CLARK COUNTY BOARD OF COMMISSIONERS
AGENDA ITEM

Petitioner: Jessica L. Colvin, Chief Financial Officer

Recommendation:

That the Board of County Commissioners approve, adopt and authorize the Chairman to sign the Note Ordinance concerning the issuance and payment of Clark County, Nevada, Subordinate Revenue Notes, Series 2018B, in the maximum principal amount of $215,250,000, as if an emergency exists. (For possible action)

FISCAL IMPACT:

The debt service on the notes will be repaid by Consolidated Tax. Per NRS the County is authorized to pledge up to 15% of the Local Government Tax Distribution Fund allocable to the County. The Local Government Tax Distribution Fund consists of local government revenues from six sources: Supplemental City/County Relief Tax (“SCCRT”), Basic City/County Relief Tax (“BCCRT”), Cigarette Tax, Liquor Tax, Governmental Services Tax (“GST”), and Real Property Transfer Tax (“RPTT”). The law allows for up to 15% of the combination of these six revenues (the “Consolidated Tax”) to be pledged as security for debt.

BACKGROUND:

On September 14, 2007, the County entered in a long-term lease agreement with PH Metro, LLC for the lease of approximately 15.3 acres of land with a 230,834 square foot correctional, administrative building, and related facilities located at 4900 North Sloan Lane (Assessor’s Parcel Number 123-34-401-005) (the “Detention Leased Property”). The Detention Leased Property is for the operation of a low level offender facility and administrative offices. The term of the lease commenced on August 10, 2009, and continues for a period of approximately thirty years. Clark County has the option to purchase the Detention Leased Property beginning ten years after the recordation of the deed of trust for the landlord’s permanent loan. The County presently intends to exercise its purchase option and finance such purchase with short-term interim financing in the form of subordinate revenue notes.

The note ordinance authorizes the issuance of the Clark County, Nevada, Subordinate Revenue Notes, Series 2018B in the maximum principal amount of $215,250,000, and paying the costs of issuing the notes; providing the form, terms and conditions of the notes, the security therefor, and other details in connection therewith. The County intends to refinance the Subordinate Revenue Notes, Series 2018B with general obligation bonds additionally secured by pledged consolidated tax revenues.

This action requires five affirmative votes for approval.

Respectfully submitted,

Jessica L. Colvin, Chief Financial Officer

Cleared for Agenda

12/4/2018
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