STATE BOARD OF FINANCE
June 24, 2026 – 10:00 am
Summary Minutes

Location:
Via videoconference at the following locations:

Old Assembly Chambers 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

Treasurer Conine called the meeting to order at 10:00 am.

Board members present:
Governor Joe Lombardo – Virtual
Treasurer Zach Conine – Virtual
Controller Andy Matthews – Carson
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
Cari Eaton:	Treasurer's Office
Travis Fosse:	Treasurer's Office
Emily Nagel:	Treasurer's Office
Itzel Fausto:	Treasurer's Office
Tracy Charbonnneau:	Nevada Housing Division
Christine Hess:	Nevada Housing Division
Valerie Matthews:	Controller's Office
Eric Novak:	Praxis
Brian Moloney:	Lincoln Avenue
John Peterson:	JNA Consulting
Maggie Marshall:	PFM
John Peterson:	JNA Consulting
Mendy Elliot:	NV Small Biz
Austin Kates:	NRP Group
Kendra Follet:	Taft

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 April 22, 2026.

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

<u>Agenda Item 4</u> – For discussion and for possible action: Discussion and possible action on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to $25,650,000 of Multi-Unit Housing Revenue Bonds (Parvin Senior Apartments), for the purpose of new construction of a 235-unit affordable senior housing rental project in Clark County, Nevada. The project developers are NRP Lone Star Development and Prospect Street Capital. The borrower/ownership entity will be Parvin Senior Apartments LP. Wells Fargo Bank will be the equity investor partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Chief Financial Officer Christine Hess with the Nevada Housing Division (NHD) introduced Tracy Charbonneau, who is the new Housing Development Analyst. She will be taking on a lead supporting role for their development projects, including their bonds, recycled bonds, 9%, and other development programs. She's already engaged with their application reviews and working with the division's multifamily financial underwriter, Maggie Marshall from PFM. Ms. Hess presented the request to seek approval of the Administrator's Findings of Fact pertaining to the issuance of up to $25,650,000 of Multi-Unit Housing Revenue Bonds for the Parvin Senior Apartments. These bonds will be used to provide for the new construction of a 235-unit affordable senior apartment complex in Clark County. The rental housing will serve 235 seniors at or below 80% of area median income. She explained it is an income averaging project, which allows for deeper income targeting. Therefore, in addition to the 60% and 80% AMI units, there are also 79 units serving those at or below 50% AMI, and 40 units at or below 30% AMI. She noted the development group is NRP, a very experienced affordable housing developer, having successfully developed 29,000 affordable housing units across the country. Their first Nevada project, Pecos Apartments, was approved by this board last fall. This project has a co-sponsor Prospect Street, who is a highly experienced commercial real estate developer in Southern Nevada. The proposed plan of finance is a cash backed forward structure with permanent phase financing issued by the division as a private placement through the Freddie Mac tax-exempt loan program. This Freddie Mac TEL will initially come to the project as an unfunded loan commitment. During the construction phase, the division will issue up to $26.65 million in tax exempt bonds via a public offering. These bonds will be collateralized with proceeds of a taxable loan provided by Wells Fargo. This loan will not be issued by the division. Upon conversion to the permanent phase, the Freddie Mac TEL will be funded, and a portion of the proceeds will be applied to fully redeem the construction phase bonds. The division has a 30% maximum threshold of tax-exempt bonds that may be requested unless the tax-exempt bonds remain within the permanent mortgage phase. In this case, the project's request of $25.65 million in tax exempt bonds represents 35% of the project's aggregate basis. However, they did deem this request to be reasonable and within the QAP parameters for an allowable exception. Pursuant to NAC 319.020, this project also received approval from the division to include a 5% hardship developer fee, which goes beyond the 15% maximum fee allowed per NAC 319.722. This request is necessary for the financial feasibility of the project, and notably, this hardship developer fee will not result in an increase in developer compensation. This project financing also includes approximately $29.7 million in LIHTC equity investment by Wells Fargo with a current price of 87 cents, a Housing Division GAHP loan of $3 million, and a $9.8 million loan from Clark County Community Housing Funds (CHF). The project is also providing some cash flow from operations in the permanent phase of $1.9 million, a contribution of $4 million by the managing member, and a deferred developer fee of $6.5 million.

Treasurer Conine welcomed Ms. Charbonneau to the team and is happy to have her working in the Housing Division. He asked how the hardships would not increase compensation to the developers.

Ms. Hess noted there are at least 10 other states across the country that allow for a developer fee above 15%, some going as high as 25%. A developer fee is considered eligible basis and attracts or is eligible for the federal low-income housing tax credits so it can help fill the gap. In this case, in Nevada, they are very specific as they allow for a developer fee above 15%. It is strictly for the purpose of building a capital stack with additional equity provided by the low-income housing tax credits, however, resulting in no additional compensation to the developer, meaning the developer is going to make the money off cash flow that they're already going to make from this project. It is projected and analyzed by the division's financial advisor at PFM. The hardship developer fee portion is required to be either part of the deferred developer fee, and it must be paid off within 15 years or sometimes earlier, depending on the equity investors and senior lenders, or it needs to be injected back into the project as equity.

Austin Kates with the NRP Group, noted that Ms. Hess covered the project in great detail. He highlighted some physical elements of the project that they are excited to bring to the South Las Vegas market. The property will have a club room, card room, putting green, additional amenities, carports, elevators and expressed they are excited to bring 235 low-income housing units to underserved populations of seniors in the Las Vegas market.

Member Edwards stated he is generally in favor of the project but abstained from this motion to accept this agenda item as his firm has a client relationship with Wells Fargo.

Motion to approve agenda item 4 from Member Navarro. Motion passed unanimously.

<u>Agenda Item 5</u> – For discussion and for possible action: Discussion and possible action on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to $27,500,000 of Multi-Unit Housing Revenue Bonds (Zephyr Pointe Apartments), for the purpose of the acquisition and rehabilitation of a 216-unit family affordable housing rental project in Reno, Nevada. The project developer is Lincoln Avenue Capital. The borrower/ownership entity will be Zephyr Pointe Preservation LP. National Equity Fund will be the equity investor partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Ms. Hess 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 $27,500,000 in NHD revenue bonds for the Zephyr Pointe Apartments. These bonds will be used to provide for the acquisition and rehabilitation of a 216-unit affordable HUD assisted affordable family apartment complex in Reno. The rental housing will be a 100% affordable project with 208 households at or below 60% of area median income, 7 units at 50% AMI, and one unit at 40% AMI. The site was originally constructed in 2004. This proposed renovation is approximately 75,000 per unit. This project will preserve these affordable units for another 30 years. The development group is Lincoln Avenue Capital who is an active and experienced affordable housing developer in Nevada. She noted that Mr. Moloney is present and they were at the June Board of Finance and will likely see them again in August. The proposed plan of finance will be provided by the existing HUD Section 223F loan and a new HUD Section 241A loan for both the construction and permanent phase. In order to qualify for 4% low-income housing tax credits, the division will issue up to $27.5 million in short-term tax-exempt bonds during the construction phase. The bonds will be fully collateralized and are expected to be outstanding for approximately 36 months. The bonds will be issued as a public offering by Stifel. The LIHTC investor is National Equity Fund (NEF), who will provide an equity investment of approximately $38 million in exchange for the 4% low-income housing tax credits. The tax credit pricing is currently 85 cents. This project does not have any requests for state or local funds. There is a seller note in the amount of $14.25 million that will be carried through the permanent phase and a deferred developer fee of $13 million.

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

Agenda Item 6 – For discussion and for possible action: Discussion and possible action on a resolution designated as the "2026 (Legislative Department) Capital Improvement Bond Resolution"; authorizing the issuance and sale of the State of Nevada General Obligation (Limited Tax) Capital Improvement Bond, Series 2026 (Legislative Department), in the aggregate principal amount not to exceed $15,000,000; providing the purpose for which such bond is issued, the form, terms, and conditions of such bond and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bond; approving the investment of moneys in the Consolidated Bond Interest and Redemption Fund of the State in such bond; and providing other related matters.

Deputy Treasurer of Debt Management Cari Eaton presented this agenda item requesting the Board's approval for the 2026 bond issuance and investment in the Bond Interest and Redemption Fund. The 2026 Bond is a $15 million bond to be issued for the repayment of funds advanced by the General Fund to the LCB, as authorized by Section 29 of Senate Bill 502 from the 2025 Legislative Session. This bond resolution includes the element of the BIRF purchasing the 2026 Bond as an investment rather than the Bond being sold through a public competitive sale or a bank private placement. This method of financing is estimated to produce overall savings of approximately $44,000 to the BIRF and is primarily due to transaction costs for the State Bond Purchase Method being less than transaction costs for a privately placed loan with a bank or other financial institution.

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

Agenda Item 7 – Public Comment
No public comment in Carson City or Las Vegas.

Meeting adjourned at 10:17am.