

Drafted Remarks in full for Clark County Commissioner Jim Gibson

- Good Evening Senators,

- Today as you consider the legislation before you which reflects the agreement between Clark County, the Governor, the Treasurer, and the A's organization, I want to ensure that you are informed about the role Clark County has played in these discussions.

- Our sole focus has been to uphold the prudent financial practices of Clark County. This legislation compels Clark County to issue bonds for the financing of the stadium. Throughout our conversations with the A's it was imperative that the terms of a bond issue meet the standards the County would require for any similar County bond issued, specifically to the amount of bond funding, the revenue to debt service coverage requirement, and the amount to be held in reserves.

- County Manager Kevin Schiller and Chief Financial Officer Jessica Colvin have briefed each member of the Board individually throughout this process and have carried the perspectives of each forward as the County has worked to negotiate a deal to reflect the financial practices of Clark County. It is the perspective of the County's financial experts, Kevin and Jessica, that the deal before you is fiscally sound.

- The County's commitment to issue about \$120 million in General Obligation backed bonds was not agreed to lightly. Clark County's ability to fulfill this request is possible because the terms of the bonds require:
 - a debt service coverage ratio of 2 times
 - a debt service reserve equal to 2 years of average annual debt service
 - the replenishment of the reserve fund throughout the life of the bonds

- These terms are in place to reduce the risk of a default to the investor and more importantly to prevent any burden to County residents.
- Additionally, the County will provide up to \$25 million toward the cost of infrastructure associated with the development of the site. This could include costs associated with utilities, roadway or pedestrian improvements, fire, police or other requirements to be identified in the development agreement between the A's and Clark County.
- I think it is important to note that the structure of this agreement is for a timeline of thirty years, and while those of us who have crafted this agreement will no longer be in our positions, elected or appointed, Clark County's financial contributions are intended to withstand a lot of unknowns throughout this timeframe.
- And while I am not able to predict that the stadium or the A's will be successful, I am certain that what you have before you for consideration is the best version of an agreement to bring the A's to Clark County with the protected support of public financing.
- As Chairman of the LVCVA and the Board of County Commissioners, serving and protecting our residents is the most critical component of our work at Clark County while also investing in the hospitality industry, the economic engine of the southern Nevada economy.
- I believe the structure of this agreement does protect our constituents, both those who are housed and those who are not. Through this agreement, the financial commitment to help address homelessness is something we should be proud of and should serve as a model for public-private partnerships going forward.

- In growing our community, we cannot forget our service to those already here.
- Thank you for your time today.