



PRIVATE ACTIVITY BOND ALLOCATION PROGRAM MANUAL

**City of Las Vegas
Department of Neighborhood
Services
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Las Vegas, NV 89101**

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www.LasVegasNevada.gov

Purpose

The purpose of this Private Activity Bond (PAB) Allocation Program Subrecipient Program Manual is to provide clarification of the Private Activity Bond program and set forth policies and procedures pertinent to the administration of programs and projects funded utilizing Private Activity Bonds.

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Introduction

The City of Las Vegas (City) administers several sources of funding through its Department of Neighborhood Services (DNS).

This manual sets forth policies and procedures for the administration of programs and projects funded by the City's Private Activity Bond (PAB) Cap Allocation program.

The City's PAB Policy states that the City intends to use one-half of its volume cap for housing and one-half for economic development; however, if sufficient applications are not received for economic development, the City's next priority would be to use the total volume cap for housing.

Some portions of these procedures are complicated and involve complex Federal and State regulations and policies; however, the purpose of this manual is to summarize the essential elements for proper program operation. No manual can address every type of administrative / accounting problem or situation that may arise during the course of the annual allocation process. Therefore the City's DNS staff is available to respond to requests for clarification or additional information. In the event that new procedures or policies are implemented during the annual allocation period, DNS staff will provide timely notification and technical assistance.

This manual is neither intended to be all-inclusive nor so restrictive that it cannot be amended.

DNS Mailing Address	City of Las Vegas Department of Neighborhood Services 495 S. Main Street, 3 rd Floor Las Vegas, NV 89101
Telephone:	702 229-2330
FAX:	702 598-3898
TDD:	702-386-9108
DNS web site:	www.lasvegasnevada.gov

PAB Cap Allocation Process Summary

The annual volume cap of Private Activity Bonds available for the State of Nevada is the greater of an amount equal to \$50 multiplied by the State's population or \$150 million.

The Tax Reform Act of 1986 limits the amount of private activity bonds that can be issued each year by each state. The limitation covers multifamily, single family and industrial development and solid waste bonds. The State of Nevada reserves a portion of the total allocation to finance its single-family loan program. The remaining balance is allocated to the cities and counties to finance the new construction or acquisition/rehabilitation of multifamily units where a certain percentage of the units will be occupied by low-income households or seniors.

Each year, in approximately April or May, the City receives the amount of Private Activity Bond Cap Allocation from the State that is available for distribution.

The following are highlights of the tax-exempt Private Activity Bond process, and some potential benefits and disadvantages of financing for multifamily projects:

- The most attractive feature of the Private Activity Bond is the lower than conventional financing cost of capital.
- Historically, on a fixed-rate 25 or 30-year loan, a tax-exempt bond financed loan will result in an average savings of 125-175 basis points (1.25-1.75%) relative to a conventional loan.
- Typically a multifamily project is entitled to a 4% non-competitive tax credit if 50% or more of the project is financed with tax-exempt bond proceeds. Thus, a project's overall lower cost of capital (bond debt + 4% tax credits) means a project that is marginally affordable with conventional financing may be healthy with tax exempt financing.
- All tax-exempt bond financed projects have set aside requirements dictated by federal tax rules. Typically, 20% of the units must have an AMI of 50% or below, or 40% of the units must have an AMI of 60% or below.
- All bond financed projects are required to obtain 50% or more of the needed bond issuance authority from the local government.
- The State of Nevada has three years from the date that IRS gives it cap, to sell the bonds.
- A Private Activity Bond deal is substantially a Real Estate deal.
- Disadvantages of Private Activity Bond financing are that the deal may take longer to close, there is a higher front end cash requirement, and more parties are involved in the process.

Note: The City does not provide applicants with funds or bond proceeds, it solely grants the State Housing Division the authority to issue private activity bonds on behalf of the applicant.

The following are the basic forms of tax-exempt bond financing administered by the State of Nevada:

- **Fixed rate financing:** 25-30 year debt financing where the bonds amortize simultaneous with the underlying loan.
- **Variable rate or lower floater financing:** 25-30 year financing where interest rate on the bonds is reset daily or weekly and paid monthly, based upon the remarketing of the bonds. Amortization of bonds and loan always match.
- **Variable to fixed financing:** 25-30 year financing where during both the construction period as well as the initial rent up and stabilization period the bonds are in variable rate mode. Upon achievement of some stabilized occupancy and debt coverage level, bonds are remarketed into a fixed rate mode and kept that way through the remaining life of the underlying mortgage.
- **501 (c) 3 Bonds:** bonds that can only be utilized by tax exempt organizations whose charter clearly states that affordable housing ownership and development are primary functions of the organization. These bonds do not require Private Activity Bonds CAP but are not entitled to 4% tax credits.

Steps in the Private Activity Bond (PAB) Process

- 1. Prior to submission of application to local government, the developer must complete the following:**
 - a. Marketing Analysis
 - b. Project Site Location
 - c. Site Control
 - d. Zoning Compliance
 - e. Special Use Approval, if applicable
 - f. Identify Organizational Structure (i.e. LLC, Trust etc.)
- 2. The developer must evaluate the financing choices:**
 - a. Construction and permanent
 - b. Conventional vs. tax exempt
 - c. Cash vs. 4% tax credit
- 3. The developer must submit an application with the local government for the portion of Private Activity Bond issuance authority needed for the project. All bond-financed projects are required to obtain 50 percent of the total bond authority needed for the project from the local government, with the remaining amount requested from the State.**

a. The Application, which must pass departmental threshold review prior to submission to the Private Activity Bond Cap Allocation Committee, must include:

- i. Project Summary / Description
- ii. Project Funding Sources
- iii. HOME Funding
- iv. Supporting Documentation
 - a. Map showing the location of the site and the surrounding area
 - b. Photographs of the site and the surrounding area
 - c. Architectural rendering or conceptual drawing of proposed project
 - d. Evidence of site control; one of the following is required:
 - 1). Deed
 - 2). Executed Option to purchase
 - 3). Executed purchase contract
 - 4). Executed Lease w/option to purchase
 - e. Letter from the city of Las Vegas Planning Department verifying that the project conforms in all aspects to the current legal zoning of the property
 - f. Disclosure of Principals (name, business address, telephone number, and percentage of ownership for all persons and entities holding more than 1% interest)

- b. The Private Activity Bond Cap Allocation Committee recommends projects to the City Council after review of applications
- c. The City Council then approves the Bond Cap Allocation
- d. The City Clerk then forwards an Inducement Resolution to the State of Nevada Housing Division transferring an amount of bond cap for all approved projects.
- e. After allocation is awarded, the developer is required to sign an agreement with the City of Las Vegas for the fund allocation.
- f. During the development and construction phase, the developer is required to send status reports on the project to the City of Las Vegas every six weeks for rehabilitation projects and every three months for new construction projects.
- g. Prior to beginning construction, the developer is required to obtain approval on the project design, including the unit sizes, number of units, the proposed grand opening date, etc., from the Department of Neighborhood Services and the Councilperson representing the Ward where the project is located.

4. The Housing Division's Role:

- a. The developer must complete and submit the State of Nevada Housing Division application for the remaining 50 percent of the total bond issuance authority needed for the project.

- b. The State Housing Division structures all deals with institutions and developers, sells the bonds, and implements the ongoing regulatory compliance.

5. The Credit Enhancers (Lenders) Role:

- a. Credit Enhancers provide the bond rating which determines what investors will pay for the Bonds
- b. Credit Enhancers want creditworthy and experienced borrowers, viable real estate projects, and first lien positions
- c. NRS 319.190 states: "any loan made by the Division...must be insured or guaranteed...".
- d. Mortgage insurance, FNMA or GNMA credit enhancement letters of credit or bond insurance are acceptable if issued by an AA/Aa or AAA/Aaa rated institution

The PAB process normally takes approximately 3-5 months once the application has been submitted to the State, with an appropriate transfer of local government bond cap.

Common Bond Terms

1. **Bond Counsel:** A law firm that specializes in tax-exempt bonds. They give their opinion that the interest on the bonds is exempt from federal taxation (tax opinion). Their clients are the issuer and the bondholders. Bond Counsel is responsible for preparing the indenture, financing agreement, regulatory agreement, resolution to issue bonds, state allocation reports and tax opinions.
2. **Bond Purchase Agreement (BPA) or Purchase Contract or Contract of Purchase:** The BPA is an agreement between the issuer, the borrower, and the bond underwriter, whereby the issuer offers to sell and deliver the bonds to the bond underwriters on the basis of certain responsibilities, warranties, and agreements. The underwriter purchases the bonds from the issuer, and then redelivers them to its customers.
3. **Bond Trustee:** Administers the trust indenture. Makes payments to the bondholders and protects/invests the bondholder's collateral. This is normally the trust department of a major bank.
4. **Call Premium:** The amount of money paid to the bondholder as a premium (i.e., 3%) if the borrower optionally prepays the bonds prior to maturity.
5. **Call Protection:** Bondholders like to invest their funds for specific periods of time. Mortgage loans and bonds are normally structured where borrowers cannot optionally prepay the bonds for a specified period of time. The bonds are most often not callable for a number of years, then optionally payable with a premium that declines each year until the bonds can be paid at par.
6. **Cost of Issuance:** The total up-front costs necessary to issue the bonds. They include the costs of the issuer, bond counsel, underwriter, trustee, rating agency, printing, etc. IRS rules limit the amount to 2% of tax-exempt bond proceeds.
7. **Credit Enhancer:** It will typically be a rated bank putting up a letter of credit, an insurance company putting up a surety bond, or FHA insuring a mortgage.
8. **Credit Enhancer's Counsel:** A law firm specializing in real estate and securities that represents the credit enhancer.
9. **Defeasance:** In a refunding, most prior bond issue indentures will require that the trustee give notice (i.e., 30 days) to the prior bondholders before their bonds are redeemed. Most trustees will not give such notices until they hold the funds necessary to redeem the prior bonds. Therefore, the refunding bonds issue must close prior to the trustee sending a Notice of Redemption. The prior trustee uses the refunding bond proceeds, funds held in the prior indenture, plus the borrower's contribution to pay all principal, interest, and premium necessary to pay off the prior bonds. Once the trustee has all necessary funds to redeem the prior bonds, the prior issue is "defeased" and the trustee can release the prior mortgage and credit

enhancement. Once the bonds are defeased, the trustee will send the Notice of Redemption to the prior bondholders.

10. **Financing Agreement:** The issuer, the trustee, and the borrower execute the financing agreement. The agreement describes the procedure to be followed in the origination, servicing and repayment of the borrower loan. It is the loan agreement between the issuer and the borrower. The financing agreement also describes how the issuer will assign the note and mortgage to the bond trustee.
11. **Float:** The borrower makes monthly mortgage payments. The bondholders are only paid semiannually. The bond trustee invests the monthly mortgage payments in AAA rated investments until the funds are needed to pay the semiannual bond payments. The earnings are called “float earnings”. The float earnings help pay debt service on the bonds, thereby reducing the mortgage rate slightly.
12. **Indenture:** The bond indenture is the agreement between the issuer and the bond trustee, which details the structure, terms and payment procedures on the bonds. The trustee will follow the provision of this agreement in paying the bondholders and insuring that sufficient funds are available.
13. **Inducement Resolution:** The first step in the bond issuance process. The issuer of the bonds passes a resolution taking “official action” to induce a particular developer/owner to provide affordable housing in a multifamily project to be newly constructed or rehabilitated.
14. **Issuer:** Entity that issues the bonds. Under Nevada law, it is the Nevada Housing Division.
15. **Mandatory Redemption:** Even though bonds contain call protection, they can still be prepaid at par at any time under certain extraordinary circumstances, such as condemnation, casualty loss, or foreclosure.
16. **Mortgage Servicer:** The credit enhancer, or another designated entity approved by the credit enhancer, which collects the monthly mortgage payments, insurance, and tax impounds.
17. **Negative Arbitrage:** Occurs when the earnings on funds are less than the bond rate. For example if the bond trustee is holding undisbursed bond proceeds earmarked for construction draws, and the invested proceeds are earning 4.5% and the bonds are paying 5.5%, the negative arbitrage is 1%.
18. **Official Statement:** The Official Statement is the marketing prospectus, which will be used by the bond underwriters to sell the bonds to investors. The terms of the bonds, a description of the project, a certification of tax-exemption and other pertinent issues are included in the Official Statement. The Official Statement is an “executive summary” of the entire transaction. The bonds are marked with a Preliminary Official Statement (POS) (“red herring”). The POS does not disclose the interest rate on the bonds, and the bond amount is subject to change. The Official Statement (a.k.a. Final

OS) must be delivered to the bond purchasers immediately following the bond closing and must contain all the final terms, i.e. interest rate, par amount, etc.

19. **Rating Agency:** Typically Standard & Poor's, Moody's Investors Service, or Fitch. The rating agency has no liability or risk; they simply rate the bond issue according to likelihood that bondholders will receive all principal and interest when due.
20. **Regulatory Agreement:** The issuer, the trustee, and the borrower will execute this agreement. It contains the guidelines to assure appropriate low-income tenant occupancy and tenure of the rental units. The agreement is recorded and the restrictions are binding on successor owners. The interest on the bonds would not be tax-exempt without the Regulatory Agreement. Sometimes the issuer's requirements are more restrictive than the Federal tax requirements.
21. **Trustee:** A bank that holds the collateral for the bond holders. The bond trustee uses monthly mortgage payments to make semiannual payments to the bondholders.
22. **Underwriter:** Also known as investment banker. The securities firm which structures the bond issue and market the bonds.
23. **Underwriter's Counsel:** A law firm specializing in tax-exempt securities that acts as counsel to the underwriter. They make sure the documents are prepared to comply with all the securities regulations to provide full disclosure to prospective bondholders. They prepare the Preliminary and Final Official Statement, the Bond Purchase Agreement, and blue Sky filings with individual states.
24. **Volume Cap:** Each state is limited by the federal government in the amount of tax-exempt bonds that can be issued annually for private activity bonds. Before a sponsor can have a tax-exempt bonds issued for a project, allocation must be received from the State Allocation Committee.

**CITY OF LAS VEGAS
PRIVATE ACTIVITY BOND VOLUME CAP ALLOCATION
POLICY AND GUIDELINES**

POLICY

It is the policy of the city of Las Vegas, Nevada to allocate the city of Las Vegas' entire share of the Private Activity Bond Cap each calendar year.

SCOPE

This Private Activity Bond Volume Cap Allocation (Bond Cap) policy applies to all applications/requests for bond cap allocation received by the city of Las Vegas.

DELEGATION OF AUTHORITY

Procedural guideline responsibility is delegated to the Department of Neighborhood Services Director or his designee. In considering applications/requests for Private Activity Bond Volume Cap Allocations, the City Council will reserve the right to approve or reject projects on a case-by-case basis taking into consideration the following:

- 1) The priorities established by this policy;
- 2) The degree the project meets the public or community purpose;
- 3) The character, background and stability of the applicant;
- 4) The quality of the project and the type of impact it will have on
Housing,
Environment,
Potential employment,
Incentive for further development,
Other concerns; and
- 5) The compatibility of the project with the City's affordable housing goals and economic development goals and the objectives of the City and neighborhood in which the project is to be located.

APPLICATION

The City will not take any steps toward allocating volume cap for or to a project until an official application has been filed with the City's Department of Neighborhood Services.

Affordable housing development projects must consist of either 20% of rental units targeted for individuals and families at or below 50% of median income or 40% of rental units targeted for individuals and families at or below 60% of median income. All projects must be within the City limits.

Economic development projects shall include economic development activity in any of the following categories: mortgage revenue, redevelopment, exempt facilities (bus,

water, solid waste, and recycling), qualified rental (multi-family), utilities (electric and/or gas), district heating and cooling, qualified hazardous waste, inner-city rail facility, or qualified enterprise zone.

In addition, the following information must be provided with the application:

- 1) The amount of volume cap required to be allocated to the project for it to be economically viable and the likelihood that such amount of volume cap can be obtained for the project within a reasonable period of time.
- 2) The amount of any allocation or proposed allocation of volume cap to the project from any other entity.

All applications must be filed with the City's Department of Neighborhood Services. The acceptance of an application by the City does not commit the City to issue a resolution transferring volume cap to the project.

PRIORITIES

In allocating its bond cap, the city of Las Vegas will give priority as follows for projects that are eligible:

- 1) Affordable housing development for special needs populations such as seniors, the handicapped, or other special needs groups as defined by HUD;
- 2) Rehabilitation or acquisition with substantial rehabilitation of existing affordable multi-family housing developments as determined by the Mayor and city Council;
- 3) Affordable housing development throughout the City;
- 4) Job creation development; and
- 5) Public utilities and other eligible uses.

Categorization of a project in a priority category does **not** mean that the project is entitled to a volume cap allocation. Even in situations where volume cap is available and there are no competing projects with as high a priority, the Council may decide not to allocate volume cap to a particular project, based on its determination of a public interest and the information provided in the application concerning the project, including the information described above. Categorization of a project in a priority category **is** a factor to which the City will give significant, but not determinative, weight in making volume cap allocation.

When two or more affordable housing projects are competing for volume cap allocation, then affordability depth and affordability duration will be considered in the evaluation of requests for the allocation of volume cap.

In general, the City intends to use one-half of its volume cap for housing and one-half for economic development; but, if sufficient applications are not received for economic development, the City's next priority would be to use the volume cap for housing.

RESOLUTION

Where appropriate, the City will issue a Resolution transferring volume cap to the Director of the Department of Business and Industry for further transfer to the State of Nevada-Housing Division with respect to housing bonds. Passage of a resolution does not constitute a City endorsement of the project or a finding of the City that the project is feasible or is in compliance with any laws or regulations, including land use, building or other regulations of the county or any other governmental entity.

A reversion clause shall be included with each resolution requesting transfer. In the event that the project granted the transfer and the project named in the reversion does not proceed, then the reverted bond cap will be made available for reuse or reallocation based upon this policy and guidelines.

Any fee imposed by the state or any other issuer for a transfer of volume cap must be paid by the Beneficiary at the earlier of the time required by the State or at the closing for the bonds.

INSTRUCTIONS TO APPLICANTS

PRIVATE ACTIVITY BOND (PAB) VOLUME CAP ALLOCATION APPLICATION

CITY OF LAS VEGAS
DEPARTMENT OF NEIGHBORHOOD SERVICES

GENERAL INFORMATION

1. Purpose

The city of Las Vegas will consider PAB Volume Cap applications for:

A. Affordable housing development, the projects must consist of either 20% of rental units targeted for individuals and families at or below 50% of median income or 40% of rental units targeted for individuals and families at or below 60% of median income. All projects must be in the city of Las Vegas.

B. Economic development projects, which shall include any type of economic development activity and manufacturing activities throughout the city of Las Vegas.

2. Application Evaluation Review Process

Each application received by the city of Las Vegas will be first reviewed by staff to determine whether minimum application submission requirements have been satisfied by the applicant **(see Section D: Evaluation Criteria - Threshold Review)**

Applications which do not pass the Threshold Review will not be considered further in this application process. Applications, which do pass the Threshold Review, may be forwarded on to the PAB Allocation Committee, a committee consisting of staff from various city departments. The Committee will rank the proposals according to the rating criteria. The city of Las Vegas reserves the right to award an allocation solely on the written proposal. The Committee may recommend a different allocation than the amount requested by the applicant.

If you have any questions regarding this Application package, please contact:

City of Las Vegas
Department of Neighborhood Services (DNS)
495 S. Main Street, 3rd Floor
Las Vegas, Nevada 89101
Telephone: (702) 229-2330

GENERAL APPLICATION REQUIREMENTS

1. Submission Criteria

The city of Las Vegas Department of Neighborhood Services will accept applications by email or in physical form. Acceptable delivery methods for physical applications include hand delivery, certified mail, or another delivery service that requires a signature from a designated representative of the City of Las Vegas Department of Neighborhood Services.

2. Number of Copies and Mailing Address

Applicants must submit one (1) signed original to:

City of Las Vegas
Department of Neighborhood Services
495 S. Main Street, 3rd Floor
Las Vegas, Nevada 89101

Applicants may also submit their application by email to: cduewiger@lasvegasnevada.gov.

The original must be signed and completed in its entirety, (all applicable sections) including any applicable attachments. Please type **“N/A”** or **“Not Applicable”** in all sections of the application that do not apply to your project. All included documentation must be legible.

3. Acceptance of Terms

By submitting an application, the applicant accepts all terms, conditions and requirements of this application process. The applicant's application will become part of the Private Activity Bond Volume Cap record in the event the applicant is awarded funds. The applicant will be bound by what is in the application, unless otherwise approved in writing by the city of Las Vegas.

The applicant's application, and other materials submitted in response to the application process, becomes the property of the city of Las Vegas and may be returned only at the City's discretion. Applications are public documents and may be inspected or copied by anyone after they have been reviewed and rated and approved for funding by the City Council. Financial statements included in the application may also be considered public information.

SUBMISSION FORMAT AND REQUIRED DOCUMENTATION

1. Submission Format

Physical Submissions:

- THE APPLICATION AND BACK-UP MATERIALS MUST BE SUBMITTED IN A SEALED ENVELOPE, ADDRESSED WITH THE PROJECT NAME AND NAME OF THE ORGANIZATION SUBMITTING THE PROJECT.**
 - The application must be typed
 - The application must remain in current format and order
 - Do not staple or bind; a large binder clip may be used
 - Do not place in a ring binder and do not use any number or letter dividers
 - A cover must be placed in front of each attachment, with a heading identifying the attachment.

Email submissions:

Applicants may alternatively submit the complete application package electronically to cduewiger@lasvegasnevada.gov. Electronic submissions must include all required documents in the original format and order as outlined above. Attachments must be clearly labeled.

NOTE:

ALL APPLICATION FORM ITEMS, INCLUDING THE
FOLLOWING DESCRIPTIONS, MUST BE COMPLETED

AND

**THE REQUIRED DOCUMENTATION MUST ALSO BE INCLUDED or
THE APPLICATION WILL NOT PASS THE THRESHOLD REVIEW**

2. Required Documentation

- a. Project Summary / Description
- b. Project Funding Sources
- c. Project Data / Rents (Housing)
- d. Relocation Plan (if applicable)
- e. Project Budget / Sources and Uses
- f. Supporting Documentation
 - i. Audited financial statement (last fiscal year) for each organization and/or corporation involved in project
 - ii. Map showing the location of the site and relationship of the site to the surrounding area. Map should identify the area of boundaries of the site, and show the parcel numbers.
 - iii. Photographs of the site and the surrounding area
 - iv. Architectural rendering or conceptual drawing (computer image is acceptable) showing elevations of proposed project structure(s)
 - v. Legal description of the property
 - vi. Evidence of site control; one of the following is required:
 - 1) Deed
 - 2) Executed option to purchase
 - 3) Executed purchase contract

- 4) Lease w/option to purchase
- vii. Letters of interest from financial institutions
- viii. Letter from the city of Las Vegas Planning Department, less than 12 months old, verifying that the project conforms in all aspects to the current legal zoning of the property
- ix. Disclosure of Principals (Attachment "A") reflecting name, business address, telephone number, and percentage of ownership for all persons and entities holding more than 1% interest). Nonprofit organizations should list board of directors, business address, and telephone number.

D. EVALUATION CRITERIA FOR THRESHOLD REVIEW

All applications will be subject to a threshold review. Applications, which do not pass the threshold review, as determined by the city of Las Vegas, will not be considered further in this application process. The threshold review will determine whether all required **application submission material identified above** has been provided. If the requested documentation has not been provided, the project **will not** pass the threshold review.

**CITY OF LAS VEGAS
DEPARTMENT OF NEIGHBORHOOD SERVICES
Private Activity Bond (PAB) Volume Cap Application**

**RETURN TO: DEPARTMENT OF NEIGHBORHOOD SERVICES (DNS)
495 S. Main Street – 3rd Floor
Las Vegas, NV 89101-2986
702-229-2330**

cduewiger@lasvegasnevada.gov

- **DO NOT STAPLE OR BIND APPLICATION OR ATTACHMENTS**
- **APPLICATIONS MUST BE TYPED AND COMPLETED IN ITS ENTIRETY (Applications with handwritten entries, other than signatures and boxes requiring checks, will not be accepted).**

- **SUBMIT ONLY ONE SIGNED ORIGINAL**

APPLICATION SUBMISSION DATE: _____

<u>1. ORGANIZATION INFORMATION</u>		
Developer:		
Address:		
City:	State:	Zip:
Project Representative:		Phone No:
E-mail Address:		Fax No:
Organization is: <input type="checkbox"/> For Profit Entity <input type="checkbox"/> Not-For-Profit Entity		
<input type="checkbox"/> Headquartered in Nevada <input type="checkbox"/> Headquartered in another state		
Has organization previously used bond financing? Yes <input type="checkbox"/> State _____ No <input type="checkbox"/>		
<u>2. PROJECT SUMMARY</u>		
Project Name:		
Project Type: <input type="checkbox"/> New Construction <input type="checkbox"/> Acquisition with Rehabilitation		
Target Population: <input type="checkbox"/> Families <input type="checkbox"/> Elderly/Seniors <input type="checkbox"/> Disabled <input type="checkbox"/> Other		
If Other, please specify:		
Project Location (must be located within geographic boundaries of city of Las Vegas):		
Street Address:		
Nearest Cross Streets:		
Parcel Number:		
Council Ward Number:		
Volume Cap Requested from city of Las Vegas: \$		
Volume Cap Requested from State of Nevada (if any): \$		

The city of Las Vegas does not discriminate against persons based on race, color, religion, marital status, sex, national origin, ancestry, age, familial status, disability, or any arbitrary basis. If you need special assistance in order to read and understand the information contained herein, please call the Department of Neighborhood Services (DNS) at 702-229-2330. The city of Las Vegas TDD (Telecommunications for the Deaf) number is 702-386-9108.

2. PROJECT SUMMARY (cont'd)	
Total Project Cost:	Bond Principal:
Total Units:	Developer Fee:
Cost Per Unit:	- Amount Deferred:
Cost Per Sq. Ft.:	Tax Credit Equity:
Number of Affordable Units:	Debt Ratio:
- Percentage of Total Project:	Number of Jobs Created:
Number of Market Rate Units:	- Construction:
- Percentage of Total Project:	- Post-Construction:

NOTE: Appropriate supporting documentation for Sections 3 thru 9 must be attached, as referenced in Section 10, entitled "Supporting Documentation."

3. SITE INFORMATION

- A. Is the proposed site(s) for the project currently under site control? Yes No
 If yes, site control in form of: Deed Executed Option to Purchase
 Executed Purchase Contract Executed Lease with Option to Purchase
 (Verification of site control must be attached)

- B. What is the site's current zoning? _____
 Does the project conform to the site's current legal zoning? Yes No
 Is there a need for a change in zoning? Yes No
 If yes, what is the needed zoning change? _____
 Has a zoning hearing been scheduled? Yes No
 If yes, when? _____
 (A zoning letter from the city of Las Vegas Planning Department dated within 12 months of the application date, verifying that the project conforms in all aspects to the current legal zoning of the property, must be attached)

- C. Acquisition of existing properties (answer only if acquiring existing buildings):
 How many buildings will be acquired for the project? _____
 Are all of the buildings currently under control for the project? Yes No
 If no, when will all of the buildings be acquired for the project? _____
 If existing buildings are to be acquired for this project, are they currently occupied? Yes No (If the answer is yes, a proposed relocation plan is required).

4. PROJECT DESCRIPTION (This brief, concise overview of the project includes questions A-K. If items are not completed, the application will not pass threshold review)

- A. Briefly describe the existing condition of the proposed project property:

B. Briefly describe the improvements proposed by the development team:

C. Briefly describe the market to be served:

D. Briefly describe the quantity and types of jobs created by the proposed Project:

E. Briefly describe the contribution of the Project to economic diversification within the City:

F. Briefly describe the contribution of the Project to meeting the City's needs for affordable housing:

G. Briefly state the impact of the Project on the City's tax base:

H. Briefly describe the benefits of the Project to the City and its citizens:

I. Briefly describe the effect of the Project on the City's environment and natural resources:

J. List previous bond allocations, if any, received from the city of Las Vegas:

Project:
Year:
Amount:

Project:
Year:
Amount:

Project:
Year:
Amount

K. Has your organization previously returned Bonds to the City? Yes No
If yes, please complete the following:

Project:
Year:
Amount:

L. Has your organization previously had Bonds rescinded by the City? Yes No
 If yes, please complete the following:

Project:
 Year:
 Amount:

5. FUNDING SOURCES

Please identify all funding entities and the amounts allocated or applied for but not yet allocated:

Name of Entity	Amount/Date of funding that has been allocated	Additional funding that has been applied for but not yet been allocated
Private Activity Bonds Proceeds: State of Nevada		
Private Activity Bonds Proceeds: City of Las Vegas		
4% Tax Credit Proceeds:		
State HOME funds:		
Clark County HOME funds:		
City of Las Vegas HOME funds:		
Developer Cash:		
Private Loans:		
Other Loans:		
Total		

6. PROJECT DATA (Housing)

Category (check one):

- New Construction Acquisition w/Rehabilitation

Total Number of Units _____
 No. of Low-Income Units _____ Percentage of Total Units _____
 No. of Market Rate Units _____ Percentage of Total Units _____
 No. of Family Units _____
 No. of Disabled Units _____
 No. of Senior Citizen Units _____
 No. of Other Units _____ Type: _____

7. PROJECT RENTS (Housing)

List the applicable gross rents for the project.

A. Low-Income Units: Total number of low-income units: _____
 In the chart below, please list estimated monthly rents for low-income units only.

Type of Unit	Number of Units	Monthly Rent By Type	Gross Monthly Rent – By Type	Square Footage of Unit
_____ Bedroom				
Subtotal				

B. Market Rate Units: Total number of market rate units: _____
 In the chart below, please list estimated monthly rents for market rate units only.

Type of Unit	Number of Units	Monthly Rent By Type	Gross Monthly Rent – By Type	Square Footage of Unit
_____ Bedroom				
Subtotal				
Monthly Gross Rent Revenue (A+B)				
Annual Gross Rent Revenue (A+B X 12)				

C. Equipment Included in Units (check all applicable items):

1. Low Income Units:

- Range Refrigerator Disposal Kitchen Exhaust Fan
- Dishwasher HVAC Refrigerator Trash Compactor
- Washer/Dryer Hook-Up Laundry Facility (on site)

2. Market Rate Units:

- Range Refrigerator Disposal Kitchen Exhaust Fan
- Dishwasher HVAC Refrigerator Trash Compactor
- Washer/Dryer Hook-Up Laundry Facility (on site)

3. Additional Amenities:

- Swimming Pool Community Room Internet data lines Covered parking

- Security features: Describe _____
- Other: Describe _____

8. RELOCATION PLAN (Housing)

Does the proposed project involve any relocation of tenants? Yes No
If yes, please describe the proposed relocation plan **in detail**. Continue on a separate sheet, if necessary.

9. PROJECT BUDGET / SOURCES OF USES

Please list the development cost data and associated funding sources below. This list must include a line item breakdown of all construction costs:

NOTE: This budget must be completed. A separate project budget may be attached as additional backup.

Expense	Estimated Cost	Bonds	4% Tax Credits	Developer Cash	HOME	Other
Land Acquisition						
Land						
Land Improvements						
Site Work						
Subtotal						
Construction/Rehabilitation						
Building Acquisition Costs						
Demolition Costs						
New Building Costs						
Rehabilitation Costs						
Site Work						
Off-Site Improvements						
Utility Fees & Permits						
Utility Connections						
Building Permits & Fees						
Water/Sewer Permits & Fees						
Contractor Fee						
Construction Contingency						
Subtotal						
Construction Financing						
Construction Insurance						
Construction Loan Interest						
Construction Loan Origination						
Property Taxes During Construction						
Construction Loan Expenses						
Subtotal						
Permanent Loan Fees						
Credit Report						
Permanent Loan Origination						
Title & Recording						
Legal						
Documentation Preparation						
Escrow Closing						
Escrow Prepaid Items						
Subtotal						

Expense	Estimated Cost	Bonds	4% Tax Credits	Developer Cash	HOME	Other
Related Soft Costs – General:						
Architectural Design Fees						
Architectural Supervision						
Accounting Fees						
Engineering Fees						
Engineering Supervision						
Survey						
Appraisal Fee(s)						
Environmental Study						
Soils Report						
Market Study						
Project Audit Fees						
Legal Fees						
Private Activity Bonds / Tax Credit Application Fees						
Professional Estimator Fees						
Construction Control Fees						
Soft Cost Contingency						
Other:						
Subtotal						
Developer Costs:						
Developer's Overhead						
Developer's Fee:						
Lease Up Reserves						
Subtotal						
Page Subtotal						
Previous Page Subtotal						
TOTAL ESTIMATED COST						

COST CERTIFICATION

In my position as (Title)* _____ I have reviewed the cost estimate for (Name of project) _____ and determined that the scope of the project is adequately defined and the cost estimates associated with the project, as defined, are reasonable and accurate and the project will meet the State of Nevada energy and weatherization standards.**

Printed Name: _____
Signature: _____ Date: _____
Company: _____

* Architect, Engineer, Contractor, etc.

** Additional information on the State of Nevada energy and weatherization standards may be obtained from the State of Nevada Housing website: <http://www.nvhousing.state.nv.us>.

10. SUPPORTING DOCUMENTATION

THE FOLLOWING NINE SUPPORTING DOCUMENTS MUST BE ATTACHED. IF THEY ARE NOT INCLUDED, THE APPLICATION WILL NOT PASS THE THRESHOLD REVIEW:

(Note: The application package must include divider pages, with caption, between sections)

- A. Audited financial statement (last fiscal year) for each organization and/or corporation involved in project
- B. Map showing the location of the site and relationship of the site to the surrounding area. Map should identify the area of boundaries of the site, and show the parcel numbers.
- C. Photographs of the site and the surrounding area
- D. Architectural rendering or conceptual drawing (computer image is acceptable) showing elevations of proposed project structure(s)
- E. Legal description of the property
- F. Evidence of site control; one of the following is required:
 - 1) Deed
 - 2) Executed option to purchase
 - 3) Executed purchase contract
 - 4) Lease w/option to purchase
- G. Letters of interest from financial institutions
- H. Letter from the city of Las Vegas Planning Department, less than 12 months old, verifying that the project conforms in all aspects to the current legal zoning of the property
- I. Disclosure of Principals (Attachment "A") reflecting name, business address, telephone number, and percentage of ownership for all persons and entities holding more than 1% interest). Nonprofit organizations should list board of directors, business address, and telephone number.

11. ADMINISTRATIVE EXPENSES

The administrative expenses budget differs from the project budget in that it reflects expenses after occupancy has been stabilized. It is expected that during a reasonable rent-up period, advertising expenses, and some clerical and bookkeeping expenses may exceed ongoing expense levels for these items.

General Administrative:

Advertising _____
 Management Fees _____
 Legal/Partnership Expenses _____
 Accounting/audits _____
 Banking _____
 Property taxes _____
 Subtotal General Admin: _____

Maintenance:

Decorating/redecorating _____
 Repairs to plants & units _____
 Exterminating/pest control _____
 Grounds expense _____
 All other maintenance _____
 Repairs/replacement reserves _____
 Subtotal Maintenance costs: _____

Operating:

Elevator(s) _____
 Fuel (Heating & hot water) _____
 Lighting _____
 Water & Sewer _____
 Natural gas/propane _____
 Trash services _____
 Staff payroll/benefits _____
 Insurance(s) _____
 All other operating _____
 Subtotal Operating costs: _____

Financing:

Interest on 1st mortgage _____
 Interest on subordinate debt _____
 Bank/credit enhancement _____
 Bond & trustee fees _____
 Subtotal Financial costs: _____

Summary of Administrative Expenses

	Annual Total	Percentage of Total	Cost Per Unit
Annual General Administrative Costs	_____	_____	_____
Annual Maintenance Costs	_____	_____	_____
Annual Operating Costs	_____	_____	_____
Annual Financing Costs	_____	_____	_____
Total Expenses	_____	_____	_____

Cash Flow Analysis

Annual Operating Income (Revenue) _____ - Expenses _____ = _____
Percentage of Operating Income required to cover Expenses: _____

12. CERTIFICATION

An authorized agent of the Project Developer must read and sign the statement below:

I certify that all information provided in this application is correct, and that all requested accompanying documentation is legally valid in the State of Nevada.

Name Title

Signature

Date

Subscribed and sworn to before me this _____ Day of _____, 20____.

Notary Public

ATTACHMENT "A"
DISCLOSURE OF PRINCIPALS

The principals and partners of _____ and all persons and entities holding more than 1% interest in _____ or any principal of _____ are the following:

FULL NAME	BUSINESS ADDRESS	BUSINESS PHONE
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____
7. _____	_____	_____
8. _____	_____	_____
9. _____	_____	_____
10. _____	_____	_____

Continue listing principals and partners until full and complete disclosure is made.

I certify under penalty of perjury, that the foregoing list is full and complete.

A Nevada Corporation

By: _____

Title: _____

Subscribed and sworn to before me this
_____ day of _____, 20____

Notary Public