

**STATE BOARD OF FINANCE**  
**February 11, 2026 – 10:30 am**  
**Summary Minutes**

**Location:**

Via videoconference at the following locations:

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

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

Governor Lombardo called the meeting to order at 10:30 am. Due to technical issues, the meeting was relocated from the Old Assembly Chambers 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  
David Dazlich: Governor's Office  
Nicole Ting: Attorney General's Office  
Lori Hoover: Treasurer's Office  
Ryan Merchant: Treasurer's Office  
Travis Fosse: Treasurer's Office  
Emily Nagel: Treasurer's Office  
Itzel Fausto: Treasurer's Office  
Stephen Aichroth: Nevada Housing Division  
Christine Hess: Nevada Housing Division  
Eric Novak: Praxis Consulting  
David Meyer: Praxis Consulting  
Alan Molasky: Ovation

**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 December 17, 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 \$12,020,000 of Multi-Unit Housing Revenue Bonds (Nellis Grove Apartments), for the purpose of new construction of a 120-unit affordable family housing rental project in Clark County, Nevada. The project developer is Chelsea Investment Co. The borrower/ownership entity will be Nellis Grove NV LLP. Richman Affordable Housing Corp. 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 \$12,020,000 of Multi-Unit Housing Revenue Bonds for the Nellis Grove Apartments. These bonds will be used to provide for the new construction of a 120-unit affordable apartment complex in Clark County. The rental housing will serve 119 households out or below 60% of area median income with 18-units serving 50% area median income households and 12-units serving 30% area median households. The proposed development is supported through \$8.5 million in Clark County Community Housing funds and the division gap loan development group is led by Chelsea Investment Corporation. They have completed over 125 projects in their portfolio. This is their first appearance in the State of Nevada.

Chief Financial Officer Christine Hess with NHD, presented the financial structure of the proposed plan of financing for this project which includes a direct placement of the bonds by Citibank in an amount not to exceed 12,020,000 issued by the division. The bonds will remain in place through the construction phase and upon conversion to the permanent loan phase. Citibank will also provide a taxable construction loan that is not issued by the division of approximately \$11.25 million. This project is expected to bring in approximately \$16 million of equity in exchange for 4% low-income housing tax credits. This project also includes \$8.5 million of Clark County Community Housing funds, just over \$1 million in Clark County Home funds, and equity by the developer of \$3.37 million of deferred developer fee. The project also qualified and was awarded growing affordable housing program funds, which are GAHP funds of \$3 million. She highlighted the changes to both projects that are being recommended for bonds. They have moved away from a competitive process for the bonds and instead have a competitive process for the state's limited gap financing resources including the division's growing affordable housing program funds and Nevada state tax credits. She noted they set a floor on which projects that have federal tax credit equity pricing less than 80 cents and while they qualify for bond financing, they will not qualify for state resources. This project has provided supporting documentation of equity investor interest at 83 cents and in their scoring rubric, the project scored 72 points. The second change she highlighted is that they lowered their maximum amount of tax-exempt bonds allowed per project from 55% to 30% in response to the lowering of the tax-exempt bond test from 50% to 25% that was passed by Congress in July of 2025. There is an exception to this in the housing division qualified allocation plan and will be shown in the next project. They want to acknowledge that this does potentially result in larger financing gaps and more expensive financing costs, but they are actively working to mitigate that as well with the introduction of new tools.

Governor Lombardo asked the Chelsea Investment Company why they want to work with the State of Nevada.

Ryan Lundergan with Chelsea Investment stated that there is a drastic need for affordable housing and they are one of the best in the industry. He expressed that it has been a pleasure working with everyone in Clark County as they have been friendly to work with, extremely helpful, and have all the attributes necessary to get the job done to create 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 \$38,200,000 of Multi-Unit Housing Revenue Bonds (West Henderson Affordable Apartments), for the purpose of new construction of a 390-unit family affordable housing rental project in Henderson, Nevada. The project developers are Ovation Design and Development Inc and Coordinated Living of Southern Nevada Inc. The borrower/ownership entity will be West Henderson Affordable, LLC. Bank of America, N.A. or its affiliate 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 \$38,200,000 in NHD revenue bonds for The West Henderson Affordable Apartments. These bonds will be used to provide for the new construction of a 390-unit affordable apartment complex in Henderson. The rental housing will serve 390 households at or below 60% of area median income, with 12 units serving 50% area median income households. This proposed development includes a land exchange with BLM for a discounted price and is supported through \$9 million of Clark County Community Housing funds, a division GAHP loan, and the issuance of state affordable housing tax credits. The development group is led by Ovation Design and Development and Coordinated Living of Southern Nevada. They have over 3,500 affordable units in Southern Nevada in their portfolio which are either occupied or currently under construction.

Ms. Hess went over the proposed plan for financing for this project which includes a direct placement of the bonds by Citibank in an amount not to exceed \$38.2 million issued by the division. The bonds will remain in place through the construction and upon conversion to the permanent loan phase. Citibank will also provide a taxable construction loan that is not issued by the division of approximately \$40.3 million. The project is expected to bring in approximately \$53 million in private investor equity in exchange for 4% low-income housing tax credits. She noted this project also includes \$9 million of Clark County Community Housing funds, just over \$3.1 million in City of Henderson HOME, and account for affordable housing funds and equity by the developer of \$9.2 million of deferred developer fee. The project also qualified for and was awarded Housing Division Growing Affordable Housing Program funds of \$4.26 million which will be a loan, and Nevada state tax credits of \$1.8 million. This will exhaust their allocation amount for state fiscal year 25 of state tax credits as they have a fiscal year limit. They won't be seeing those again until after July 1st for the next round of state tax credits in the final amount available for affordable housing projects. She explained that the tax credits were initially approved in 2019 with \$40 million with a sunset date in 2021 that was removed. However, the \$40 million amount remained in place so going forward they also had a \$10 million cap on the amount they could use per year and if they went over in one year, they could award up to \$13 million, however it would have to be backed out the next year. For this fiscal year they will have exhausted the amount that they can use for state tax credits. Come July 1<sup>st</sup> they will have \$9.2 million available in state tax credits that will be the remaining amount available for affordable housing. Without recapitalization in the 2027 Legislative Session, Nevada will no longer have this financing tool available for affordable housing development. The project represents an example in which the tax-exempt bond amount is more than 30% of the project's aggregate basis. Per the qualified allocation plan, the division may consider a higher amount of tax-exempt bonds up to the estimated permanent mortgage amount but not to exceed 40% of the

project 's aggregate basis. In this case, the recommended amount of bonds for the Board 's consideration is 34.6%, though remaining in place is the permanent mortgage so it does align with that permanent mortgage amount, and meets the housing division's qualified allocation plan. She reviewed these provisions around the tax-exempt bonds and lowering the maximum amount of tax-exempt bonds which align with how many other housing finance agencies in the country are handling this new threshold. This project had exceptional federal tax credit pricing provided in the supporting documentation by the equity investor of 93 cents and it scored 82 points in their competitive pricing.

Governor Lombardo asked about the BLM land exchange. Mr. Molasky with Ovation stated that it has been about six to eight years through this long process. He noted it was complicated for several reasons as they were right at the end if the government hadn't shut down. Back in September or October they would have had the land transfer but on the cusp of transferring it. There's a process where the federal government must issue so many days of notice to the public. He noted that everyone in the state has stuck with them and they are honored to be part of the program.

Governor Lombardo asked what the revenue is associated with the exchange. Mr. Molasky noted they do an appraised value and it's at about a hundred dollars an acre. It is a long way from utilities, and they work with the City of Henderson closely. The amount of money to bring the utilities to the property was almost the value of the property. They recently had a new plan that found a connection a little closer and saved some money. He confirmed it is fifteen to sixteen acres. He expressed it is a great program and state. They are proud to work together.

**Motion to approve agenda item 5 from Controller Matthews. Motion passed unanimously.**

**Agenda Item 6** – **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 Single-Family Mortgage Revenue Bonds, in an amount not to exceed \$450,000,000 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 a request to seek the approval of the Board for the findings of facts pertaining to the issuance in an amount not to exceed \$450,00,000 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 and for more than 30 years the Nevada Housing Division has operated a mortgage assistance program for first-time home buyers. This particular approval is for both taxable and tax-exempt bonds and will allow for their homeownership programs to continue unimpeded over the course of the current calendar year.

Ms. Hess echoed the Administrator's comment that this request is for both taxable and tax-exempt bonds where the division will issue for its Single-Family Bond Program. 2025 had the largest amount of tax-exempt bonds committed to its issuances for single families since 2019. This entails \$160 million of tax-exempt bonds committed and \$252.7 million of tax-exempt bonds for a total of \$412.7 million. The projections for 2026 continued the trend of higher tax-exempt bond issuances with their projection of \$180 million in tax exempt bonds which are blended with \$270 million in taxable bonds, for a total of approximately \$450 million which supports about 1,250 new home

buyers. It's important to note that the changes also impact on the Single-Family Program as the pressure on their limited tax-exempt bonds by multi-family was alleviated. This way they were able to increase the amount of tax-exempt bonds for their senior programs which lowers the interest rate for first time home buyers. She acknowledged their worker advantage program that is operating outside of the bond program but runs complementary. The worker advantage program was funded by \$18 million as part of Assembly Bill 540, the Nevada House Access and Attainability Act which has currently served over 200 Nevada essential workers as defined by the Act. They anticipate supporting 900 home buyers with just this program. With the great interest rates and the need this program will be exhausted by approximately June.

Treasurer Conine stated that it is a great program and they are happy to support it.

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

**Agenda Item 7 – Informational Item:** regarding the State Treasurer's quarterly investment report for the quarter ended September 30, 2025.

Chief Deputy Lori Hoover presented the investment report on behalf of Deputy Treasurer for Investments Steven Hale. She began on page 79 of the meeting materials that show the general portfolio assets under management on September 30th, 2025, which was \$8.5 billion on book value basis. Page 80 shows the interest revenue for the general portfolio was \$89 million and the historical quarterly interest distribution from fiscal year 2025 is also included. The \$89 million distributed in the fiscal 2026 first quarter was about a \$2 million improvement sequentially but a \$30 million decrease year after year. She noted page 82 on the top chart shows the general portfolio remains well diversified in high quality assets with about 46% of assets invested in U.S. Treasury and agency securities. The bottom chart shows the portfolio was overweighted heavily in short term maturities primarily as a cautionary response to the funding concerns resulting from the federal shutdown. Page 83 shows the General fund's external manager underperformed versus the benchmark by 3-basis points in the September quarter but the performance since inception remains very good. Since inception this segment of the portfolio has outperformed its benchmark by 1.64% on the annualized basis. She reviewed the LGIP on page 85 that shows assets under management on September 30th was \$2 billion while on page 8, the earned income return for the quarter was 4.27%. This was 33-basis points better than the blended benchmark yield of 3.94%.

**Agenda Item 8 – For discussion and for possible action:** For discussion and for possible action on the Treasurer's investment policies for the General Portfolio and the Local Government Investment Pool dated July 2022. Approval of the Board of Finance is required pursuant to NRS 355.045.

Chief Deputy Hoover presented this agenda item. She stated there have been no changes to either of the General fund or LGIP investment policies and they recommend approving both policies as they currently exist.

**Motion to approve agenda item 8 from Controller Matthews. Motion passed unanimously.**

**Agenda Item 9 – Public Comment**

No public comment in Carson City or Las Vegas.

**Meeting adjourned at 10:26am.**

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