

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

Petitioner: Steve Hill, Chairman

Recommendation:

That the Clark County Stadium Authority Board of Directors approve and adopt Stadium Authority's FY 2020-2024 Capital Improvement Program; and direct staff to transmit the approved document to the State Department of Taxation as prescribed by law. (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:

Pursuant to NRS 350.013 and 354.5945, the Stadium Authority must annually update and submit a five-year Capital Improvement Program to the County Clerk and the State Department of Taxation. Upon Board approval, staff will submit the FY 2020-2024 CIP to the appropriate agencies in compliance with state statutes

Respectfully submitted,

Steve Hill, Chairman

Cleared for Agenda

Agenda Item #

FY 2020-2024 Capital Improvement Program

Stadium Authority Capital Projects Funds (FUND 4960 and FUND 2965)

	Project Number	Prior Fiscal Years	Estimated FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	Total
Beginning Balances			649,879,028	458,949,613	0	0	0	0	
Revenue									
Interest Earnings F2965 ¹			12,500	25,000					37,500
Transfer In - Fund 2960		33,320,413	2,800,989	4,449,610					40,571,012
Bond Proceeds		718,679,028							718,679,028
Personal Seat Licenses (PSL) ²			217,257,096	32,742,904					250,000,000
		751,999,441	220,070,585	37,217,514	0	0	0	0	1,009,287,540
Total Revenue (Net)		751,999,441	220,070,585	37,217,514	0	0	0	0	1,009,287,540
Total Resources		751,999,441	869,949,613	496,167,127	0	0	0	0	
Funded Projects:									
Las Vegas Stadium		100,120,972	411,000,000	488,879,028					1,000,000,000
Bond Issuance Costs		1,999,441							1,999,441
Waterfall Expenditures ³				7,288,099					7,288,099
	Total	102,120,413	411,000,000	496,167,127	0	0	0	0	1,009,287,540
Subtotal Funded Projects		102,120,413	411,000,000	496,167,127	0	0	0	0	1,009,287,540
Total Costs		102,120,413	411,000,000	496,167,127	0	0	0	0	1,009,287,540
Ending Balances		649,879,028	458,949,613	0	0	0	0	0	
Operating Impacts		0	0	0	0	0	0	0	0

¹ Pursuant to Section 34 of Senate Bill 1, interest earnings in Fund 4960 are transferred to Fund 3960, the Stadium Authority Debt Service fund, until the maximum bond reserve amount is reached. As such, the interest earnings shown in the budget aren't reflected in this plan.

² After the filing of the FY 20 Final Budget in June 2019, the stadium project budget was increased due to higher-than-anticipated personal seat license sales, which are now expected to net \$290,000,000, or \$40,000,000 more than shown in this plan. Per NRS 354, this plan's revenue and expenses must match the Final Budget. For this reason, this additional revenue can only be added when the FY 21 Final Budget is prepared. The anticipated use of this revenue is to add or enhance stadium features, and it will be reflected in the FY 21 - 25 Capital Plan.

³ Pursuant to Section 34 of Senate Bill 1, excess room tax revenues are designated as waterfall revenues. In FY 20, Stadium Authority waterfall revenue is budgeted as Capital Outlay in Waterfall Residual Fund 2965, though these funds can be used for other expenditures as authorized by Senate Bill 1. Any unspent amounts in FY20 will become an ending fund balance and carry into FY21.

Capital Improvements Plan

Clark County Stadium Authority

Overview

Senate Bill 1 (SB1) as approved by the 30th Special Session (2016) of the Nevada Legislature, and signed by the Governor on October 17, 2016, provided for the creation of a stadium Capital Project Fund (4960). The Capital Project Fund was established for the purpose of accounting for the capital expenditures associated with the acquisition, construction, improvement and equipping of a National Football League stadium project utilizing transient lodging tax collections and/or the proceeds received through future bond issuances.

Capital Project Fund (4960): This fund is used for capital expenses associated with building a National Football League stadium. The fund's primary revenue source is the proceeds of long-term debt that SB1 authorized. The secondary source of revenue is the sale of Personal Seat Licenses which will total \$250 million. In fiscal year 2018, transient lodging tax collections making up the difference between the proceeds of long-term debt and the \$750 million limit on the public contribution to stadium construction were transferred in from the Stadium Authority's fund (2960).

Waterfall Residual Fund (2965): This fund was created in FY 2018 to account for room tax revenue that exceeds SB1 requirements for operating expenses, debt service and debt service reserves. Once the stadium is constructed, the Stadium Authority can use the resources within this fund to provide for early debt retirement, capital improvements or to pay for any infrastructure required on or around the stadium. Expenditures from this fund are unexpected until the stadium is completed in FY 2020.

Major Programs and Projects

The project is a 65,000-seat domed stadium that will be the home field of the National Football League's Raiders franchise and the University of Nevada, Las Vegas (UNLV) football team. The total estimated project cost is \$1.8 billion, with the Stadium Authority's share being \$750 million. Construction began in November 2017 and is estimated to be completed by July 2020. Upon completion, the stadium and land will become publicly owned by the Clark County Stadium Authority.

Funding Sources: Proceeds from bonds issued and room tax revenues.

Impact on Operating Budget: Senate Bill 1 requires the stadium operator to fund all aspects of the stadium's operations. As such, the stadium has no impact on the Stadium Authority's operating budget.