



NMTCC Board of Directors Meeting
Minutes
June 6, 2017

On June 6, 2017 a meeting of the New Markets Tax Credit Coalition Board of Directors was held in Washington, DC.

The following Board members were present:

Jim Howard, Kermit Billups, Aishsa Benson, Charlie Spies, David Beck, Sandy Rahimi, Phil Glynn, Radhika Reddy, Matt Philpott, Jim Klein, Jose Villalobos, Farshad Maltes, Dave Gibson, Amy Laughlin, Kevin Goldsmith, Eric Price, David Clower, Dale Royal, Matt Josephs, Mike Novogradac, Frank Altman, Chimeka Gladney, Merrill Hoopengardner, and Bob Davenport.

Attending by telephone: Ira Weinstein, Dave Blaszkiewicz, Eric Rosen, and Peter Giles.

Also present, at the invitation of the Board, for the portions of the meeting indicated were:

- Rapoza Associates: Robert Rapoza, Paul Anderson, and Ayrienne Parks.

With a quorum present, President Bob Davenport officially called the meeting to order at 12:00 pm.

Speaker: Annie Donovan, CDFI Fund Director

Annie Donovan discussed timing of the CDFI Fund program rounds. She highlighted that the CDFI Fund Programs received the highest budget ever, including an increase to the Administration funding of 10 percent. She discussed the FY 18 funding process and the President's budget, which eliminated funding for CDFI Fund programs, but maintained funding for the administration of the NMTC program.

The CDFI Fund is filling the open positions with temporary detailees and has maintained a normal rate of staff attrition.

Donovan noted that the Summit Report will be out soon and should be helpful in documenting the impact of the NMTC as well as addressing previous criticism that was not accurate.

There has been progress made with regard to the Secretary being briefed on the CDFI Fund. Next week there will be a new Deputy Assistant Secretary.

PR Firm Report: Greg Wilson, Curley Company

Greg Wilson from the Coalition's PR firm, Curley Company, provided an update on the media strategy and achievements. He noted the firm's targeted pitching to the Beltway reporters and mentioned the good repeat coverage in *Politico* this year. The firm has facilitated conversations with Aaron Lorenzo on *Politico's* tax team and Damian Paletta, a White House economic policy reporter for *The Washington Post*.

The Coalition has supported Board members with op-eds and site visits with Members of Congress. The firm will be doing a targeted release on the NMTC Progress Report to 17 states when it is released tomorrow.

Agenda

The Board approved the meeting agenda, as presented by Bob Davenport.

Minutes

The Board approved the minutes of its December 14, 2016 meeting, as presented.

Legislative Report

Bob Rapoza began his report by noting that the President's Budget proposes substantial cuts to community development—the CDFI Fund was one of those cuts. It would reduce the appropriation for CDFI Fund Programs from \$248 million, a historic high that was passed for Fiscal Year (FY) 2017 to just \$14 million. This proposal is the same as was recommended in the “skinny budget” for both the final FY 17 funding bill and for FY 18. Rapoza noted that a hollowed out CDFI Fund is not good for NMTC. They may try to use budget reconciliation for FY 2018, which only requires 52 rather than 60 votes. Staff is working to build support in the White House and Congress for the CDFI Fund and the NMTC.

For tax reform, Congress has a number of options to get the bill more revenue neutral, like moving the window out further than the typical 10 years. As a point of reference, the PATH Act was \$700 billion and that passed with no issue.

The Senate is likely the arbiter of the tax bill, which means it is important for the Coalition to be in touch. Coalition staff has touched close to 200 offices in some way since the new Congress was convened. After the NMTC Policy Conference, staff will be circling back with members on outreach to get more Members of Congress on board.

Paul Anderson also contributed by reporting on the latest NMTC Progress Report and Ayrienne Parks reported on the advocacy efforts nationally and through in-district opportunities.

Law Firm Outreach

Ayrienne Parks and Debbie La Franchi provided an update on the Coalition's plan to renew efforts to engage and secure additional support from law firms working on the NMTC. So far in 2017, there have been six \$10,000 commitments and five \$5,000 commitments.

Financial Report

Treasurer Jose Villalobos presented the financial report. The report included the time period from January 2017 through the end of April 2017. Jose stated that the Coalition is on budget, with expenses and revenue at expected levels. One exception is lower revenue from the conference attendance. Staff has cut down on costs where possible.

The Board voted to accept and approve the financial report.

Other Business

The use of C corps as a sub-CDE was brought up for discussion by Kevin Goldsmith. He noted that this practice has become much more prominent recently. It was agreed that the matter would be discussed further and then a recommendation would be made to the Board on further action.

The meeting was adjourned at 2:00 p.m.