

Civic San Diego
Economic Growth and Neighborhood Investment Fund

MINUTES

**NEW MARKETS TAX CREDIT ADVISORY BOARD
MEETING OF
Friday, May 12, 2017**

Civic San Diego
401 B Street, Suite 400
San Diego, CA 92101

1. ROLL CALL: The meeting of the New Markets Tax Credit (NMTC) Advisory Board (“Advisory Board”) convened at 1:35 p.m.

Board Members Present: Cruz Gonzalez, Jason Wells, Jody Wood, Tina Ngo Bartel (via conference call), Diane Moss (via conference call)

Board Members Absent: Rickey Laster, Joel Roberts

Civic San Diego Staff: President Reese A. Jarrett, Assistant Vice President Michael Lengyel, Associate Project Manager Joanna Whitley

2. APPROVAL OF THE MINUTES FROM THE FEBRUARY 24, 2017 MEETING OF THE ADVISORY BOARD

Motion: Ms. Bartel moved and Mr. Wells seconded a motion to approve the minutes of the February 24, 2017 meeting of the Advisory Board.

Vote: The motion passed 4-0 with Ms. Moss abstaining, and Mr. Roberts and Mr. Laster not in attendance

3. INFORMATIONAL ITEM – STAFF UPDATE ~ Michael Lengyel

Mr. Lengyel discussed the progress of the 2017 NMTC application due in June, and the timeline for closing Qualified Equity Investments from the 2015/16 allocation to be eligible for future rounds of allocation. He also provided an update on the loan portfolio and remaining NMTC allocation.

Action: This item was informational only.

4. ACTION ITEM – RECOMMENDATION OF NMTC FUNDING FOR PROJECTS ~
Michael Lengyel, Joanna Whitley

Mr. Lengyel and Ms. Whitley provided brief project descriptions for three projects requesting an allocation of tax credits: North Highland Mixed-Use, Casa Familiar's Living Rooms at the Border, and Thrive Public Charter School. North Highland is located in the city of National City near the San Diego border. The project will include rental units, a social and health services center operated by San Ysidro Health Center and a child care center operated by Episcopal Community Services. Living Rooms at the Border will include the adaptive reuse of a church built in 1927 to provide public meeting and performance space, a pavilion to house the UCSD Border Community Station, accessory buildings for social services office space, a kiosk to support a Youth Barista training program and 10 affordable housing units. Thrive is an award winning K-12 public charter school that recently purchased the Bayside Community Center site in Linda Vista for the construction of a new campus. Thrive is partnering with Bayside to continue the educational and community service and Bayside will continue to operate at the Linda Vista location within the new facility.

Motion: Mr. Wells moved and Mr. Carey seconded a motion to recommend approval of up to \$8 million in New Markets Tax Credit funding for Living Rooms at the Border, \$25 million for North Highland Mixed-Use and up to \$7 million for Thrive Public Charter School.

Vote: The motion passed unanimously (5-0) with Mr. Laster and Mr. Roberts not in attendance

5. ACTION ITEM – RECOMMENDATION ON QUALIFIED EQUITY INVESTMENTS
AND UPDATED LIST OF POTENTIAL PIPELINE PROJECTS IN SUPPORT OF THE
2017 ALLOCATION ROUND APPLICATION ~ Michael Lengyel

Mr. Lengyel reviewed potential pipeline projects to utilize the remaining allocation. Mr. Lengyel also noted that awards for the 2017 round are anticipated to be announced in early 2018. If the Fund receives a new award the allocation can be deployed for pending pipeline projects with the support of the Advisory Board. Mr. Lengyel suggested that issuing reservations letters for projects that are within 8 months of closing rather than six months may help better position the Fund to deploy a new award if received.

Motion: Mr. Carey moved and Mr. Wells seconded a motion to recommend issuance of reservation letters to pipeline projects within 8 months of closing.

Vote: The motion passed unanimously (5-0) with Mr. Laster and Mr. Roberts not in attendance

6. INFORMATIONAL ITEM – MARKETING OF THE NMTC PROGRAM

Mr. Lengyel discussed the continuing marketing efforts through community coffees and Lunch & Learns hosted by Civic San Diego, and community bus tours. Mr. Wells also discussed the successful bus tour of the San Ysidro community to highlight the need for investment. Staff is also in discussion with financing partners to hold a workshop this fall on alternative sources of financing for projects.

Action: This item was informational only.

7. INFORMATIONAL ITEM – NON-AGENDA ITEMS

Mr. Lengyel discussed the pending mission-driven deposit of \$250,000 of NMTC program fee revenue with Self Help Credit Union's new branch in City Heights.

Action: This item was informational only.

ADJOURNMENT ~ The meeting was adjourned at 2:26 p.m.