



California Tax Credit Allocation Committee

915 Capitol Mall, Board Room 121
Sacramento, CA 95814

May 12, 2026

CTCAC Committee Meeting Minutes

1. *Agenda Item: Call to Order and Roll Call*

The California Tax Credit Allocation Committee (CTCAC) meeting was called to order at 2:28 p.m. with the following Committee members present:

Voting Members:

Fiona Ma, CPA, State Treasurer, Chairperson
Evan Johnson for Malia M. Cohen, State Controller
Michele Perrault for Joe Stephenshaw, Department of Finance (DOF) Director
Gustavo Velasquez, Department of Housing and Community Development (HCD) Director
Tony Sertich, California Housing Finance Agency (CalHFA) Executive Director

Advisory Members:

Michelle Whitman, County Representative – ABSENT
Tyler Williamson, City Representative

2. *Agenda Item: Approval of the Minutes of the January 13, 2026, Meeting*

Chairperson Ma called for public comments:
None.

MOTION: Ms. Perrault motioned to approve the minutes of the January 13, 2026, meeting, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

3. *Agenda Item: Executive Director's Report*

Presented by: Marina Wiant

Marina Wiant, Executive Director, announced that there have been several promotions at CTCAC since the last meeting in January. Elizabeth Gutierrez-Ramos is the new Compliance Division Chief. She has been with CTCAC for over 20 years. Tara Boynton, who was previously a Supervisor I, has been promoted to Compliance Section Chief. Ricky Fujitani was promoted to Supervisor I in the Compliance section from an Analyst position. The Development team has welcomed Ashwin Mehta as the new Placed-in-Service Section Chief. Additionally, Sopida Steinwert was promoted to Supervisor I in the Development section, and she will be assisting with the large volume of 4% tax credit projects and building a team of staff to help with that. Ms. Wiant congratulated all the recently promoted staff and new staff.



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Ms. Wiant reported that CTCAC has entered into a contract with CalHFA related to the implementation of AB 2006, which is the joint compliance monitoring legislation. There is now a new portal for project owners to provide information about projects that are assisted by multiple state agencies. The portal is called the California Affordable Housing Management System (CAHMS).

Mr. Sertich said he is very excited about the collaboration. AB 2006 gave the state housing agencies the opportunity to work together and create a more streamlined monitoring system. There is still work to do, but this is a step in the right direction, and it got the teams talking and working together in a positive direction.

Chairperson Ma called for public comments:

None.

4. **Agenda Item: Recommendation for reservation of 2026 first round federal 4% and state Low-Income Housing Tax Credits (LIHTCs). (Health & Saf. Code, §§ 50199.10, 50199.14; Cal. Code Regs., tit. 4, § 10310.)**

Presented by: Carmen Doonan

Ms. Doonan reported that on February 3, 2026, CTCAC received 122 applications for 4% tax credits. Today, the staff is recommending 66 applications for reservation of 4% federal tax credits and state tax credits. These projects have been reviewed and meet all federal and state regulations, and they have no pending appeals. The staff is also recommending eight projects with pending appeals, so this approval is contingent on those appeals being granted.

Chairperson Ma called for public comments:

None.

MOTION: Ms. Perrault motioned to approve the recommendation for reservation of 2026 first round federal 4% and state Low-Income Housing Tax Credits, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

5. **Agenda Item: Resolution No. 25/26-05, Declaring disruption in federal services and funding to be events permitting the Executive Director to grant extensions to Readiness to Proceed deadlines (Cal. Code Regs., tit. 4, § 10325, subd. (c))**

Presented by: Anthony Zeto

Mr. Zeto explained that on April 8, 2025, the Committee approved Resolution No. 24/25-06, declaring a significant reduction in the federal workforce or a realignment of federal priorities as a "similar event" that would allow the Executive Director to grant extensions to projects impacted by those events. That resolution was automatically repealed on January 1, 2026. Resolution No. 25/26-05 would make the same declaration for the period of January 1, 2026, through January 1, 2027, if adopted by the Committee today. The staff believes that the impacts of the disruptions at the federal level are still being felt.



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Chairperson Ma called for public comments:
None.

MOTION: Mr. Johnson motioned to adopt Resolution No. 25/26-05, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

6. **Agenda Item: Resolution No. 25/26-06, Approving Interagency Agreement CTCAC04-25 and Authorizing the Executive Director to execute an Interagency Agreement CTCAC04-25 with the State Treasurer's Office on behalf of the Committee, not to exceed \$1,122,809, for Reimbursement for Executive and Support Services**
Presented by: Anthony Zeto

Mr. Zeto said the staff is recommending Resolution No. 25/26-06 for Committee approval. This resolution would authorize the Executive Director to enter into Interagency Agreement CTCAC04-25 with the State Treasurer's Office (STO) for reimbursement of executive and support services in the amount of \$1,122,809. This is an annual agreement between CTCAC and the STO for these services, and the amount exceeds the Executive Director's delegated authority.

Chairperson Ma called for public comments:
None.

MOTION: Mr. Johnson motioned to adopt Resolution No. 25/26-06, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

7. **Agenda Item: Public Comment**

Adam Thompson from APT Housing said he is here today to advocate for more rehabilitation efforts and creating pathways for truly rural projects. He appreciates the staff's efforts to come up with some creative solutions within the 9% tax credit program. Of the projects most recently awarded today in the 4% tax credit program, only two of those projects would have been deemed rural by CTCAC. Mr. Thompson is concerned because as time goes on, a lot of those projects seem to be disadvantaged and disenfranchised. A lot of the truly rural areas do not have the same resources – for example, unincorporated Sonoma County. Mr. Thompson receives calls from developers who are looking at creating exit strategies to take projects out of the program. Whether those projects are expiring USDA pipeline projects, which are on an upward trajectory, or expiring 30-year tax credit projects, he is concerned that one of two things will happen: either the rural projects will convert to market rate or they will not have the access to resources to maintain the projects with a healthy and safe standard of living for the tenants. Mr. Thompson applauds the staff's efforts and will continue to work with them, but he wanted to get his comments on record before the next regulation cycle.

Mr. Thompson said that within the 9% tax credit program, within the past four or five years, about 3-5% of the rural credits have been used toward preservation projects. He thinks that can be increased, and he



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believes that because the rural preservation projects are requesting such a small number of credits, the Committee could potentially be preserving three to five acquisition/rehabilitation projects for the same number of credits as a single new construction project. Maybe it does not need to be that many projects, but he looks forward to working with the staff on the future regulations.

Chairperson Ma said she travels all around the state, and she knows that some of the rural communities are not going to be able to compete. She knows there is a demand survey that is taken at some point, but it is late in the process. She asked Ms. Wiant to evaluate what Mr. Thompson spoke about because the smaller rural communities may not compete with the bigger ones. She is concerned that some of these rural communities are not going to be able to get the resources, and there are a lot of seniors living in these buildings.

Harvey McKeon from the North Coast States Carpenters Union (NCSCU) said he is here to tell the Committee about what happened to workers on the 777 West San Carlos residential project in San Jose. Danco Communities was the developer, and one of its general contractor entities, Danco Builders Northwest, controlled the job site. The project received a number of public funds, including a \$19.9 million state LIHTC award. The City of San Jose's labor compliance review of this project resulted in the city issuing Danco Group a notice of violation penalty assessment. The notice stated that a subcontractor, NorCal Drywall, had committed violations of the State Labor Code and the city's prevailing wage contract provisions on the project. The City of San Jose's notice explained that NorCal Drywall underpaid three workers a total of around \$217,000. NorCal Drywall unlawfully withheld wages from the workers for a cumulative 485 working days. In addition to wage restitution, the City of San Jose's notice demanded liquidated damages for the violations in the amount of around \$810,000. Importantly, the notice demanded these liquidated damages not from NorCal Drywall but only from the Danco Group because, by the city contract documents, the developer was ultimately responsible for liquidated damages where prevailing wage requirements were not met, and the union understands that liquidated damages have not been paid to date.

Mr. McKeon said the City of San Jose subsequently also sent a letter to NorCal Drywall warning the subcontractor not to retaliate against the workers. This specifically related to the city learning that NorCal Drywall had threatened the workers by implying they would call federal immigration authorities if the workers refused to cooperate with them. There are other moving parts to this investigation that the union would like CTCAC to review, and they will provide that information beyond this meeting. Until that review is complete, NCSCU is calling on CTCAC to pause any reviews of applications for state LIHTC awards from Danco related entities. This is not an isolated incident; Mr. McKeon has previously informed the Committee about how Danco Builders Northwest was previously held liable for wage violations affecting 14 workers by the Department of Labor's Wage and Hour Division. This track record of behavior should not be rewarded by any public taxpayer funded body.

Anthony Carroll from NCSCU said wage and labor violations are happening on tax credit projects. As the primary vehicle for funding affordable housing in the state, Mr. Carroll believes that this Committee should be very concerned by these claims and the things that NCSCU is bringing to light and should also feel concerned that developers who are regularly awarded tens of millions of dollars by this Committee are allowing the law to be broken on their projects. Absent the consistent application of negative points or positive scoring incentives for projects paying prevailing wages and healthcare, NCSCU feels that there needs to be some sort of meaningful mechanism to prevent developers that regularly hire criminal



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contractors from coming back round after round and receiving awards like business as usual. Withholding placed-in-service status would send a clear message to developers and investors that this type of behavior is unacceptable, and working with low roading criminal contractors is not something that should be seen as fitting of developers building affordable housing in the state. NCSCU looks forward to working with the staff to continue tightening up the regulations and placed-in-service requirements. Affordable housing is perhaps the single most important issue in the state, but the system is working against itself if building affordable housing perpetuates the need for affordable housing by stealing from workers.

Chris Dart, President of Danco Communities, said he wants to set the record straight in response to the previous comments. Danco is working on these alleged labor violations with the City of San Jose's Public Works Department to hold the subcontractors accountable for any violations. They are continuing to work with the City of San Jose on these alleged violations. They are not proven, but Danco takes these allegations very seriously, and they are diligently working to resolve any allegations toward the subcontractors on that project.

8. *Agenda Item: Adjournment*

The meeting was adjourned at 2:47 p.m.