

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**  
**Minutes of the September 21, 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; Don Cavier for California Housing Finance Agency (CalHFA) Executive Director Tia Boatman- Patterson; and Department of Housing and Community Development (HCD) Director Ben Metcalf.

County Representative Santos Kreimann and City Representative Lucas Frerichs were absent.

2. Approval of the minutes of the August 17, 2016.

MOTION: Ms. Ortega moved approval of the August 17, 2016 minutes. Mr. LoFaso seconded and the motion passed unanimously by a roll call vote.

3. Executive Director's report.

Executive Director Mark Stivers announced that TCAC published the proposed regulation changes for 2017. He explained that staff will collect feedback during the 45-day public comment period, which ends on October 31<sup>st</sup>. In addition, staff would hold public hearings during the first week of October in Oakland, San Diego, Los Angeles, and Sacramento.

Mr. Stivers reported that to date in 2016 TCAC has recommended about the same number of units for 4% tax credits as it did in all of the previous year. He noted that staff will recommend another 38 projects for funding at the October meeting. Additionally, staff are reviewing 12 projects for possible funding at the November meeting.

Mr. Stivers thanked the development staff for their efforts in preparing the 9% applications for that day's meeting. He also thanked the compliance staff, which would soon have another 40 projects to monitor.

4. Discussion and consideration of the 2016 Second Round Applications for Reservation of Federal Nine Percent (9%) and State Low Income Housing Tax Credits (LIHTCs) and pending appeals, if any, filed to staff recommendations.

Mr. Stivers reported that project numbers CA-16-136 and CA-16-152 were removed from that day's agenda. He explained that staff intended to adjust the credit amount for each project and bring them both to the Committee for review at the October meeting.

Development Section Chief, Anthony Zeto, stated that the remaining 37 projects on the agenda were reviewed for feasibility and compliance with federal and state regulations. He recommended them for approval.

Ms. Ortega stated that she had concerns related to Eagle Family Housing CA-16-081. She explained that the project developer made a written statement about the former Redevelopment Agency (RDA) funds used for the project. She stated that there may have been a misunderstanding about the way the funds were described.

Ms. Ortega stated that she did not wish to hold back the project, however there were some administrative issues that still needed to be resolved such as making sure the funding amount was settled according to the terms of the agreements related to the RDA issue. She asked that staff try to conclude the matter in October.

Mr. Gordon asked TCAC Counsel, Robert Hedrick, if the Committee needed to make a motion regarding Ms. Ortega's request.

Mr. Hedrick stated that the Committee did not need to make a motion provided TCAC staff understood the instructions given by Ms. Ortega.

Mr. Stivers stated that he was familiar with the issues raised by Ms. Ortega. He confirmed that staff would try to resolve the matter and then report back to the Committee in October.

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

5. Discussion and consideration of the 2016 Second Round Applications for Reservation of Federal Four Percent (4%) and State Low Income Housing Tax Credits (LIHTCs) for Tax-Exempt Bond financed projects and pending appeals, if any, filed to staff recommendations.

Mr. Zeto stated that the recommended project was reviewed for feasibility and compliance with federal and state regulations. He recommended it for approval.

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

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

Mr. Zeto stated that the recommended project was reviewed for feasibility and compliance with federal and state regulations. He recommended it for approval.

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

7. Discussion and consideration of a resolution authorizing the Executive Director of the California Tax Credit Allocation Committee to sign contracts and interagency agreements.

Mr. LoFaso asked if the Resolution was a renewal of an existing policy. He asked why staff chose the amount of \$250,000 as the limit for the Executive Director's signing authority.

Mr. Stivers stated that the Resolution was a renewal of the signing authority previously granted to him. He noted that the dollar limit has not changed during his 2 years as Executive Director. He asked Deputy Director, Lisa Vergolini, to explain why the specified dollar limit was chosen.

Ms. Vergolini explained that to date staff has not had a reason to increase the current dollar limit in the Resolution. She noted that when staff considers a very large contract they usually bring it to the Committee for consideration on its own merit.

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

8. Public comment

No public comments.

9. Adjournment

This meeting adjourned at 11:10 a.m.