

California Debt Limit Allocation Committee

Jesse Unruh Building
Room 587
915 Capitol Mall
Sacramento, CA 95814
May 15, 2020
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 1:32pm.

Members Present:

Fiona Ma, CPA, State Treasurer
Gayle Miller for Gavin Newsom, Governor
Anthony Sertich for Betty T. Yee, State Controller

Advisory Members Present:

Zachary Olmstead for Acting Department of Housing and
Community Development Director Doug McCauley
Tia Boatman-Patterson, California Housing Finance Agency

2. Application Deadline and Meeting Schedule (Action Item)

Judith Blackwell, Executive Director, stated that in order to make certain that definition changes occur prior to applications being submitted so that there would be clarity regarding the rules prior to application submission, she had called for this emergency meeting. Thus she is requesting that the Committee push the application deadline date back so that any new rules acted upon in the May 20, 2020 meeting can become finalized through the OAL process before applicants turn in their next round of applications. Staff is requesting to move the May 15 deadline for QRRP applications to June 11 with the allocation meeting being moved to September 16, and also to move the August 21 deadline to September 24 with that allocation meeting being moved to December 9.

Mr. Sertich reminded the Board of the appeal from April relating to an outdated market study and expressed concern that moving the meeting schedules back would create complications for projects that may have soon-to-be expiring documents such as market studies completed and asked if staff has taken this into consideration.

Ms. Blackwell stated she had considered this and does not believe it will be a wide spread issue. If it does create complications, she encouraged the applicants to contact her directly. The goal is not to harm any projects.

There was public comment.

Darren Bobrowsky with USA Properties Fund stated he has a project he was looking to submit with a market study that might pose an issue due to the changed application deadlines and noted that he would contact Ms. Blackwell directly.

Matt Callahan with Southern California Partners and Home Ownership requested that CDLAC restore funding for the Mortgage Credit Certificate (MCC) program in 2020 at its earliest opportunity. He added that the cities of Sacramento and San Diego have run out of MCC allocation, with the City of Los Angeles depleting its funds by the end of this month. He noted that the loss of the MCC funds would be a huge hit to local homeownership efforts since it attracts millions of dollars in private mortgage capital. It is a low cost program that helps hundreds of low-income families achieve the goal of home ownership in the State of California. He concluded by stating that CDLAC should support a balanced homeownership plan for California that promotes homeownership efforts for underserved buyers.

MOTION: Ms. Miller moved to approve the new CDLAC calendar, Mr. Sertich seconded, and the motion passed unanimously via a roll call vote.

Treasurer Ma reminded the public that due to strict CDLAC regulations, this meeting was called to order in order to change program dates and deadlines. The next CDLAC meeting will take place on May 20 and she welcomed the stakeholder community to a robust discussion at that time.

Evan Kass clarified that the May 15 deadline was moved to June 11 for the upcoming round and the subsequent round's deadline was moved from August 21 to September 24.

Ms. Blackwell thanked everyone for being so accommodating.

3. Public Comment

None.

4. Adjournment

Treasurer Ma adjourned the meeting at 1:41pm.