an intense capital stack and there are a few other funding sources which include \$2.7 million of Nevada state tax credit equity, \$1 million of Las Vegas HOME, \$10 million of Clark County Community Housing funds, over \$5 million of Choice Neighborhood Initiatives Funds, a seller's note of \$600,000, City Park funds of \$600,000, and a deferred developer fee of \$3.1 million.

She expressed that they are looking forward to closing this project and excited about the Choice Neighborhood award for the Housing Authority.

Treasurer Conine asked if Brinshore could discuss the timelines and different steps for the rest of the development.

Nick Buccero from Brinshore stated that it is an 8-year development with 627 units. This is phase one, and they are looking forward to closing phase two towards the middle of next year. From there is a broader timeline looking at roughly one closing per year of the many other phases. He expressed they look forward to providing homes for families in need.

Treasurer Conine inquired as to whether each phase is the same size within the development.

Mr. Buccero noted that phase one is 138 units, phase two is 50 units, and the rest is still in flux.

Governor Lombardo asked Ms. Hess if she mentioned funding for a city park.

Ms. Hess stated there are city park funds in the project of \$600,000 from the funding source but not for a park.

Eric Novak with Praxis Consulting stated that the funds are for open space on the site and CDBG funds from the City of Las Vegas that'll be lent into the project by the Housing Authority.

Governor Lombardo asked what the city's responsibility is and if the housing division will have to manage this in future years .

Mr. Novak explained that the City is a partner to the Housing Authority on the Choice Neighborhoods Grant that was jointly awarded to both the City of Las Vegas and the Housing Authority. He noted that part of their participation in the project is to provide financing. They are providing CDBG funds both for the demolition right now which is not part of this financial transaction and some funds for open space on the site that's shown as city park funds but it's just open space to serve the residents. He noted it will be managed by the development Brinshore or Housing Authority.

Motion to approve agenda item 7 from Controller Matthews. Motion passed unanimously.

Agenda Item 8 – For discussion and possible action: Discussion and for possible action on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to \$28,670,000 of Multi-Unit Housing Revenue Bonds (The Prospector Apartments), for the purpose of new construction of a 136-unit family affordable housing rental project in Reno, Nevada. The project developer is the Ulysses Development Group. The borrower entity will be Prospector Owner LP. Wells Fargo will be the equity investor partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4). The Prospector Apartments project was originally approved by the Board of Finance in August of 2025 for an amount of up to \$28.67 million in Multi-Unit Housing Revenue Bonds.

Mr. Aichroth presented the request to seek the approval of the Board for the findings of facts pertaining to the issuance in an amount not to exceed \$28.67 million in NHD revenue bonds for The Prospector Apartments. These bonds will be used to provide for the new construction of a 136-unit affordable family apartment complex in downtown Reno. The rental housing will provide affordability restrictions

to 136 households, 11 units at 30% AMI, 107 units 60% AMI, and 18 units at 70% AMI. The project will be using state tax credits and a division GAHP loan. The development group is led by Ulysses Development. This is their second project to come to the Board of Finance in Nevada but also this particular issuance was approved at the last Board of Finance in August 2025, however in that time the financing structure has changed and therefore needs reapproval today.

Ms. Hess reviewed the new financial structure noting the development group is led by Ulysses. Financing structure has changed and requires reapproval. There have been some changes since last August and the division still supports the need to come back to the Board of Finance to accommodate the change. The issuance itself has not changed as it is still not to exceed \$28.67 million. The changes that occurred were that the borrower identified an opportunity to improve tax credit pricing through an offer from Wells Fargo Community Lending and Investment Group. This group requires that Wells Fargo participate both on the equity side and in the permanent base financing. She noted it was worth it as the quotes came in and the tax credit pricing is at 88 cents which is a 6-cent increase from the pricing that was contemplated just 2 months ago. They were excited and told them that they didn't need any more state tax credits, and they would take those back, however in a short period of time there was an increase in the construction costs, and the division did confirm this. They reviewed the quotes from the contractor and in fact there was a \$2 million increase from the original quote in April of 2025 which was used to inform the total development cost that was brought before in August. They received a new quote on September 2nd of 2025. This financing structure as amended is familiar as it's the same structure as Serene mentioned in the first project. It includes the cash back forward structure with financing issued by the division as a private placement through the Freddie Mac TEL program. During construction the division will issue up to \$28.6 million of tax-exempt bonds as a public offering which will be fully collateralized with proceeds of a taxable loan by Wells Fargo which is not issued by the division. Upon conversion to the permanent phase, Freddie Mac TEL will be funded, and a portion of the TEL proceeds will be applied to fully redeem the construction phase bonds. The project is estimated to generate approximately \$23.5 million in low-income housing tax credit equity, which is an increase of approximately \$2.7 million where unfortunately there was also an increase in costs. Other funding sources include \$1.74 million in state tax credit equity, a \$5 million division GAHP loan, \$2.775 million of a City of Reno seller note, and a deferred developer fee of \$6 million.

Member Edwards asked what led to the increase in construction costs and if they anticipate those will remain constant or are likely to increase in the near term.

Ryan Watt from Ulysses noted the change in construction costs was a result of the final pricing exercise with their contractor Metcalf Construction based locally in Reno. They're based on the final set of drawings that are also being reviewed for permits at the moment and so this pricing was the final exercise and don't expect any further changes.

Member Edwards asked if there was anything that changed in the market between the original estimate and the additional \$2 million.

Mr. Watt noted they don't believe the construction market has changed but believe the change was in the refinement of the drawings to the final design.

Motion to approve agenda item 8 from Treasurer Conine. Motion passed unanimously.

Agenda Item 9 – For discussion and possible action: Discussion and for possible action on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of Single-Family Mortgage Bonds, in an amount not to exceed \$150,000,000 to be issued in one or more series. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Mr. Aichroth presented the request to seek the approval of the Board for the findings of facts pertaining to the issuance in an amount not to exceed \$150 million for single-family mortgage revenue bonds. These bonds can be issued in multiple series to provide mortgage financing for single-family residential housing for qualified home buyers. This particular approval is for both taxable and tax-exempt bonds and will allow their homeownership programs to continue unimpeded over the course of the remainder of the calendar year. This will be a joint issuance between the Nevada Rural Housing Authority and the Nevada Housing Division. He stated that Bill Brewer from Nevada Rural Housing is present to answer any questions.

Ms. Hess noted the importance as they bring this one forward is that it is not their typical single-family issuance because it is a joint issuance. They will be utilizing Carry Forward by Nevada Rural housing from 2022 to 2023 pursuant to their interlocal agreement. That will exhaust all the carry forward for single-family for Nevada Rural Housing and their partnership has been going well. She expressed they are excited to continue and move forward as this issuance will also have a larger percentage of tax-exempt bonds in proportion to taxable bonds. They are looking forward to hopefully seeing that result in some lower rates for their first time home buyers.

Motion to approve agenda item 9 from Member Navarro. Motion passed unanimously.

Agenda Item 10 – Informational Item: regarding the State Treasurer's quarterly investment report for the quarter ended June 30, 2025.

Deputy Treasurer of Investments Steven Hale presented the quarterly investment report for this agenda item. They are seeking the Board's review and approval of the State Treasurer's quarterly investment report. He provided an overview of the general portfolio assets under management as of June 30th, 2025, beginning on page 148 showing the general portfolio assets under management in June 2025 were \$8.2 billion on a book value basis. Interest revenue for the general portfolio was \$87 million. He reviewed page 149 of the materials showing the historical quarterly interest distribution from fiscal year 2022 to June 30th, 2025. The \$87 million distributed in the 4th quarter was a \$14 million decline sequentially although a \$4 million increase year over year. He noted in the next quarter it will be interesting for them because it was such an amazing quarter last year in the first quarter which had been \$119 million. On page 151, the top chart shows the general fulfillment remains a well-diversified portfolio of high-quality assets with about 53% combined in U.S. Treasury and agency securities. The bottom chart shows the portfolio was a little less weighted towards shorter maturities than a year ago. As rates have fallen and are expected to continue to do so, they took advantage of volatility in the quarter to add more tenure securities to portfolio at rates in the 4.5% area, thereby locking in those yields for a long period of time. At the top of page 152 shows the general funds outside manager performance. He noted the benchmark return since inception shows .04% but should be listed as 0.427%. The external manager underperformed versus the benchmark by 9 basis points in the June quarter but the performance since inception remains a very good segment of the portfolio as it outperformed its benchmark by 0.96% on an annualized basis. He then reviewed the LGIP on page 154 showing that the LGIP assets under management on June 30th were \$2.3 billion while the earned income return for the quarter was 4.42%. This was 15 basis points better than the blended benchmark yield of 4.27%.

Member Navarro asked if the first quarter of the fiscal year was down compared to the prior year strictly as a result of the rate cut in the Fed in September.

Mr. Hale noted it is due to rate cuts. Overall, the market rates are lower than a year ago, and their assets under management are lower.

This is an informational item only and therefore does not require a vote of members.

Agenda Item 11 – For discussion and possible action: For discussion and possible action on the Treasurer's investment policies for the General Portfolio and the Local Government Investment Pool date July 2022. Approval of the Board of Finance is required pursuant to NRS 355.045

Mr. Hale presented this agenda item seeking the approval of the investment policy statements for the general portfolio and the local government investment pool (LGIP). He noted there have been no changes to either the general fund or LGIP investment policies and recommended approving them as they both currently exist.

Motion to approve agenda item 11 from Controller Matthews. Motion passed unanimously.

Agenda Item 12 – Public Comment

No public comment in Carson City or Las Vegas.

Meeting adjourned at 1:48pm

