

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

December 11, 2019

Proposed Modification of the 2020 Meeting Schedule
(Agenda Item No. 7)

ACTION:

Approve the modified 2020 CDLAC meeting schedule so that the February 12th meeting for the consideration of projects requesting State Tax Credits be deemed *competitive* and removing the July and December rounds.

DISCUSSION:

The 2020 CDLAC meeting schedule was approved at the October 16th meeting leaving the February round to be considered an open round. However, with the likelihood of a 2020 State Ceiling being similar to the 2019 State Ceiling, allocation availability will be limited and therefore an apportionment of Volume Cap specific to the February round and making this round competitive is recommended so that Volume Cap will be preserved.

Also, with limited allocation availability in 2020, staff suggests having a smaller set of allocation rounds. The response from the demand survey indicates July may be a lighter month (and it has been in the past) and therefore, the July meeting could be eliminated to reduce the number of competitive rounds. The other round staff recommends eliminating is the December 2020 round. Staff believes that the October round is sufficient to handle projects receiving HCD subsidies and corresponds to the depletion in State Tax Credit availability. Additionally, December round applications have, in the past, have had readiness issues and incomplete information due to limited resources during the holiday season.

RECOMMENDATION:

Staff recommends the approval of the revised 2020 CDLAC meeting schedule where all 2020 meetings from February onward be competitive and eliminate the July and December 2020 rounds.