

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**  
**Minutes of the July 20, 2016 Meeting**

1. Roll Call.

Tim Schaefer for State Treasurer John Chiang chaired the meeting of the Tax Credit Allocation Committee (TCAC). Mr. Schaefer called the meeting to order at 12:18 p.m. Also present: Alan LoFaso for State Controller Betty Yee; Eraina Ortega for Department of Finance Director Michael Cohen; Don Cavier for California Housing Finance Agency (CalHFA) Executive Director, Tia Boatman-Patterson; Laura Whittall-Scherfee for Department of Housing and Community Development (HCD) Director Ben Metcalf; and County Representative Santos Kreimann.

City Representative Lucas Frerichs was absent.

2. Approval of the minutes of the June 8, 2016 meeting.

MOTION: Mr. LoFaso moved approval of the June 8, 2016 minutes. Ms. Ortega seconded the motion and Mr. Schaefer abstained from the vote. The motion passed by a roll call vote.

3. Executive Director's report.

Executive Director Mark Stivers reported that the governor signed SB-837, a budget trailer bill, which will allow CTCAC to certificate state low income housing tax credits for the next 3 years. He explained that state investors would no longer be required to have an ownership interest in projects. Applicants may sell the state credits to them outright. In addition, investors no longer experience a 35% penalty on their federal taxes as a result of reducing their state tax liability. The bill will be implemented in 2017. Mr. Stivers predicted that state credit pricing will be significantly improved over the next 3 years.

Mr. Stivers announced that development staff analyst, Marisol Parks, will be resigning after 4 years with CTCAC. He thanked her for her hard work.

Mr. LaFaso asked Mr. Stivers about the opportunities for synergy between agencies for joint monitoring in regards to compliance.

Mr. Stivers stated that CTCAC looks for opportunities to work with all other funding agencies. CTCAC has conducted joint monitorings with CalHFA, the U.S. Department of Housing and Urban Development and HCD. CTCAC is also charged with monitoring 4% tax-exempt bond projects on behalf of the California Debt Limit Allocation Committee.

Mr. Stivers stated that it is important for the issuers to be involved in the monitoring of projects they are a part of. He suggested CTCAC staff provide both issuers and owners with copies of their monitoring reports so that both parties are kept informed.

4. Discussion and consideration of the 2016 Applications for Reservation of Federal Four Percent (4%) Low Income Housing Tax Credits (LIHTCs) for Tax-Exempt Bond Financed Projects.

Development Section Chief, Anthony Zeto, reported that staff updated some of the project staff reports after the meeting materials were distributed. He explained that staff updated incorrect HCD state funding programs, “yes” was changed to “no” under HCD MHP Funding in the report for Hana Gardens (CA-16-890). Staff also revised the project address and removed the basis limit boost for elevator service for the report of Sun Sage (CA-16-912). Finally, staff revised the totals under “Permanent Financing” for The Village at Madera (CA-16-888)

Mr. Zeto confirmed the 29 projects (14 new construction and 15 acquisition and rehabilitation) were reviewed for feasibility and compliance with federal and state regulations. He recommended them for approval,

MOTION: Mr. LoFaso moved approval of staff recommendations. Ms. Ortega seconded and the motion passed unanimously by a roll call vote.

5. Public comment

No public comments.

6. Adjournment

This meeting adjourned at 12:30 p.m.