

**California Debt Limit Allocation Committee**  
Jesse Unruh Building  
915 Capitol Mall, Room 587, Sacramento, CA 95814

**March 08, 2021**

Meeting Minutes

OPEN SESSION

**1. Call to Order and Roll Call**

State Treasurer Fiona Ma called the California Debt Limit Allocation Committee (CDLAC) meeting to order at 11:03 a.m. Sertan Usanmaz read the phone script.

Members Present:     Fiona Ma, CPA, State Treasurer  
                           Gayle Miller for Gavin Newsom, Governor  
                           Anthony Sertich for Betty T. Yee, State Controller  
                           Donald Cavier, California Housing Finance Agency (CalHFA)  
                           Gustavo Velasquez, Department of Housing and Community Development (HCD)

Treasurer Ma: We do have a quorum.

**2. Approval of the Minutes of the December 9, 2021, December 21, 2020, and January 15, 2021 Meetings (Action Item)**

Treasurer Ma: We have three sets of Minutes: December 9, 2021, December 21, 2020, and January 15, 2021 Meetings and the reason for that was because we had hired an outside subscription service and one of the Minutes was 55 pages long. As you all recalled, we had very, very long meetings: 35, 50 pages and so it took a little bit longer for the service to get back to us. But, we have changed that. We don't expect to have these 4 hours meetings moving forward and so we are going to have Minutes done in-house again. That's why we have three sets of minutes. I had a motion and a second.

Any public comments? Seeing none. Sertan?

**Roll call was taken and the motion passed unanimously.**

Okay. Those Minutes have been approved.

**3. Discussion and Consideration of a Resolution Appointing the Interim executive Director of the California Debt Limit Allocation Committee (Action Item)**

Gina Ferguson: We are pleased to announce that there is an appointment of the Interim-Director, Nancee Robles for CDLAC. The Committee received the resolution and we are presenting this for your approval. Welcome, Nancee.

Nancee Robles: Thank you.

Treasurer Ma: I think most of you know Nancee. Or would you like for Nancee to say anything?

Anthony Sertich: would like to just welcome Nancee aboard. Generally, I'm excited that we will have an Executive Director. I also want to thank Gina and Anthony for stepping up and filling things in in the interim.

And for keeping the Committee going but also for getting things organized. Thank you, Gina and thank you, Anthony. With that, I'll move to approve the appointment.

Gayle Miller: I'm happy to second and would like to echo Tony's thoughts on the incredible work of Gina and Anthony. Thank you for sticking with this. Nancee, I hope you know that you will make a huge difference in getting housing to folks that really need it. Thank you for your patience and your education and really looking forward to working with you.

Treasurer Ma: Alright, any public comments? None. Sertan?

**Roll call was taken and the motion passed unanimously.**

Treasurer Ma: Great, welcome, Nancee!

Nancee Robles: Great, thank you! And with that, I would like to say thank you to the Board, it's going to be a pleasure working with you. I definitely come to CDLAC knowing the challenges ahead and look forward to it. I would also really like to thank Gina and Anthony—they've both been absolutely invaluable and continue to look forward to working with them. Thank you.

Treasurer Ma: Tony?

Anthony Sertich: I also want to thank Sarah and Richard and all the rest of the staff at CDLAC for stepping up in the last several months to keep things going.

Treasurer Ma: Yes. Thank you all to the team. Things are moving in the right direction and I appreciate everyone's cooperation and patience.

#### **4. Carryforward Update**

Gina Ferguson: CDLAC Staff is currently doing a final reconciliation of the 2020 Bond Cap Allocation carryforward data. The IRS 8328 filings by bond issuers are being utilized in this process. As a result, the data will be presented at the next Committee meeting and Agenda Items 5 through 7 are being removed, pending finalization of that review.

Treasurer Ma: Right, so there was a form that needs to be filed every year by February 15<sup>th</sup>. So we want to make sure that we get all copies of that form so that the numbers we report to the Committee are numbers that the Bond Issuers actually submitted to the IRS.

Gina Ferguson: I think we received most of them, but we're just going through each project to make sure we're have the right data.

Treasurer Ma: So they'll be at the next meeting. Tony?

Anthony Sertich: I would appreciate Staff's diligence on this. This is a really important process to make sure we don't lose authority. We maximize the use of all of this. So thank you for taking this on and digging into the numbers and making sure we're using the funds efficiently and not letting anything go (\*inaudible\*).

Treasurer Ma: Yes, so next time we'll have the issuers, the numbers that they filed. It will be in the Minutes so everybody is on the same page.

So there's no action item at this moment. Any public comment? Alright, seeing none, we'll move to the next item.

## **8. Public Comment on anything other than what's on the Agenda today**

Treasurer Ma: Speaker?

Nevada Merriman: Hello, this is Nevada Merriman, Policy Director from MidPen Housing. I wanted to come in today with a request: Could the Committee or Staff please provide an update as to when you plan to issue proposed regulations on the disaster credits? Most importantly, we are interested in knowing if they will be available in the second round. It would also be helpful to get a preview of what you're considering in terms of regulation changes and specific to that is plans to update so that more counties are included, will you be in a position to consider other changes? Thank you.

Gina Ferguson: Thanks, Nevada. That actually would be applicable to the TCAC Committee, but we are taking your comments into account.

Treasurer Ma: Yes, we'll address them at the CTCAC Meeting, following this meeting. Thank you. Hello?

Rick Golsavis: Good morning, thank you for allowing me to comment. My name is Rick Golsavis with Silicon Valley At Home. We're a housing advocate organization in Santa Clara County. And I'm calling to express support for California Consortium Working Group Tie breaker fix for Round 2. I'd also like to ask for a timeline for the Controller's benefits based tie breaker to be considered by CDLAC so that they could be in place by 2022. Now as you know, we have a significant housing shortage in Santa Clara County and these actions will help organizations like ours continue to tackle the housing crisis. So with that, I thank you for your support and your time.

Treasurer Ma: Okay, thank you. Any other speakers?

Hello, Speaker?

Geoffrey Morgan: This is Geoffrey Morgan, President of First Community Housing. I just wanted to encourage CDLAC to support CHC Working Groups Tiebreaker fix for Round 2 and just to highlight that in the self-scoring, we're not showing that any of the projects in the Bay Area, major cities: San Jose, Oakland, or San Francisco would get funded based on the current scoring. It's a high-cost area, but that's part of the fact that we have a housing crisis. So I think it's really critical to make sure that a fair share goes to the Bay Area, in terms of our growth and in terms of bond financing. We have a lot of projects that we need to fund. It's really critical for this region and I urge that the change the CHC is proposing. Thank you very much.

Treasurer Ma: Thank you. Next speaker? Hello?

Speaker: Hi. This is Raya Shaw, Associate Director from PMBC. I would just like to echo the last comments. I would also like to add and request if there is a timeline CDLAC is considering incorporating the Controller's benefits based tie breaker because should we look at last year, it would be good if you could share that.

Treasurer Ma: Okay, thank you. Hello?

Speaker: Hi good morning, Madam Treasurer and members of the Committee. This is (\*inaudible\*) Senior Director of Housing Association of Northern California. As you heard from a few of our members, we heard that the CHC Regulatory Working Group that's going to advise you on the regulatory process will have recommendations for tweaks for the tie breaker for the second round, and our Members who have been a part of that have been really supportive of those changes, so that's why those are the comments that you are hearing. The other request that you have just heard is just whether we can get some clarity from the Committee on the timeline and process for consideration of the Controller's benefits based tie breaker proposal as our members are strongly supportive of that approach. Thank you so much for your time and consideration.

Treasurer Ma: Thank you. Hello?

Lydia Ely: Hi there, this is Lydia Ely. I am the Deputy Director for Housing for the City and County of San Francisco. I'm calling to make two comments today. As the previous caller acknowledged, the Bay Area—San Francisco in particular—really struck out, as we can tell in the first round of 2021 as we look at what projects are likely to get bond allocation. We're calling to urge this Committee to look again at the geographic apportionment and to at least provide the Bay Area an allocation of 24 percent, that way we can produce similar number of units relative to our population size and cost. Our second comment is around the tie breaker scoring around the statewide basis cap, understanding that we in San Francisco are an outlier in terms of cost. There's no way we can compete without revising that (\*inaudible\*) cap to 60 percent with the adjusted. There's no way that the current 30 percent does not address the cost differences between the regions in our very diverse state. San Francisco isn't going to be able to build a single affordable housing project in 2021. There's going to need to be some significant rethinking of these two areas. Thank you.

Treasurer Ma: Thank you. Hello?

Speaker: Hi, this is Raya again from PMBC. I would just like to echo Lydia about the need for housing in San Francisco and would urge the Committee to look at the tie-breaker scores for 2021 round 1. It seems clear that there's no \_\_\_ regulations in the Bay Area (\*inaudible\*) very big disadvantage. And so this is an issue which is really close to us and for a lot of MPH members as well. Just wanted to echo that. Thank you.

Treasurer Ma: Thank you.

Alright.

Number 9 is Adjournment. We are adjourned.