

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Minutes of the August 17, 2016 Meeting

1. Roll Call.

Alan Gordon for State Treasurer John Chiang chaired the meeting of the Tax Credit Allocation Committee (TCAC). Mr. Gordon called the meeting to order at 11:00 a.m. Also present: Alan LoFaso for State Controller Betty Yee; Eraina Ortega for Department of Finance Director Michael Cohen; California Housing Finance Agency (CalHFA) Executive Director Tia Boatman- Patterson; 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 July 20, 2016.

MOTION: Ms. Ortega moved approval of the July 20, 2016 minutes. Mr. LoFaso seconded and the motion passed unanimously by a roll call vote.

3. Executive Director's report.

Executive Director Mark Stivers reported that staff published a memo on August 16, 2016 explaining some of the ideas CTCAC and the California Debt Limit Allocation Committee (CDLAC) developed after discussions with the high cost task force. He stated that most of the ideas will be developed throughout the regulation change process. He noted that the public would have plenty of time to provide feedback before the final Committee review.

Mr. Stivers reported that staff was in the process of developing the proposed regulation changes and expect to issue them during the week of September 12, 2016. In addition, staff would hold public hearings in early October, with the goal of bringing the regulations to the December meeting for adoption. This time frame would allow 30 or possibly 45 days for staff to receive public comments.

Mr. Stivers explained that CDLAC staff would issue their proposed changes near the same date as CTCAC, however they may schedule the Committee vote at their November meeting because CDLAC must receive approval from the Office of Administrative Law after receiving the Committee's approval.

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Development Section Chief, Anthony Zeto, reported that 1 of the 10 projects on the agenda was withdrawn shortly before the meeting. Of the 9 projects remaining, 8 were acquisition/rehabilitation and 1 was new construction. Mr. Zeto confirmed the projects 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

Patrick Sabelhaus commented that his firm pursued the recommendations of Mr. Stivers and his staff to resubmit a Newport Beach project for 4% credits. He stated that Tia Boatman-Patterson did a lovely job helping his clients revise the costs related to the project. Mr. Sabelhaus explained that CalHFA provided the permanent and soft financing, which ultimately made the project feasible. Mr. Sabelhaus expressed his gratitude for the help and flexibility extended by the Committee and Ms. Boatman-Patterson.

6. Adjournment

This meeting adjourned at 11:06 a.m.