



California Tax Credit Allocation Committee

901 P Street, Room 102
Sacramento, CA 95814

September 30, 2025

CTCAC Committee Meeting Minutes

1. *Agenda Item: Call to Order and Roll Call*

The California Tax Credit Allocation Committee (CTCAC) meeting was called to order at 1:32 p.m. with the following Committee members present:

Voting Members:

Patrick Henning for Fiona Ma, CPA, State Treasurer, Chairperson
Evan Johnson for Malia M. Cohen, State Controller
Michele Perrault for Joe Stephenshaw, Department of Finance (DOF) Director
Gustavo Velasquez, Department of Housing and Community Development (HCD) Director
Rebecca Franklin for VACANT, California Housing Finance Agency (CalHFA) Executive Director

Advisory Members:

Michelle Whitman, County Representative
Tyller Williamson, City Representative – ABSENT

2. *Agenda Item: Approval of the Minutes of the August 5, 2025, Meeting*

Chairperson Henning called for public comments:
None.

MOTION: Mr. Johnson motioned to approve the minutes of the August 5, 2025, meeting, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

3. *Agenda Item: Executive Director's Report*

Presented by: Marina Wiant

Marina Wiant, Executive Director, welcomed and thanked the CTCAC staff members present in the conference room. The 9% tax credit awards are agendized today, so this is a culmination of all of the project review team's hard work. The team is also beginning 4% tax credit project reviews.

Ms. Wiant said CTCAC is going through its annual regulation review period, and draft regulations are expected to be released in early October. There will be a 21-day minimum public comment period and public hearing, with December 10, 2025, being the likely date for the final regulations package to be presented to the Committee for adoption.

Chairperson Henning called for public comments:

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None.

4. **Agenda Item: Discussion and consideration of appeals filed under California Code of Regulations, title 4, section 10330 for reservations of 2025 second round federal 9% Low-Income Housing Tax Credits (LIHTCs) and the impact of any granted appeals on the proposed recommended reservations in Item 5. See Exhibit A for project list, subject to change.**

Presented by: Anthony Zeto

This item was skipped because no appeals were received.

5. **Agenda Item: Recommendation for reservation of 2025 second round federal 9% and state LIHTCs, subject to change if appeals are granted under Item 4. (Health & Saf. Code, §§ 50199.10, 50199.14; Cal. Code Regs., tit. 4, § 10310.)**

Presented by: Carmen Doonan

Ms. Doonan reported that 28 projects are being presented to the Committee for award of federal 9% and state LIHTCs, and all projects have been reviewed and deemed to meet all federal and state regulations. These projects will result in a total of 1,557 units, and the projects are being recommended for Committee approval.

Chairperson Henning called for public comments:

Jason Day asked if this recommendation includes an award of tax credits to 15 South Hope (CA-25-138) in Santa Barbara.

Ms. Wiant said 15 South Hope is one of the projects on the list being recommended for reservation of tax credits.

Mr. Day said he lives next to the project, and it is being built on his property line. The project is being rushed, and the issues he has are not being taken into consideration. Reasonable accommodations are not being made regarding his property line, issues with his foundation, and access to his air conditioner. He asked the Committee not to approve the project right away and to allow time for these issues to be worked out.

Chairperson Henning asked if the developer is in the room or on Teams.

Ms. Wiant said the applicant is the Housing Authority of the City of Santa Barbara.

Chairperson Henning said the staff would reach out to the developer and try to get to the bottom of what is going on.

Mr. Day said he would like to provide his phone number so staff could call and speak to him too. The project is being built on his property line, and the developer has not addressed his issues.

Chairperson Henning asked Mr. Day to put his contact information in the Teams chat.



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Dale Aazam from the Housing Authority of the City of Santa Barbara said that as the sponsor of 15 South Hope, the Housing Authority is in discussions with the neighboring condo owners. The project has been through all the normal approvals and has its permit. It has had its chance in court, and there have been steps all along the way for the neighbors to register their issues. There is nothing that the Housing Authority is trying to hide.

Chairperson Henning encouraged Mr. Aazam to talk to Mr. Day as this is not a forum for these types of conversations. He said he would ask the CTCAC staff to reach out and try to get to the bottom of this dispute.

Chairperson Henning closed public comments.

MOTION: Ms. Perrault motioned to approve staff's recommendation, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

6. **Agenda Item: Resolution 25/26-02 to establish a waiting list of pending applications pursuant to California Code of Regulations, title 4, section 10325, subdivision (h) for a reservation of 2025 second round federal 9% and state LIHTCs and delegating authority to the Executive Director to approve reservations for projects on the Waiting List, provided that credit remains available and those applications are complete, eligible and financially feasible**

Presented by: Anthony Zeto

Mr. Zeto explained that annually, at the conclusion of the 9% funding round, the Committee may establish a waiting list of pending applications. This resolution establishes that waiting list pursuant to Section 10325(h) and delegates authority to the Executive Director to reserve tax credits to projects administratively to ensure that the remaining federal tax credits are utilized prior to the end of the year to maintain eligibility for the national pool. Staff is recommending that the Committee approve the resolution.

Chairperson Henning called for public comments:
None.

MOTION: Mr. Johnson motioned to adopt Resolution 25/26-02, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

7. **Agenda Item: Initial State Historic Rehabilitation Tax Credit Allocation Determination (Cal. Code Regs., tit. 4, § 11012)**

Presented by: Anthony Zeto

Mr. Zeto explained that starting on July 1, 2025, SB 132 required that any State Historic Rehabilitation Tax Credits (SHRTC) remaining from two of the three categories be made available within 90 days for qualified rehabilitation expenditures of \$1 million or more for affordable housing projects that were eligible but did not receive an allocation. There was a surplus of credits in the two categories totaling \$9.6



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million, so those credits are being transferred to the Qualified Rehabilitation Expenditure of \$1,000,000 or more category. CTCAC received two approved applications from the Office of Historic Preservation (OHP) on September 16, 2025, and those two projects are being recommended to the Committee for approval. This will exhaust the remainder of the \$50 million SHRTC originally available.

Chairperson Henning said one of these properties is next door to the State Treasurer's Office.

Chairperson Henning called for public comments:
None.

MOTION: Ms. Perrault motioned to approve the initial State Historic Rehabilitation Tax Credit allocation determination, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

8. *Agenda Item: Public Comment*

Anthony Carroll, Field Representative at the Nor Cal Carpenters Union (NCCU), said he would like to speak to an example of the regulation changes NCCU would like to see and that they feel would strengthen the affordable housing system. Danco Communities received three tax credit awards today. They have also received several other awards in recent years, totaling tens of millions of dollars in federal and state tax credit funding. The U.S. Department of Labor's records show that the general contracting arm of that developer, Danco Builders Northwest, has a history of wage theft. Right now, as this meeting is occurring, workers at the 777 West San Carlos project in San Jose, which is a Danco Communities project that received \$20 million in state LIHTC funding plus \$6 million annually in federal funding, are speaking out about their experience of having wage theft committed against them by a subcontractor hired by Danco.

Mr. Carroll said that currently, it is not within the scope of the CTCAC or CDLAC regulations to investigate, monitor, or influence project awards based on this type of behavior from general contractors, developers, or any member of the development team, nor do any of these funds come with any prevailing wage requirements, healthcare benefits, or compliance language, as the Committee has heard NCCU talk about several times over the past year. However, as the primary funding vehicle for affordable housing, NCCU feels that this should fall within CTCAC's jurisdiction and regulations to ensure that the recipients of such significant funding awards are not turning around, exploiting workers, and then coming back to the table and reapplying for funding as though this is business as usual for them.

Mr. Carroll said that with all this in mind, on behalf of the residential construction workers needed to build affordable housing in this state, he is asking the Committee to continue to work with NCCU to include common sense preventative incentives within the regulations that will prevent businesses from committing repeat and ongoing labor exploitation and continuing to receive awards. These types of incentives can be achieved in a number of ways, including assessing negative points to a development team, requiring disclosures for current open investigations in the application packet, and potentially withholding project completion status on projects where wage theft and other exploitations are committed. Mr. Carroll thanked the Committee for the productive conversations they have already had.



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NCCU looks forward to continuing to fight for affordable housing and the dignity of the workers needed to build it.

Chairperson Henning said that on behalf of the Treasurer, he appreciates the amount of time NCCU has put in to try to protect the state's workforce when it comes to these types of projects. STO takes this very seriously. He asked Ms. Wiant to work with NCCU to try to come up with something that is reasonable to take steps to start addressing this issue.

Cherene Sandidge, Chair of the Black Developers Forum (BDF), said she would like to speak on the procedure of addressing land use issues. Developers have been fighting against the 'Not in My Backyard' sentiments for many years, and it is not this Committee's challenge to talk about land use issues that are resolved at the local jurisdiction level. The Committee should take a look at how staff time is used to address these issues. In Ms. Sandidge's opinion, this is not the forum for this. It took many years to get SB 35 and SB 33 approved, which basically addressed the majority of these local issues. Perhaps some sort of publication should be made about the types of issues that can be brought successfully to the Committee for review, or maybe the regulations need to be more clearly defined. It pains Ms. Sandidge that the Committee is still talking about issues of land use, encroachment, or other issues that would stop the progression of affordable housing.

Chris Dart, President of Danco Communities, said Mr. Carroll's comments were not fair or just. Danco Communities takes all prevailing wage laws very seriously, and as far as he knows, they are in full compliance with all state and federal regulations that pertain to paying fair wages to employees and their subcontractors. He wanted to clear the record because he did not appreciate those comments and disputes them.

9. *Agenda Item: Adjournment*

The meeting was adjourned at 1:54 p.m.