

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Minutes of the May 28, 2008 Meeting

1. Roll Call.

Bettina Redway for Bill Lockyer, State Treasurer, chaired the meeting of the Tax Credit Allocation Committee (TCAC). Ms. Redway called the meeting to order at 2:05 p.m. Also present: Richard J. Chivaro for John Chiang, State Controller; Anne Sheehan for Michael Genest, Director of the Department of Finance; Elliott Mandell for Lynn Jacobs, Director of the Department Housing and Community Development; Steve Spears for Theresa Parker, Executive Director of the California Housing Finance Agency; and David Rutledge, County Representative.

2. Approval of the minutes of the April 16, 2008 Committee meeting.

No public comment.

MOTION: Ms. Sheehan moved to adopt the minutes of the April 16, 2008 meeting. Mr. Chivaro seconded and the motion passed unanimously.

3. Executive Director's Report.

Mr. Pavão announced that staff has finished mailing the point scores to the First Round 9% and 4% with state credit applicants. They are now working on the feasibility reviews of those projects likely to be recommended for funding. He reminded the Committee that next meeting date will be on Friday, June 20, 2008 at 11:00 a.m.

Mr. Pavão commented that this round staff received a number of high scoring 4% with State Credit applications. He explained that, as required, 15% of the available state credits will be set aside for the 4% with state credit competition. This round TCAC set aside \$12.3 million in state credits for 4% applications. Normally the funds are divided between the two funding rounds. Staff, however, is considering using the full \$12.3 million to fund the first round of applications. According to TCAC regulations, if there are state credits remaining at the end of the second round, staff can use the credits to fund pending 4% applications.

Mr. Pavão announced that staff may bring an action item to the Committee next month, which would set a higher minimum score for the 4% with State credit applications coming into the second funding round.

Mr. Pavão gave the Committee handouts, which summarize two pieces of federal legislation that, if passed, would change Internal Revenue Codes related to low income housing.

Ms. Redway asked Mr. Pavão which provision he would like congress to pass most. Mr. Pavão replied that he would like congress to pass the provision that

waves the requirement that property managers annually recertify tenants' income qualification. He explained that only the information collected from the initial tenant income certification is relevant. The annual certification data is labor intensive and provides unnecessary data.

Mr. Pavão announced that program analyst, Stephenie Alstrom, will be leaving TCAC to pursue a career at the California Housing Finance Agency. He also introduced two new TCAC analysts, Velia Martinez and Gina Ferguson.

4. Discussion and Consideration of a Resolution to Adopt Proposed Emergency Regulations, Title 4 of the California Code of Regulations, Sections 10300 through 10337.

Mr. Pavão reminded the Committee that every 120 days the members must re-adopt the regulations.

MOTION: Ms. Sheehan moved for approval of staff recommendations. Mr. Chivaro seconded and the motion passed unanimously.

5. Discussion of and Action on 2008 Applications for Reservation of Federal Low Income Housing Tax Credits (LIHTCs) for Tax-Exempt Bond Finance Projects, and appeals file under TCAC Regulation Section 10330.

<u>Project #</u>	<u>Project Name</u>	<u>Credit Amount</u>
CA-2008-828	Palomar Apartments	\$604,591
CA-2008-833	Desert Oaks/Hudson Park I & II	\$360,287
CA-2008-836	Horizons at Olive Street	\$740,187
CA-2008-837	Chinatown Blossom Plaza	\$1,009,910
CA-2008-839	Fillmore Central Station	\$389,273
CA-2008-840	VintageSquare/Westpark Senior Apts.	\$947,658
CA-2008-841	Beachwind Court	\$132,166
CA-2008-843	Broadway Senior Center	\$421,414
CA-2008-844	Casa de Angelo Apts.	\$363,217
CA-2008-845	Tres Lomas Garden Apts.	\$217,455
CA-2008-846	The Altenheim Senior Housing	\$1,044,055
CA-2008-847	Rohlffs Concordia Manor	\$296,139
CA-2008-849	Pacific Court Apartments	\$549,794

Mr. Pavão announced that staff is recommending a separate action for Desert Oaks/Hudson Park I & II (CA-2008-833). He explained that the project resides on two separate properties, but will be operated as a single project. As the properties are approximately 70 miles apart, staff recommends conditional approval pending receipt of documentation that disaggregates the information for each project, enabling staff to consider each project on its own merits. Should each project meet the feasibility and threshold requirements they would receive a commitment of tax credits.

MOTION: Ms. Sheehan moved for conditional approval of Desert Oaks/Hudson Park I & II (CA-2008-833), subject to the conditions Mr. Pavão discussed. Mr. Chivaro seconded and the motion passed unanimously.

MOTION: Ms. Sheehan moved for approval of the staff recommendations, excluding Desert Oaks/Hudson Park I & II (CA-2008-833). Mr. Chivaro seconded and the motion passed unanimously.

6. Public Comments.

There were no comments from the public.

7. Adjournment.

The meeting adjourned at 2:20 p.m.