

STATE INFRASTRUCTURE BANK

July 18, 2025, 11:00 A.M.

Summary Minutes

Location:

Via videoconference at the following locations:

Old Assembly Chambers
Capitol Building, Second Floor
101 N. Carson Street
Carson City, NV 89701

Governor's Office Conference Room
1 Harrah's Court
Las Vegas, NV 89199

Board Directors & members present:

Treasurer Zach Conine - Las Vegas
Vice Chair Jesse Haw - Teams
Member Tracy Holland - Carson City
Member Matt Kershaw - Teams
Member Blayne Osborn - Carson City
Member Ken Liu - Teams

Others present:

Erik Jimenez:	State Treasurer's Office	Libby Santos:	Teams
Veronica Kilgore:	State Treasurer's Office	Mendy Elliott:	Teams
Emily Nagel:	State Treasurer's Office	Marcianelle C.	
Thomas Keiffer:	Edgemoor	Villanueva-Escolin:	Teams
Wendy Colborne:	BCTNN	Mindy P.:	Teams
Perry Faigih:	B+I	Amanda Brazeau:	Teams
Bob Brown:	?	Michael A. Flores:	Teams
Cory Hunt:	NVDD		
Tyler Lantrie:	NCDD		
Par Tolles:	NCCD		
Alex Pike:	Teams		
Andrew Cinger:	Teams		
Cade Grogan:	Teams		
Greg Eden:	Teams		

Agenda Item 2 - Public Comment: No public comment.

Agenda Item 3 – For discussion and possible action: Approval of the minutes from the State Infrastructure Bank Board of Directors meeting from May 12th, 2025.

Motion to approve the meeting minutes from Member Tracy Holland, Member. Motion passed unanimously.

Agenda Item 4 – For discussion and possible action: Staff Report on the operations and administration of the Nevada State Infrastructure Bank, including an update on financing applications received by the Nevada State Infrastructure Bank, and direction to staff as appropriate.

Since the last Board meeting on May 12, 2025, staff has finalized the loan execution and an initial disbursement of \$1,500,000 to the Lincoln County Hospital District for the for the Grover C. Dils Medical Center Physical Therapy and Patient Clinic project. Staff received loan origination fee payments from the Economic Development Authority of Western Nevada/Redwood Materials for TRI-GID Processed Water Extension Project. As well as the origination fee from the Lincoln County Hospital District for the Grover C. Dils Medical Center Physical Therapy and Patient Clinic project. The Bank received ongoing loan repayments and interest payments from the Truckee Meadows Fire Protection District for the Hidden Valley Fire Station Apparatus Bay Project. Disbursed the second payment of \$7,750,000 to the Economic Development Authority of Western Nevada for the TRI-GID Processed Water Extension Project; Conducted regular check-ins with current borrowers of the Bank for status updates on projects that have been approved for loans by the Board of Directors. Received a new financing application from the South Lyon County Hospital District for a proposed new physician clinic project; Received a new financing application from the National Campus and Community Development Corporation - UNR Properties LLC for the proposed Gateway Hotel Project. Continued to meet with prospective borrowers on projects that may be submitted to the Board of Directors for its consideration.

As of June 30, 2025, the Bank has \$46,148,433 in total available resources spread out across the following budget accounts: Operating Account (Budget Account 4672): \$52,860.90, Affordable Housing Revolving Account (Budget Account 4673): \$25,648,872.00, Charter School Capital Needs Revolving Account (Budget Account 4674): \$782,186.03, Federal Infrastructure Matching Account (Budget Account 4675): 3,093,145.31, State Infrastructure Bank General Account (Budget Account 4676): 2,086,026.17, MLB Stadium Credit Enhancement (Budget Account 1106): \$14,485,342.54 Of these balances, the Affordable Housing Revolving Account (Budget Account 4673) has an outstanding \$25,000,000 obligation for the Desert Pines Infrastructure Project. Similarly, the State Infrastructure Bank General Account (Budget Account 4676) has \$764,869.78 remaining for its obligation for the West Wendover Fire Station/Emergency Operations Center Project as well as \$450,000 for the Lincoln County Hospital Physical Therapy and Patient Clinic Project. Prior to considering future revenues, the Bank has \$5,395,359.73 in available resources to cover both staffing costs as well as future loans in the Fiscal Year 2026/2027 Biennium. After considering outstanding obligations previously approved by the Board of Directors, as well as expected revenues for Fiscal Year 2026, the Bank will have \$10,973,752 in available funds to cover staffing costs as well as provide loans and other financial assistance to qualified borrowers by the end of Fiscal Year 2026.

The Bank was initially capitalized with \$74,620,742 in general obligation bond proceeds to provide loans and other financial assistance to qualified borrowers. To date, the Board of Directors has approved eight loans for a total of \$76,452,000. Of this amount, Bank staff has disbursed

\$50,237,130.32 to qualified borrowers so far and has an additional \$26,214,869.68 in allocated funds remaining to disburse. After accounting for all of the loans that have previously been approved by the Board of Directors, the Bank has \$0 of initial bond proceeds remaining and is currently operating on investment return income as well as revenues generated by the Bank. Additionally, the Bank is expected to earn an additional \$5,578,391.90 in revenues from loan origination fees, interest payments, principal repayments, and investment earnings in Fiscal Year 2026, which the Board can also choose to utilize to provide additional loans and financial assistance to qualified borrowers.

Bank staff continues to work to identify a new pipeline of potential projects to utilize the Bank's remaining \$10,973,572 in available loan funds. Since the last Board of Directors meeting in May 2025, the Bank has received two applications for financing, which amount to \$12,700,000. Additionally, the Bank has an expected \$29,100,000 in potential future applications to the Bank, which unlikely be able to be considered due to the actions from the Nevada State Senate in removing the proposed new funding for the State Infrastructure Bank in the 2025 Capital Improvement Program (Senate Bill 502), which was passed by the Nevada State Assembly and included in Governor Lombardo's Recommend Budget.

Mr. Jimenez then went on to talk about the funds that were requested for the Nevada State Bank from the Senate in the Legislature session.

Erik Jimenez: "When we move on to the table on page 16 the colored table you can see the 2 applications that we have received currently in our pipeline and then we have a series of projects. Due to the actions of Senator Cannizzaro at the end of the legislative session that will not be able to move forward at this point in time, and we'll have to evaluate other funding sources for them. The first of which is the Clear Acre Apartments project that was negotiated between the city of Reno and the Regional Transportation Commission of Washoe County, which I think, is upwards of about 1000 units of affordable housing that will not be able to be built at this time due to the actions of the Nevada State Senate. Additionally, we had an initial presentation to create a nonprofit revolving loan fund to help the thousands of nonprofits across the state of Nevada who struggle with access to capital funds. And I think this has become even more pronounced as we have the Federal Government kind of denying payments that are already due for federal grants. Unfortunately for these thousands of nonprofits this project will not be able to move forward due to the actions of the Nevada state Senate. We additionally have a recovery center for Medicaid recipients who are struggling from substance abuse, this project will not be able to move forward along with a number of housing and health clinic projects. So, while it is unfortunate that politics got in the way of, I think, good government we will continue to do the work and find alternative ways to get these projects on board. I will say just kind of in closing the with the \$75,000,000.00 that we had in initial capitalization, we were able to leverage those dollars. Almost to the tune of \$650,000,000.00 in the creation of hundreds, if not thousands of good paying union prevailing wage jobs. It's unfortunate that we will not be able to create thousands of good paying union jobs and support all of these projects across the state of Nevada including some of these rural health clinics due to the decisions of Senator Cannizzaro and the Nevada State Senate at the end of the legislative session. With that Mr. Chair I know that I was a lot at once, but I'm happy to take any questions."

Treasurer Conine asked if there were any questions from Board Members. Hearing none, he closed Agenda Item 4 and moved on to Agenda Item 5.

Presenter: Erik Jimenez, Chief of Policy, State of Nevada Treasurer's Office

Agenda Item 5 – For discussion only: Presentation by the National Campus and Community Development Corporation for the proposed Gateway Hotel project located on the University of Nevada Reno Campus.

Cory Hunt began the presentation by talking about the project and those involved. The Matheson University Gateway Hotel Conference Center on the University of Nevada Reno campus is a private public partnership that has been working with the University and with their partners at Edgemoor and NCCD on for quite some time. Also present is Tyler Lantrip the CFO of Tolls Development, who can speak about the financial aspects of the project. Their partners were also on the line to answer any questions that might come up. The University Gateway district has been planned for years as a vital connection between UNR and downtown Reno. Fostering education, innovation, and community vitality, this project is a 134 key lifestyle hotel. It's the first new downtown construction in more than 20 years. It would be owned initially by the nonprofit, the National Community Campus Development Corporation (NCCD) and all net income after debt service and operations would go to the benefit of the University and the University Foundation. Ultimately UNR would own the asset after the debt is retired and so Tolls Development and Edgemoor will have no ownership interest and would be working as fee developers for the project and helping to move that forward but would not own the property.

At stabilization about \$1,500,000.00 in annual revenue to the University. It will create more than 200 construction jobs and 40 full-time jobs with great paying wages. There are opportunities for internships with the University and the workforce development aspects in the community. It's got great walkability and significant economic input output for the for the community in downtown Reno. The project aligns with the State Infrastructure Bank's goals for social and economic infrastructure development. Their partners, University of Nevada Reno Vice President Andrew Cinger is on the line. As well as the National Campus and Community Development Corporation. They have their nonprofit applicant, and they have more than \$1.3 billion in assets that they manage in public private partnerships. Edgemoor Infrastructure and Real Estate, a well-recognized infrastructure and mixed-use developer. They built the Gateway Business Building which is the building on the right of where the hotel will be, that is opening soon. Their staff are present at the meeting, online as well as representatives in the room. Tolls would be a developer who is a local Northern Nevada developer with expertise in hospitality development.

The project is a 134 upscaled rooms with amenities, conference rooms, and a rooftop restaurant. This is in downtown Reno just at the edge of the freeway on the bridge between the university and downtown Reno. This is the first new hotel construction in downtown Reno more than 20 years as a non-gaming and is a tremendous opportunity for the University. As an overview of the Gateway District Cory then showed a slide with a payout of the College of business in the middle, the hotel on the left and then there are additional future buildings that are planned for the Matheson Gateway

District for life sciences, and a new parking garage of which the project will utilize. The location has walkability offering some environmental benefit from avoided car travel to campus. They have hospitality internships that they would like to pursue to integrate the workforce at the hotel with the different offerings in the business and hospitality at the University.

Economic benefits are 160 to 225 construction jobs. They will comply with all of the requirements of the State Infrastructure Bank in terms of Nevada contractors, including prevailing wage jobs, and 40 full-time hospitality jobs. Annual economic impact of approximately \$18,000,000.00. As he previously stated, in the long term this would be an asset that the University would own outright.

Mr. Hunt then turned the presentation over to Tyler Lantrip to go over the financial overview.

The financial overview is about \$59,000,000.00 to \$60,000,000.00 for the project. Their project team includes Access GFA, Schematic Designs and plenty of contractor input working with different local contractors and subcontractors that have built very similar products in the area. A hard cost budget of \$40,000,000.00 to \$38,000,000.00 hard cost budget with additional FF&E with all the infrastructure that goes into the rooms and amenities, financing costs, it totals about a \$60,000,000.00 project overall. The financing environment and the cost environment currently makes this not viable in today's private markets.

There's prevailing wage, there's significant impacts to the cost structure that they are working with their teams to really mitigate, which it makes it more challenging from a private perspective. They are structuring this with 2 loans due to the tax-exempt status, they are able to place a senior loan with about \$40,000,000.00, and that will be structured with a revenue curve. Giving them an opportunity to build the hotel into a long-term asset for the University with a 2-times debt coverage. They are asking for \$10,000,000 from the State Infrastructure Bank to bridge the gap along with another \$9,000,000.00 to \$10,000,000.00 commitment from the foundation. Creating an elegant capital stack in order to really make this project possible. The stabilization of this hotel is about \$12,000,000.00. They are looking at a couple of different options between Marriott Hilton. It looks to stabilize around \$12,000,000 which gives them sufficient EBITDA income to cover the debt structure that they put together. They are structuring the senior loan at a 2-debt coverage that gives them cushion in order to ramp the revenue and allow the hotel to build a base. The hotel is 134 keys which they feel is sufficient to meet the demand.

With the State Infrastructure Bank behind that, they are looking at about a 1.6 to 1.7 debt coverage. So really the intention there was, over the next few months as a finalized design, and firm costs up. They are putting the capital stack together in a manner that allows a cushion and an opportunity to build revenue and equity for the University over a long period of time. It would be \$10,000,000 from the foundation they also have expressed interest in a commitment. It is non-recourse to UNR and **ensi** and the State, that is something that is important with this type of debt facility. They have multiple partners, NCCD, Tolls and Edgemoor on the development side. They also have an asset management team, then a lot of the brands and hotel operators are strong, allowing them to operate the hotel successfully.

Mr. Lantrip then gave the floor back to Mr. Hunt.

Corey Hunt: “Back to the State Infrastructure Bank alignment, I think these NRS citations are the old I apologize for that. But we believe this aligns with the economic diversification goals of the bank. It also supports the climate goals we will meet the section 17 of the state infrastructure bank regulation Labor Standards in terms of in terms of. Contractors and prevailing wages. And we think this equity really or this these the \$10,000,000 in equity that we have from the foundation and then the loan from the bank just really helps maximize this impact for the University. So ultimately a benefit to the to the education element here as well. In terms of timeline and next steps we're schematic design is complete. We're selecting a contractor at the moment and then would move through our design process to continue to refine that. Targeting a financial close in late quarter one. Early quarter 2 of 2026 and construction starting immediately thereafter with a grand opening in early 2028. With that happy to happy to answer any questions that the board might have and thank you again for your time and kind of consideration.”

Treasurer Conine then asked if any board members had any questions.

Thomas Burns: “Thanks Sir. Mr. Hunt, thank you very much for your presentation. I appreciate it. It's an exciting project, maybe you covered it and I just missed it. So if I did, I apologize, could you discuss any subordination obligations under the two different debt structures? So is our debt subordinate to theirs or theirs to ours? Or how does that? Could you cover that in for me?”

Tyler Lantrip: “Yeah, I'll take a stab at that. So, the proposal is to have the State Infrastructure Bank subordinate to the senior loan. The senior loan will be a tax-exempt loan, you know to the borrower, which would be the NCCD entity that we set up, and then the State Infrastructure Bank would be subordinate to that. And so that's where the coverage ratio of the senior is important and how that impacts State Infrastructure Bank what is the position and then there's likely to be you know all the rights that come with subordinated debt and you know, step in all those kind of things to allow the state infrastructure bank to be protected in a position.

Thomas Burns: “Thank you.”

Treasurer Conine: “Thank you Director Burns. Any additional questions from members?”

Tracy Holland: “And this is Tracy Holland. For the record I'd just like to ask if you guys had thought about doing community benefits agreements to help the community, help the local people and the and the contractors. Along with maybe tying to a project labor agreement.”

Corey Hunt: “Thank you for the question right now we have full plans to use all prevailing wage and local contractors. We have not explored a project labor agreement or anything like that but because it is on **entry** property it is required. At a minimum to be all prevailing wage. So, we're certainly comfortable with that and understand that requirements and happy to go that route.”

Tracy Holland: “And I was just going to mention that the University currently has a project labor agreement in progress. Things are going well, and I think it'd be a good idea to take a look at that. Thank you.”

Treasurer Conine: “Thank you Member Holland. Any additional questions or comments from members?”

Blayne Osborn: “Question for you Mister Hunt, are the 2 plots land for this project already owned by the university? I assume the one with the business building obviously is. But how about the one next to it with the parking garage and such.”

Cory Hunt: “For the record, yes, all the properties owned by the university right now.”

Treasurer Conine: “Thank you Member Holland. Any additional questions or comments from members? And to clarify on Member Holland's question the additional requirements, state infrastructure bank regarding apprenticeship and local hire and things like that, those are all expected on this project, correct? Thought I saw that. I just want to confirm it.”

Cory Hunt: “Mr. Chair, Cory Hunt for the record, yes, that is correct.”

Treasurer Conine: “Thank you, Mr. Hunt. All right. Any other questions from Members at this first look? All right. Well, we will see this project again. I can say I'm glad we were able to salvage something out of the end of the legislative process. UNR and Toll's development, as well as their partners have been working on this for a long time, so I'm glad to see it in front of us. Mr. Jimenez, any additional comments on this project?”

Treasurer Conine asked if there were any questions from Board Members. Hearing none, he closed Agenda Item 5 and moved on to Agenda Item 6.

Presenter: Cory Hunt & Tyler Lantrip CFO of Tolls Development

Agenda Item 6 - Public Comment: No public comment.

Agenda Item 7 - Meeting Adjourned at 11:28 p.m.