

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**  
**Minutes of the January 15, 2021 Meeting**

**1. Roll Call**

State Treasurer Fiona Ma chaired the meeting of the California Tax Credit Allocation Committee (CTCAC). Treasurer Ma called the meeting to order at 12:30 p.m. Also, present Anthony Sertich for State Controller Betty Yee; Gayle Miller for Department of Finance (DOF) Director Keely Martin Bosler; California Housing Finance Agency (CalHFA) Executive Director Tia Boatman Patterson, California Department of Housing and Community Development (HCD) Director Gustavo Velasquez and City Representative Vivian Moreno.

**2. Approval of the Minutes of the December 21, 2020 Meeting**

**MOTION:** Mr. Sertich moved to approve the December 21, 2020 Meeting Minutes. Ms. Miller seconded, and the motion passed unanimously via a roll call vote.

**3. Executive Director's Report**

CTCAC Executive Director, Judith Blackwell stated the legislature provided CTCAC the authority to allocate up to \$200 million in state tax credits to projects financed by CalHFA's Mixed Income Program (MIP). She stated she received a letter from CalHFA indicated that no more than \$150 million in state tax credits would be required for projects financed by the CalHFA MIP making an additional \$50 million available in the general allocation of state tax credits.

Ms. Boatman Patterson expressed appreciation for the partnership between CTCAC and CalHFA and requested that Ms. Blackwell publish a memorandum for the public outlining the process for allocating the state tax credits to projects financed by the CalHFA MIP. She stated that CalHFA performs a demand survey in the fall to anticipate their lending projections for the upcoming year. Ms. Boatman Patterson stated CalHFA then submits a request in the fall to both CTCAC and the California Debt Limit Allocation Committee (CDLAC) with the documented information. She stated the request is reviewed and the CTCAC Executive Director determines if the request is reasonable at which point the request is granted or denied. Ms. Boatman Patterson stated that if CalHFA is unable to fully utilize the state credit credits allocated, CalHFA will notify CTCAC in writing to release the remainder of the state tax credit allocation making it available to the general allocation of state tax credits at a future funding round.

Treasurer Ma stated that staff would work on the requested memorandum.

Mr. Sertich asked if staff could explain how the state tax credits will be allocated this year.

CTCAC Deputy Director, Anthony Zeto stated that the \$500 million in state tax credits will be available in the first round to avoid scenarios where projects are awarded bond allocations at CDLAC only for those projects to not receive state tax credits due to the amount being limited in that given round. He explained the \$350 million in general state

tax credits and the \$150 million in CalHFA MIP state tax credits will be available to the 4% new construction projects competing in the first CDLAC competitive round.

Ms. Miller reaffirmed Ms. Boatman Patterson's statements, citing the CTCAC regulations adopted last year allows for the coordination between CTCAC and CalHFA.

#### **4. Discussion and Consideration of establishing a minimum point requirement for the competitive 2021 applications**

Mr. Zeto stated that annually CTCAC recommends a minimum point score for its 9% competitive applications. Due to some changes in the regulations related to point scoring, he explained the total score decreased from 113 points to 109 points. Mr. Zeto stated staff is recommending a minimum score of 93 points of a maximum 109 points for general 9% applications and 80 points of a maximum 94 points for applicants applying under the Native American apportionment in the Rural set aside. He stated the minimum scores recommended represent approximately 85% of the maximum points for both types of projects as in previous years.

**MOTION:** Mr. Sertich approved the 2021 minimum point thresholds for competitive applications (9% applications). Ms. Miller seconded and the motion passed unanimously via a roll call vote.

#### **5. Public Comment**

Caleb Roope asked if staff have given any thoughts to disaster credits for this year.

Mr. Zeto stated that staff has been in contact with the National Council of State Housing Agencies (NCSHA) and reviewing the 22 counties currently included, but will know the final counties included towards the end of February. He stated that staff hopes to have more information at the next meeting but that the estimated total is approximately \$80 million in annual 9% federal disaster credits that will be available to projects in those counties.

Mr. Velasquez stated his support to continue to look for ways to maximize the federal financial assistance to the CDBG program as well as the tax credits.

Treasurer Ma asked if the Committee would need to revisit the regulations again this year for the disaster credits.

Mr. Zeto stated staff would revisit the regulations since these disaster credits are different and based on 22 counties, rather than the 13 counties identified for the 2020 disaster credits.

Treasurer Ma stated staff would do some more research and inform the Committee later.

#### **6. Adjournment**

Treasurer Ma adjourned the meeting at 12:43 p.m.