

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RENO, NEVADA, TO TRANSFER TO THE DIRECTOR OF THE NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY ALL OF THE CITY OF RENO'S PRIVATE ACTIVITY BOND CAP FOR 2024 TO ARROWLEAF, LP, FOR THE BENEFIT OF THE PROJECT IDENTIFIED AS "ARROWLEAF ON HARVARD" AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, Section 146 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), imposes an annual dollar limit (the "State Ceiling") on the amount of the private activity bonds (which, as defined herein, would include "Bonds") which can be issued in each State, the interest on which is exempt from federal income taxes, and provides that each state may determine the method by which its State Ceiling for each year is to be allocated among the issues of the state; and,

WHEREAS, under the provisions of Chapter 348A of the Nevada Revised Statutes, as amended (the "Allocation Act"), and Regulations thereunder adopted by the Director of the Department of Business and Industry (the "Director") in NAC Chapter 348A (the "Allocation Regulation"), Nevada's Volume Cap is allocated between the Director and local governments; and,

WHEREAS, in accordance with the provision of the Allocation Act and Allocation Regulations, the Director has determined that the City's share of the State Ceiling (hereafter referred to as "Volume Cap") for 2024 is approximately \$17,090,650, none of which has already been used by the City; and,

WHEREAS, Arrowleaf, LP needs \$30 million in volume cap for its project and has requested that the City transfer all its 2024 Volume Cap to the State of Nevada Department of Business and Industry for the purpose of contributing to financing the development of Arrowleaf on Harvard that will provide decent, safe and sanitary dwellings, with all the units committed to persons of low income and at affordable rents; and,

WHEREAS, Section 348A.040 of the Nevada Revised Statutes authorizes the Director to adopt regulations to facilitate the use of the Volume Cap; and,

WHEREAS, the Director has adopted such regulations and Section 348A.220 of the Allocation Regulations provides a procedure whereby the City may, by resolution, transfer all or any portion of its Volume Cap to the Director to induce the Director to provide financing to a project which will provide a public benefit to the citizens of the City of Reno; and,

WHEREAS, State of Nevada Department of Business and Industry (the Department) is a recognized government eligible to provide the services and pursuant to NRS 315.983(1)(a); and,

WHEREAS, the City desires to transfer all of its 2024 Volume Cap allocation to the Department for assistance to develop Arrowleaf on Harvard; and,

WHEREAS, the City anticipates that it will incur no cost or liability in connection with the issuance of the Bonds; and,

WHEREAS, this Council has determined that there is a need for affordable rental housing in the City (such as those provided by the development of Arrowleaf on Harvard), and low-income residents of the City will benefit from the Arrowleaf on Harvard Apartments;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Reno, Nevada, as follows:

Section 1. Transfer. The City of Reno, Nevada hereby transfers all its 2024 Volume Cap allotment to the Director of the Department of Business and Industry with the understanding that the Director will utilize to contribute to the issuance of private activity bonds for the following project:

Amount	Project
All of the City of Reno's 2024 Volume Cap allocation*	Arrowleaf on Harvard, a proposed development of 168 affordable units for low-income residents, located on the east and west sides of Harvard Way, north of Vassar St., Reno, NV.
*Applicant needs \$30 million in Volume Cap and has requested the City transfer all of its Volume Cap to the Director and requests that the Director augment from State's allocation the remainder. If sufficient Volume Cap is not available for the Project, the Director is requested to confer with the City for other allocations.	

Section 2. Public Benefit. This Council determines that the City of Reno, Nevada, will benefit from the financing through increased availability of funds for barrier-free and affordable multi-family rental housing within the City.

Section 3. Fees. The project sponsor shall pay all fees, in accordance with NAC348A.300.

Section 4. City Representative. Any communication with the City regarding this matter should be with Monica Cochran, Housing and Neighborhood Development, by email at cochranm@reno.gov. Correspondence by United States Postal Service should be mailed to PO Box 1900, Reno, Nevada, 89505.

Section 5. Filing. The City Clerk is hereby directed to deliver to the Director and to the secretary of the State Board of Finance a certified copy of this resolution and any other report, accounting or document necessary to accomplish this transfer within five days after the adoption of this resolution.

Section 6. Authority of the City Manager or Assistant Manager. Without any further action by this Council, the City Manager or any Assistant City Manager is authorized and directed (i) to enter into any project agreement regarding the transfer and use of this City's Volume Cap, pre-financing conditions and rights and obligations of the City and developer of the project; (ii) to approve any changes to the project name, description of financing arrangements and any project agreements entered into between the City and project owners to reflect changes in the project as it qualifies for financing; and (iii) to make any certifications or representations and enter into any agreements necessary to complete, document, account for and effectuate this transfer.

Section 7. General Provisions. The officers of the City are hereby authorized and directed to take all action necessary to effectuate the provision of this resolution. The provisions of this resolution shall be liberally construed to effectively carry out its purposes. This Resolution shall be in full force and effect forthwith after its adoption. If any provision in this resolution is deemed void, invalid, or unenforceable by a court of competent jurisdiction, then such offending provision shall be deemed, from the very beginning to be modified to bring it within the limits of validity, but if it cannot be so modified, then it shall be severed from this resolution and all of the remaining provisions shall remain in full force and effect.

Upon motion by Council Member _____, and seconded by Council Member _____, the foregoing Resolution was passed and adopted this ____ day of _____, 2024, by the following vote of the Council:

AYES: _____

NAYS: _____

ABSTAIN: _____ ABSENT: _____

APPROVED this ____ day of _____, 2023.

HILLARY L. SCHIEVE
MAYOR
ATTEST:

MIKKI HUNTSMAN
CITY CLERK