

A RESOLUTION TRANSFERRING 2014 STATE VOLUME CAP TO THE NEVADA HOUSING DIVISION (NHD) FOR USE IN ITS SINGLE FAMILY MORTGAGE LOAN PROGRAM

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 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 issuers 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 Regulations**”), Nevada’s State is allocated between the Director and local governments; and

WHEREAS in accordance with the provisions 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 2014 is **\$4,850,938.14** of which none has been heretofore used by the City; and

WHEREAS the Nevada Housing Division (NHD) has requested allocation of the City’s 2013 Volume Cap for the purpose of providing a means of financing single family residential housing mortgages to provide decent, safe and sanitary dwellings at affordable prices for persons of low and moderate income (“**Single Family Mortgage Loan**”); and

WHEREAS Section 348A.180 of the Allocation Regulations provides a procedure whereby the City may, by resolution, transfer to any other local government located within the same city, all or any portion of its Volume Cap; and

WHEREAS NHD 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 unused 2014 Volume Cap allocation to NHD for use of their respective Single Family Mortgage Loan Program; and

WHEREAS the City anticipates that it will be unable to otherwise utilize its Volume Cap for 2014, and 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 housing in the City and that residents of the City will benefit from the Single Family Mortgage Loan Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPARKS, NEVADA, AS FOLLOWS:

Section 1. Business Impact. Prior to enactment of the following provisions, the Council determines that this resolution does not impose any direct and significant economic burden on a business nor is it likely to directly restrict the information, operation or expansion of a business within the meaning of NRS Chapter 237.

Section 2. Transfer. The City of Sparks, Nevada hereby transfers the following amounts of its 2014 Volume Cap to the following Transferee for the following **“Project.”**

Amount	Transferee/Project	Fee
Total Amount \$4,850,938.14	To the Nevada Housing Division for use in its Single Family Mortgage Loan Program	Waived

Section 3. Reservation of Volume Cap. All 2014 Volume Cap allocated to the City Sparks which has not been transferred or used (i.e. industrial development bonds or housing bonds for which Volume Cap has been allocated are not issued) is hereby transferred to NHD.

Section 4. Fees. The City hereby waives the collection of fees, in accordance with NAC 348A.300.

Section 5. Filing. The City Clerk is hereby authorized and directed to file or cause to be filed a certified copy of this resolution with the Director and with the Secretary of the State Board of Finance within five days after the adoption of this resolution. The Director and Secretary may rely on the receipt of this Resolution as an acknowledgement fees have been paid or otherwise provided for to the satisfaction of the City.

Section 6. Contact.

a. For the City: The person to contact regarding this resolution or other matters involving volume cap is the City’s Director of Finance; who may be contacted at (775) 353-2301, and whose office is at 431 Prater Way, Sparks, Nevada 89432-0857

b. For NHD: The person to contact regarding the use of the Volume Cap by NHD is David Heath, Chief Financial Officer, whose phone is (775) 687-2046, and address is Nevada Housing Division, 1535 Old Hot Springs Road, Suite 50, Carson City, Nevada 89706.

Section 7. General Provisions. The officers of the City are hereby authorized and directed to take all action necessary to effectuate the provisions of this resolution. The provisions of this resolution shall be liberally construed to effectively carry out its purposes. In the event that any provision in this resolution is deemed void, invalid or unenforceable by a court of competent jurisdiction, then such offending provision shall be severed from this resolution and all remaining provisions shall remain in full force and effect.

PASSED AND ADOPTED this _____ day of _____, 2014, by the following vote of the City Council:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this _____ day of _____ 2014 by:

Geno Martini, Mayor

Attest:

Approved as to form and legality



Teresa Gardner, City Clerk
City of Sparks, Nevada

Chet Adams, City Attorney
City of Sparks, Nevada