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How the A's Stadium Revenue 'Waterfall' Will Repay Public Funds.

As the Oakland A's pitched state lawmakers on contributing up to \$380 million in public financing for a new \$1.5 billion baseball stadium in Las Vegas, one word kept coming up: "waterfall."

Bill supporters and lawmakers aren't talking about natural river formations or TLC's smash 1996 hit — waterfall in this context refers to a funding mechanism where tax revenue generated inside the stadium goes toward paying back public bonds, filling up reserve funds to backstop the bonds and more in a prioritized order.

But how does that waterfall actually work?

Under the legislation (SB1) — which the Legislature approved Wednesday and awaits Gov. Joe Lombardo's signature — the stadium would sit in a "sports and entertainment improvement district" created by Clark County commissioners. Tax revenues generated within that district would be pooled together to pay off the public funding for the stadium, a concept known as "tax-increment financing" (TIF), also known in this case as a "[mega-TIF](#)" because it would use all tax revenues and fees generated within the district.

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by Sean Golonka, Tabitha Mueller & Jacob Solis

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