



# WASHOE COUNTY

Integrity Communication Service

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## STAFF REPORT

BOARD MEETING DATE: June 24, 2025

**DATE:** Tuesday, June 10, 2025

**TO:** Board of County Commissioners

**FROM:** Abbe Yacoben, Chief Financial Officer  
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**THROUGH:** Eric P. Brown, County Manager

**SUBJECT:** Public Hearing: For possible action to conduct a Public Hearing under the Tax Equity and Fiscal Responsibility Act ("TEFRA") and adopt a resolution approving the issuance by the Public Finance Authority (Wisconsin) of not to exceed \$310,000,000 of Hospital Revenue Bonds on behalf of Renown Regional Medical Center for purposes of, and as required by, Internal Revenue Code of 1986 Section 147(f), as amended. The bonds or a portion thereof will be "private activity bonds" and "qualified 501(c)(3) bonds" for purposes of the Internal Revenue Code of 1986. The revenue from the bond issuance will be used to (1) finance and refinance the acquisition, construction, renovation, improvement, equipping and furnishing of healthcare, hospital and related and appurtenant facilities of Renown Regional Medical Center and its affiliates located or to be located in Washoe County, Nevada and (2) pay certain costs of issuance of the bonds. The bonds are not a debt or obligation of the County; the County is not a party to the financing and bears no risk in this transaction, either financial or reputational, and has received a letter of indemnification from the borrower, which was prepared by the County's bond counsel firm, Taft Stettinius & Hollister, LLP. Manager's Office. (All Commission Districts.) FOR POSSIBLE ACTION

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### SUMMARY

Renown Regional Medical Center, a Nevada nonprofit corporation (the "Borrower"), has requested that the Public Finance Authority (Wisconsin) issue its Hospital Revenue Bonds (Renown Regional Medical Center Project) Series 2025 (the "Bonds"), in one or more series, in an amount not to exceed \$310,000,000 in order to: (1) finance and refinance the acquisition, construction, renovation, improvement, equipping and furnishing of healthcare, hospital and related and appurtenant facilities of the Borrower and its affiliates located or to be located in Washoe County, Nevada and (2) pay certain costs of issuance of the Bonds (the "Projects"). The Bonds or a portion thereof will be "private activity bonds" and "qualified 501(c)(3) bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"). The Borrower has requested that the Board of County Commissioners approve the financing of the Projects and the issuance of the

AGENDA ITEM # \_\_\_\_\_

Bonds to satisfy the public approval requirement of Section 147(f) of the Code. The Bonds will not be a debt obligation of Washoe County.

**Washoe County Strategic Objective supported by this item:** Fiscal Sustainability

### **PREVIOUS ACTION**

There is no previous action by the County relating to these Bonds or the TEFRA hearing for Renown Regional Medical Center. The County had previously served as the issuer for various series of Washoe County, Nevada Hospital Revenue Bonds (Washoe Medical Center, Inc. Project), last in 2001.

### **BACKGROUND**

The Projects will be owned or principally used by the Borrower or a tax-exempt nonprofit affiliate of the Borrower. The Bonds or a portion thereof will be “private activity bonds” and “qualified 501(c)(3) bonds” for purposes of the Code. Pursuant to Section 147(f) of the Code, prior to their issuance, the Bonds are required to be approved by the “applicable elected representative” of a governmental unit having jurisdiction over the entire area in which the Projects are located, after a public hearing held following reasonable public notice.

### **FISCAL IMPACT**

Renown Regional Medical Center is not asking Washoe County to issue bonds or to incur debt on its behalf, but only to hold the necessary public hearing and provide the approval as described herein. These Bonds will not be a debt or obligation of Washoe County.

The County is not a party to the financing and bears no risk in this transaction, either financial or reputational. The County has also obtained a letter of indemnification from the Borrower, which was prepared by the County’s bond counsel firm, Taft Stettinius & Hollister, LLP.

### **RECOMMENDATION**

It is recommended that the Board conduct a Public Hearing under the Tax Equity and Fiscal Responsibility Act ("TEFRA") and adopt a resolution approving the issuance by the Public Finance Authority (Wisconsin) of not to exceed \$310,000,000 of Hospital Revenue Bonds on behalf of Renown Regional Medical Center for purposes of, and as required by, Section 147(f) of the Code, as amended. The Bonds or a portion thereof will be "private activity bonds" and "qualified 501(c)(3) bonds" for purposes of the Code. The revenue from the bond issuance will be used to (1) finance and refinance the acquisition, construction, renovation, improvement, equipping and furnishing of healthcare, hospital and related and appurtenant facilities of the borrower and its affiliates located or to be located in Washoe County, Nevada and (2) pay certain costs of issuance of the Bonds.

The Projects to be financed and refinanced by the proposed Bonds relate to the following facilities in the City of Reno, Washoe County, Nevada:

	<u>Project Addresses</u>	<u>Maximum Principal Amount</u>
(a)	Renown Regional Medical Center,	\$175,000,000

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|     | located at 1155 Mill Street  |               |
| (b) | Renown Regional Medical Center's<br>Rehabilitation Hospital, located at 1495<br>Mill Street  | \$5,000,000   |
| (c) | Renown South Meadows Medical<br>Center, located at 10101 Double R<br>Boulevard and Renown South Meadows<br>Specialty Care Center, located at 10201<br>Double R Boulevard | \$150,000,000 |

All such Projects will be or were initially owned or principally used by the Borrower or a tax-exempt nonprofit affiliate of the Borrower.

The Bonds are not a debt or obligation of the County; the County is not a party to the financing and bears no risk in this transaction, either financial or reputational, and has received a letter of indemnification from the Borrower, which was prepared by the County's bond counsel firm, Taft Stettinius & Hollister, LLP.

#### **POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion would be: "Move to conduct a Public Hearing under the Tax Equity and Fiscal Responsibility Act ("TEFRA") and adopt a resolution approving the issuance by the Public Finance Authority (Wisconsin) of not to exceed \$310,000,000 of Hospital Revenue Bonds on behalf of Renown Regional Medical Center for purposes of, and as required by, Internal Revenue Code of 1986 Section 147(f), as amended. The bonds or a portion thereof will be "private activity bonds" and "qualified 501(c)(3) bonds" for purposes of the Internal Revenue Code of 1986. The revenue from the bond issuance will be used to (1) finance and refinance the acquisition, construction, renovation, improvement, equipping and furnishing of healthcare, hospital and related and appurtenant facilities of Renown Regional Medical Center and its affiliates located or to be located in Washoe County, Nevada and (2) pay certain costs of issuance of the bonds. The bonds are not a debt or obligation of the County, the County is not a party to the financing and bears no risk in this transaction, either financial or reputational, and has received a letter of indemnification from the borrower, which was prepared by the County's bond counsel firm, Taft Stettinius & Hollister, LLP. Manager's Office.