

Civic San Diego
Economic Growth and Neighborhood Investment Fund

MINUTES

**NEW MARKETS TAX CREDIT ADVISORY BOARD
MEETING OF
TUESDAY, FEBRUARY 9, 2016**

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 3:02 p.m.

Board Members Present: Cruz Gonzalez, Jody Carey (via conference call), Joel Roberts (via conference call), Peter Callstrom (via conference call until 3:30), and Richard Lawrence

Board Members Absent: Diane Moss

Board Members Excused: Jason Wells

Civic San Diego Staff: President Reese A. Jarrett, Investment & Finance Development Manager Michael Lengyel and Associate Project Manager Joanna Whitley

2. APPROVAL OF THE MINUTES FROM THE JULY 7, 2015 MEETING OF THE ADVISORY BOARD

Motion: Mr. Lawrence moved and Mr. Roberts seconded a motion to approve the minutes of the July 7, 2015 meeting of the Advisory Board.

Vote: The motion passed unanimously with Ms. Moss and Mr. Wells not in attendance (Mr. Callstrom, Mr. Carey, and Mr. Roberts voted electronically).

3. INFORMATIONAL ITEM – STAFF UPDATE ~ Michael Lengyel

Mr. Lengyel provided an update on the loan portfolio and available NMTC allocation. Mr. Lengyel summarized that \$83 million in allocation has been received and four loans for \$70.45

million have been closed for a balance of \$12.55 million in available allocation. The \$12.55 million includes a \$5 million Qualified Equity Investment with Chase Bank that closed in January 2015 and must be placed into a project by May to meet deployment requirements.

Action: This item was informational only.

4. ACTION ITEM – RECOMMENDATION OF NEW MARKETS TAX CREDIT FUNDING FOR PROJECTS ~ Michael Lengyel

Mr. Lengyel provided a brief project description of two projects that are requesting allocation of tax credits.

37 ECB – Mr. Lengyel updated the Advisory Board that the 37 ECB project that had previously been recommended by the Advisory Board now has entered into lease negotiations with the County Office of Education to provide a new larger site for the Juvenile Court and Community Schools new educational model that will focus on teaching at-risk youth tangible skills like culinary arts and welding and fabrication. Mr. Lengyel summarized project information that was provided by the applicant. Advisory Board members asked staff a number of questions to better understand the new project proposal and the community benefits that would be generated. Mr. Lengyel provided some additional information and also advised that he would follow up with the application for more details.

Family Health Centers Behavioral Health Clinic in Barrio Logan – Mr. Lengyel summarized the request by Family Health Centers for NMTCs to support the development of a new behavioral health clinic on city-owned land in Barrio Logan. Mr. Lengyel advised that the lease with city for the property includes language that future development of the site shall be subject to prevailing wage and it is his opinion that any NMTC financing would thus require it. The Advisory Board expressed support of the project if it was a prevailing wage project and the 37 ECB project didn't move forward.

Action: The Advisory Board requested that staff follow up with 37 ECB to obtain responses to the additional questions that were raised and then send that information back out to the Advisory Board to vote on a recommendation for the project via email.

5. INFORMATIONAL ITEM – MARKETING OF THE NMTC PROGRAM
Staff is planning another NMTC workshop likely to be held in March.

6. INFORMATIONAL ITEM – NON-AGENDA ITEMS
None

ADJOURNMENT ~ The meeting was adjourned at 3:50 p.m.