

Minutes
Missouri Tax Credit Review Commission
Historic Preservation Committee
December 4th, 2012

The Historic Preservation Committee of the Missouri Tax Credit Review Commission met on Tuesday, December 4th, 2012, beginning at 10:00 a.m. The meeting was held via conference call.

Committee members present:

Tom Reeves
Ray Wagner
Mike Wood

Additional Commissioners present:

Shannon Weber

Staff present:

Sallie Hemenway, Missouri Department of Economic Development
Jason Zamkus, Missouri Department of Economic Development
Megan Word, Missouri Housing Development Commission

Interested parties present (and identified):

Shannon Koenig
Elizabeth Rosen
Jessica Land
Ernesto Segura
Eric Macmahon
Tom Sullivan
Patrick Wolf
Jay Hardenbrook
Pete Noonan
Stacy Rubenstein
Deb Sheals
Karen Bode Baxter
Wendy Timm

WELCOME AND CALL TO ORDER

Having established a quorum, Chairman Reeves welcomed members of the Commission and guests and called to order the meeting of the Historic Preservation Committee.

CHAIRMAN'S REPORT

Chairman Reeves provided a recap of the Governor's charge, the activities of the Committee to date, the timeline for completion, and the goal for the meeting.

COMMITTEE DISCUSSION

Chairman Reeves provided copies of a draft proposed report for consideration by the members of the Committee. The draft report was also distributed electronically to all known interested parties in advance of the meeting. The report was a redline version noting changes from the final 2010 Commission report relating to Historic Tax Credits. (Copy attached)

Chairman Reeves requested that the Committee take the report point by point for discussion, allow public input, and suggest changes with the intention for the Committee members to vote in favor or against the revised draft of the report in whole.

The following **changes to the draft report** were discussed:

1. The recommendation was made to add FY 2009 authorized, issued and redeemed data to the report to indicate the proposed cap is at recession levels.
2. The recommendation was made to raise the cap to \$90M.
3. The recommendation was made to re-write the transition rules.
4. The recommendation was made to increase the credits for non-income producing single family homes to \$250,000.
5. The recommendation was made to allow the stacking of historic and low income housing tax credits. However, in those cases, the recommendation was made to reduce the percentage of historic credits from 25% to 15% on the LIHTC 9% deals. The recommendation was made to count those projects against the cap.
6. The recommendation was made to allow developer fees to accrue and be considered QRE's if paid within 6 years.
7. The recommendation to implement certain administrative program efficiencies was made:
 - a. ensure that the time period for DED response are consistent and not conflicting;
 - b. require complete applications for final approval.
8. The recommendation for statutory changes was made:
 - a. allow 501(c)3 non-profit entities to be 1% or less General Partners in Historic tax credit transactions.

All other content in the report was agreed upon and not reiterated in the minutes.

The Committee members discussed whether the report reflected the mission and goal of recommending program efficiencies. There was disagreement among the Committee members of whether the actions accomplished that mission or not. Commissioner Wood expressed concerns with raising the cap and concerns with the small project exemption under the cap. Commissioner Wood expressed additional concerns with the ability to stack tax credits and for those reasons stated that he felt they did not achieve the mission and goals of recommending program efficiencies.

All Committee members expressed respect toward the Committee process and the public input.

The public and Committee members expressed the desire for the General Assembly to address a stand-alone bill dedicated to Historic Preservation.

COMMITTEE CONCLUSION

A motion was made by Chairman Reeves and Seconded by Commissioner Wagner in an effort to move the report forward, to allow the drafting of a formal report for submission to the Commission that reflected the substantive items discussed and allowed for technical “word-smithing”:

Chairman Reeves asked for a roll call vote:

Chairman Reeves – aye

Commissioner Wagner – aye

Commissioner Wood – no.

ADJOURNMENT

Having no further business on the agenda Chairman Reeves adjourned the meeting.