

**CLARK COUNTY STADIUM AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

Petitioner: Steve Hill, Chairman

Recommendation:

**That the Clark County Stadium Authority approve, adopt, and authorize the Chairman to sign a resolution establishing the Stadium Authority Waterfall Residual Fund (2965).
(For possible action)**

FISCAL IMPACT:

Fund#:	N/A	Fund Name:	N/A
Fund Center:	N/A	Funded Pgm/Grant:	N/A
Description:	N/A	Amount:	N/A

Added Comments: N/A

BACKGROUND:

Senate Bill 1 (SB 1), as approved by the 30th Special Session (2016) of the Nevada Legislature, and signed by the governor on October 17, 2016, provided for the increase in the combined tax rate on transient lodging within Clark County. SB 1 required the Clark County Board of County Commissioners to hold a public hearing and adopt an ordinance to impose an increase to the current combined county transient lodging tax rate on providers of transient lodging within the incorporated cities and unincorporated towns for the purpose of financing the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League stadium project.

On April 3, 2018, the Clark County Board of County Commissioners adopted an ordinance authorizing the issuance of up to \$750,000,000 General Obligation (Limited Tax) Stadium Improvement Bonds. On May 1, 2018 the bonds were issued.

SB 1, Section 34.4 provides that after the issuance of the bonds, the Stadium Authority must use room tax revenues collected in the stadium tax account (Fund 2960) only for purposes defined under SB 1, Section 34.4, paragraphs (a) to (e). Section 34.4, paragraph (f) requires room tax revenues remaining after the allocations specified in paragraphs (a) to (e) to provide for early debt retirement, to make capital improvements and to pay for any infrastructure required on or around the project.

This Special Revenue Fund is being established to account for the funds specified in SB 1 Section 34.4, paragraph (f).

Respectfully submitted,

Steve Hill, Chairman

Cleared for Agenda

Agenda Item #

**RESOLUTION TO CREATE THE STADIUM AUTHORITY
WATERFALL RESIDUAL FUND (2965)**

WHEREAS, Senate Bill 1 (SB 1) was approved by the 30th Special Session (2016) of the Nevada Legislature, and signed by the Governor on October 17, 2016, requiring that the Board of County Commissioners of Clark County, Nevada, to impose an increase to the current combined transient lodging tax rates by either eighty-eight one-hundredths of one percent (0.88%) of gross receipts from the rental of transient lodging within the defined “Primary Gaming Corridor”, or one-half of one percent (0.50%) of gross receipts from the rental of transient lodging within the defined “Stadium District” (outside of the “Primary Gaming Corridor”) for the purpose of financing the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League stadium project; and

WHEREAS, the Board of County Commissioners of Clark County, Nevada adopted an ordinance imposing an additional rate on the current combined transient lodging tax rate effective March 1, 2017 (room tax revenues); and

WHEREAS, on April 3, 2018, The Board of County Commissioners of Clark County, Nevada adopted an ordinance authorizing the issuance of up to \$750,000,000 General Obligation (Limited Tax) Stadium Improvement Bonds; and

WHEREAS, on May 1, 2018, the General Obligation (Limited Tax) Stadium Improvement Bonds were issued; and

WHEREAS, SB 1, Section 34.4 provides that after the issuance of bonds, the Stadium Authority must use the room tax revenues collected in the stadium tax account (Fund 2960) only for purposes defined under SB 1, Section 34.4, paragraphs (a) to (f).

WHEREAS, SB 1, Section 34.4 paragraph (f) requires room tax revenues remaining after the payments required by paragraphs (a) to (e) to make payments to a fund to provide for early debt retirement, to make capital improvements to the National Football League stadium project, and to pay for any infrastructure required on or around the project.

WHEREAS, the Stadium Authority Board of Directors shall create a fund to account for the remaining room tax revenues pursuant to SB 1, Section 34.4 paragraph (f); and

WHEREAS, NRS 354.612 and NAC 354.241 require that local government entities adopt a resolution establishing the various funds of the local government and setting forth the purpose of the fund and plan for administration of the funds.

NOW, THEREFORE, BE IT RESOLVED by the Clark County Stadium Authority, as follows:

1. A new fund called the Stadium Authority Waterfall Residual Fund (2965) shall be created as a Special Revenue Fund, effective May 23, 2018.
2. The primary purpose of the fund will be to account for the room tax revenues remaining after payments made for Stadium Authority operations, debt service, debt service reserve requirements and other allocations of room tax funds made by the Stadium Authority Board of Directors pursuant to SB1, Section 34.4 (a) through (e).
3. The primary source of revenue to be deposited in the fund will be transfers from the Stadium Authority Fund (2960) and interest earnings.
4. The short-term and long-term plan for expenditures from the fund will be for stadium capital improvements, infrastructure required on or around the project, as well as transfers to the Stadium Authority Debt Service Fund (3960) for the early retirement of debt.
5. The residual funding at the end of the fiscal year will roll over to the next budget year for the aforementioned uses.
6. The fund will be monitored and reviewed periodically to ensure that the activities of the fund are reasonable and necessary to carry out the purpose of the fund.
7. The fund will account for its sources and uses in conformance with Generally Accepted Governmental Accounting Principles, Nevada Revised Statutes, Nevada Administrative Codes and the Regulations of the Nevada Tax Commission.

PASSED, ADOPTED AND APPROVED this 23th day of May, 2018.

CLARK COUNTY STADIUM AUTHORITY

AYES:

NAYS:

ABSENT:

BY:

Steve Hill, Chairman

ATTEST:

LYNN MARIE GOYA, Clark County Clerk