



California Tax Credit Allocation Committee

**CTCAC Committee Meeting**  
**Wednesday, January 15, 2025**  
**1:30 P.M. or Upon Adjournment**  
**of the CDLAC Meeting**



## California Tax Credit Allocation Committee

### Meeting Notice

**MEETING DATE:**

January 15, 2025

**TIME:**

1:30 p.m. or upon Adjournment of the California Debt Limit Allocation Committee Meeting

**LOCATION:**

901 P Street, Room 102, Sacramento, CA 95814

### Virtual Participation

Members of the public are invited to participate in person, remotely via TEAMS, or by telephone.

[Click here to Join TEAMS Meeting \(full link below\)](#)

**Public Participation Call-In Number:** (888) 557-8511

**Participant Code:** 5651115

Interested members of the public may use the call-in number or TEAMS to listen to and/or comment on items before CTCAC. Additional instructions will be provided to participants once they call the indicated number or join via TEAMS. The call-in number and TEAMS information are provided as an option for public participation.

**Full TEAMS Link:** [https://teams.microsoft.com/l/meetup-](https://teams.microsoft.com/l/meetup-join/19%3ameeting_YWlyMzI4ZmUtMDJiNS00MDdiLWlyOTktYmJhZDhhNjQ2OGZi%40thread.v2/0?context=%7b%22id%22%3a%223bee5c8a-6cb4-4c10-a77b-cd2eae7534e%22%2c%22oid%22%3a%22838e980b-c8bc-472b-bce3-9ef042b5569b%22%7d)

[join/19%3ameeting\\_YWlyMzI4ZmUtMDJiNS00MDdiLWlyOTktYmJhZDhhNjQ2OGZi%40thread.v2/0?context=%7b%22id%22%3a%223bee5c8a-6cb4-4c10-a77b-cd2eae7534e%22%2c%22oid%22%3a%22838e980b-c8bc-472b-bce3-9ef042b5569b%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_YWlyMzI4ZmUtMDJiNS00MDdiLWlyOTktYmJhZDhhNjQ2OGZi%40thread.v2/0?context=%7b%22id%22%3a%223bee5c8a-6cb4-4c10-a77b-cd2eae7534e%22%2c%22oid%22%3a%22838e980b-c8bc-472b-bce3-9ef042b5569b%22%7d)



# California Tax Credit Allocation Committee

## Agenda

The California Tax Credit Allocation Committee (CTCAC) may take action on any item. Items may be taken out of order. There will be an opportunity for public comment at the end of each item, prior to any action.

1. **Call to Order and Roll Call**
2. **Approval of the Minutes of the December 11, 2024, Meeting**
3. **Executive Director's Report**  
*Presented by: Marina Wiant*
4. **Resolution No. 24/25-04, Establishing a Minimum Point Requirement for the Competitive 2025 Applications (Cal. Code of Regs., tit. 4, § 10305(g))**  
*Presented by: Carmen Doonan*
5. **Adoption of the approximate amount of tax credits available in each reservation cycle for the 2025 calendar year (Cal. Code Regs., tit. 4, §§ 10305, 10310)**  
*Presented by: Ricki Hammett*
6. **Public Comment**
7. **Adjournment**



# California Tax Credit Allocation Committee

## Committee Members

### Voting Members:

- **Fiona Ma**, CPA, Chair, State Treasurer
- **Malia M. Cohen**, State Controller
- **Joe Stephenshaw**, Director of Finance
- **Gustavo Velasquez**, Director of California Department of Housing and Community Development (HCD)
- **Vacant**, Executive Director of California Housing Finance Agency (CalHFA)

### Advisory Members:

- **Michelle Whitman**, County Representative
- **Brian Tabatabai**, City Representative

## Additional Information

**Executive Director:** Marina Wiant

### CTCAC Contact Information:

901 P Street, Suite 213A, Sacramento, CA 95814

Phone: (916) 654-6340

Fax: (916) 654-6033

This notice may also be found on the following Internet site:

[www.treasurer.ca.gov/ctcac](http://www.treasurer.ca.gov/ctcac)

CTCAC complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities, and providing this notice and information given to the members of CTCAC in appropriate alternative formats when requested. If you need further assistance, including disability-related modifications or accommodations, please contact CTCAC staff no later than five calendar days before the meeting at (916) 654-6340. From a California Relay (telephone) Service for the Deaf or Hearing Impaired TDD Device, please call (800) 735-2929 or from a voice phone, (800) 735-2922.



California Tax Credit Allocation Committee

## **AGENDA ITEM 2**

# **Approval of the Minutes of the December 11, 2024, Meeting**



## California Tax Credit Allocation Committee

901 P Street, Room 102  
Sacramento, CA 95814

December 11, 2024

### 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 12:57 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  
Stephanie McFadden for Tiena Johnson Hall, California Housing Finance Agency (CalHFA) Executive Director

##### **Advisory Members:**

Michelle Whitman, County Representative  
Brian Tabatabai, City Representative

#### 2. *Agenda Item: Approval of the Minutes of the October 2, 2024, Meeting – (Action Item)*

Chairperson Ma called for public comments:

None.

**MOTION:** Ms. Perrault motioned to approve the minutes of the October 2, 2024, meeting, and Mr. Johnson seconded the motion.

**AYE:** Michele Perrault, Evan Johnson, Gustavo Velasquez, Fiona Ma

**ABSTAIN:** Stephanie McFadden

The motion passed via roll call vote.

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

*Presented by: Marina Wiant*

Marina Wiant, Executive Director, said the 2025 meeting schedule and application due dates are available for the public. The first 4% round will be in early January for projects not requesting enhanced state credits.

Chairperson Ma called for public comments:

None.



## California Tax Credit Allocation Committee

4. **Agenda Item: Recommendation for reservation of 2024 second round federal 4% and state LIHTCs. (Health & Saf. Code, §§ 50199.10, 50199.14; Cal. Code Regs., tit. 4, § 10310.) – (Action Item)**  
*Presented by: Carmen Doonan*

Ms. Doonan said staff is recommending 79 projects for reservation of 2024 second round federal 4% and state tax credits.

Chairperson Ma called for public comments:  
None.

**MOTION:** Ms. Perrault motioned to approve staff's recommendation, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

5. **Agenda Item: Resolution No. 24/25-02 to adopt a regular rulemaking for new Regulation 10336 and amendments to the existing federal and state LIHTC programs regulations (Cal. Code of Regs., tit. 4, § 10300 et seq.). (Health and Saf. Code, § 50199.17.) – (Action Item)**  
*Presented by: Anthony Zeto*

Mr. Zeto explained that prior to publishing the proposed regulation changes, staff solicited feedback from the stakeholder community on September 5, 2024. Feedback was accepted through September 27, 2024, and the proposed regulation changes were released on October 30, 2024. Public comments were accepted through November 20, 2024, and a public hearing was held on November 12, 2024. Staff carefully reviewed the comments and made some revisions that were incorporated in the final package that was published for the public and is being presented to the Committee today for approval.

Chairperson Ma called for public comments:

William Leach from Kingdom Development said he is 100% supportive.

Brian Augusta from the California Rural Legal Assistance Foundation said his organization, which is a sponsor of AB 846, is supportive of the provisions establishing a rent cap in existing LIHTC properties. He commends the staff for their leadership on this issue as well as Chairperson Ma and other members of the Committee for their hopeful support for adoption of those regulations.

Marcos Segura, Staff Attorney for the National Housing Law Project (NHLP), said his organization supports the proposed protection for housing provisions. He said he would like to underscore what a significant step this is for low-income tenants at LIHTC properties in terms of ensuring their stability in their tenancy. He thanked Ms. Wiant and the staff for being receptive to tenant advocate concerns. NHLP looks forward to working with CTCAC on future tenant protection issues.

Tina Rosales-Torres from the Western Center on Law & Poverty, a co-sponsor of AB 846, echoed the comments made by Mr. Segura and Mr. Augusta regarding the anti-price gouging caps for current LIHTC properties. She is thankful that this has been established because it is a significant step forward toward ensuring that these properties maintain affordability.



## California Tax Credit Allocation Committee

Tiffany Hickey from Disability Rights California (DRC) thanked the Committee for the many positive changes made in the regulations, especially the addition of a new section on tenants' rights and fair housing. These changes help bring the regulations into compliance with state and federal disability access laws. However, there are further changes that DRC thinks the Committee needs to make to bring the regulations into full compliance, such as adopting a cap on the number of restricted units to prevent the creation of segregated housing and enhancing the reporting, record-keeping, and monitoring provisions to ensure compliance with Section 504 and Government Code 11135. Ms. Hickey echoed the comments made by Mr. Augusta, Ms. Rosales-Torres, and Mr. Segura on the need for a strong grievance process and the rent cap. She thanked the Committee and expressed hope that DRC would have the opportunity to discuss these changes in 2025.

Taery Anglin said she is a tenant at a project in Los Angeles. She moved to the greater Los Angeles area when she was 22 years old in 1980. She has worked and paid taxes in this state her entire adult life, and during that time she was able to house herself, usually with a roommate, in a 1-bedroom unit. From 2001-2007 she housed herself, her partner, and two of her young nephews on a single income. At the best of times, she was making \$64,000 per year and at the worst of times, \$7 an hour. Although her family did receive food benefits for the children, they never received housing assistance. In 2007, she had a stroke, and she was awarded Social Security Disability Insurance in 2009. She moved to Colorado to care for her mother and then moved back in 2013. When she moved into her housing in October 2022, her rent was \$985 per month, which was 49% of her income, but she could handle it. Then her rent increased by 10% in 2023 and another 8% in 2024. Now she pays \$1,158 for a 486 square foot studio apartment in downtown Los Angeles. Her income is \$2,246, so that is 51% of her income. People who earn over \$2,000 in the State of California do not qualify for food stamps or Medi-Cal. Thankfully, Ms. Anglin has Medicare because she is 66 years old.

Ms. Anglin said she is not even in the worst position of many of her neighbors who have lived in the building since it opened in 2013. The building is in Chinatown in Los Angeles, and when it opened, a good percentage of the residents were non-English speaking people who had lived there longer than Ms. Anglin. Now, they are paying 95% of their Social Security in rent. Ms. Anglin is disappointed that the Committee decided not to implement a lower rent increase for seniors and disabled people. The Committee has composed policy for so-called affordable senior housing while seniors like Ms. Anglin will be out on the street with two more rent increases. It seems like it was by design. She has read articles about landlords who evicted market rate tenants because they could not raise those tenants' rent high enough and brought in LIHTC tenants instead. She said she hopes the Committee can live up to the spirit of affordable housing.

Ms. Wiant said staff has received several public comments about the unique situation that seniors on fixed incomes are in, and there was a request to modify the rent cap policy to have a different calculation for senior projects. At this point, this is still novel, and staff needed to start with what they have presented today, but they are very aware of the burden that this can have on seniors and will continue to watch for other modifications they can make to address the concerns raised by Ms. Anglin and others.

Chairperson Ma said maybe she could meet with some of the senior affordable housing developers who specialize in this and see what could be done. Social Security has not gone up, yet all the other costs have gone up, so she feels for Ms. Anglin.





## California Tax Credit Allocation Committee

At 1:11 p.m., Ms. Wiant noted for the record that Mr. Velasquez had to leave the meeting.

Chairperson Ma closed public comments.

**MOTION:** Ms. Perrault motioned to adopt Resolution No. 24/25-02, and Ms. McFadden seconded the motion.

Ms. Wiant clarified that there is still a quorum without representation from HCD.

The motion passed unanimously via roll call vote.

Ms. Wiant noted that as part of the regulations package, staff shared a draft rent increase limit waiver policy with the public. There were a lot of comments from the Committee in April when the regulations were adopted indicating that they wanted to know what the waivers would look like and ensure that the policy would be clear and transparent. Staff released that for public comment alongside the regulations and received a few comments. They will be incorporating some minor changes to that memo and putting it out.

6. *Agenda Item: Resolution No. 24/25-03 to adopt the CTCAC/HCD Opportunity Area Map for Calendar Year 2025. (Cal. Code Regs., tit. 4 § 10302.) – (Action Item)*  
*Presented by: Anthony Zeto*

Mr. Zeto explained that the CTCAC regulations require the Committee to adopt a CTCAC/HCD Opportunity Area Map annually for the following year. There were minor changes this year, and the focus was on reducing instability from year-to-year designations. There was a methodology change that took a three-year rolling average of the education indicators. Staff hopes this change will reduce instability, so stakeholders have more predictability as far as their projects retaining designation from year to year. The Opportunity Area Map was released in the same timeframe as the regulations, and staff recommends it to the Committee for approval.

Mr. Johnson said he appreciates staff's collaboration with HCD to make this happen. The state has undertaken a number of these kinds of efforts, and they are always a work in progress. Mr. Johnson appreciates the continued effort to refine the map to ensure it does what it needs to do, which is connect families to areas that have resources, good schools, and other opportunities.

Chairperson Ma called for public comments:  
None.

**MOTION:** Mr. Johnson motioned to adopt Resolution No. 24/25-03, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

7. *Agenda Item: Public Comment*



## California Tax Credit Allocation Committee

Harvey McKeon from Nor Cal Carpenters Union (NCCU) said that at today's meeting, Pacific Companies had a considerable number of projects up for a considerable amount of financing. As the representative from organized labor in the room, he would be remiss to not resurface the following fact: in April 2024, the Department of Industrial Relations (DIR) determined that Santa Cruz Pacific Associates, a Pacific Companies related entity, had failed to comply with prevailing wage requirements on a residential project in Santa Cruz. This was despite a claim that it was bound to do so in a public application for tax credits to finance the project. Beyond this, at the federal level, there is also at least one open unfair labor practice investigation pending against Pacific West Builders. NCCU encourages the Committee to take action so that only a contractor capable of upholding legal labor standards is invited to apply for financing. Avoiding wages and wider labor standards that are due to workers hurts their families and the taxpayers to whom this body is answerable. Construction workers and their families are already in an economically precarious situation and are very reliant on safety net programs at a huge public cost, so there is a real fiscal component to this. NCCU's general message that they will keep bringing back is to please consider construction workers and their families as regulations are developed going forward. As Mr. McKeon said at the CDLAC meeting today, there is a Venn diagram and a way to do this that works for everyone.

Anthony Carroll from NCCU said developers and contractors receiving millions of dollars each round of public subsidies have been caught committing and allowing labor exploitation to happen on their projects. This is not a single company issue; this is a system-wide issue. NCCU has been advocating for years for regulatory measures that increase the importance of prevailing wages in award guidelines and require labor standards and enhanced enforcement mechanisms on LIHTC projects. These types of standards will level the playing field for high road contractors and will make bad actors self-select out of the system because they know they cannot compete without labor exploitation. Mr. Carroll commends CTCAC for one of the changes that was just added to the regulations, which is the specific clarification that prevailing wages must apply to the entire project to receive a threshold basis boost. This gray language that just got adjusted was the basis for the Pacific West Builders DIR determination that Mr. McKeon just mentioned. In addition to increasing the role of prevailing wages and enforcement, NCCU believes developers should be disincentivized from repeatedly hiring contractors known for labor violations. The system will only improve when bad actors stop receiving repeat business from the affordable housing industry's most favored awardees. The regulations already include the necessary mechanism to do this, which is the assessment of negative points. There are several reasons to assess negative points, and NCCU would like to know why they are not assessed more often and what NCCU can do to expand the list of violations that would require the assessment of negative points.

Caleb Roope from The Pacific Companies said one of the reasons he came to the meeting today was to bring clarity to the accusations that have come up. He is always here to answer any questions. The Committee has not received the full information, so he will provide that now. The first instance raised was a situation where a certain funding source was allocated to a specific part of a project, and prevailing wages were paid on that portion of the project. The rest of the project was not subject to prevailing wages. The DIR made a subsequent determination, and now Mr. Roope knows that funding source is going to apply across the board to the entire project. The other instance raised was a federal issue that had to do with a subcontractor that The Pacific Companies caught in noncompliance, and they

CTCAC Committee Meeting  
December 11, 2024



## California Tax Credit Allocation Committee

are helping the Department of Labor investigate that issue. CTCAC is always welcome to reach out about any of this. The regulation change dealing with this was a good change. Mr. Roope is here to defend against these kinds of attacks, and in the future, if the Committee wants to reach out, they are welcome to do so.

Jordan Johnson from Century Housing thanked the Committee and staff for all their efforts. He said he is in favor of maintaining the \$200 million in state credits in the Mixed Income Pool (MIP). Century Housing has a shovel-ready project that has already secured \$25 million of soft costs and intends to apply for MIP as well as 4% and state credits in Round 2. If the state credits are reduced from \$200 million to \$100 million, the project will likely not get awarded. It is a 153-unit project in Long Beach. Mr. Johnson said that while he cannot speak for other developers, he thinks the other developers he has spoken with have also underwritten and designed projects based on maintaining the \$200 million for the MIP.

### 8. *Agenda Item:* **Adjournment**

The meeting was adjourned at 1:22 p.m.

DRAFT



California Tax Credit Allocation Committee

# **AGENDA ITEM 3**

## **Executive Director's Report**



California Tax Credit Allocation Committee

## **AGENDA ITEM 4**

**Resolution No. 24/25-04,  
Establishing a Minimum Point  
Requirement for the Competitive  
2025 Applications (Cal. Code of  
Regs., tit. 4, § 10305(g))**

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**  
**RESOLUTION NO. 24/25-04**  
**January 15, 2025**

**RESOLUTION TO ESTABLISH A MINIMUM POINT REQUIREMENT FOR THE COMPETITIVE**  
**2025 APPLICATIONS**

**WHEREAS**, the California Tax Credit Allocation Committee (“CTCAC”) is responsible for administering the Federal and State Low Income Housing Tax Credit programs in California (Health & Saf. Code, §50199.4 et seq.); and

**WHEREAS**, CTCAC may establish a minimum point requirement for competitive rounds under either California Code of Regulations, title 4, section 10325 or 10326 (Cal. Code Regs., tit. 4 § 10305(g)); and

**WHEREAS**, CTCAC is authorized, at its sole discretion, to reject an application if the proposed project fails to meet the minimum point requirements established by CTCAC prior to that competitive funding round (Cal. Code Regs., tit. 4 § 10305(g)).

**NOW, THEREFORE, BE IT RESOLVED** by the California Tax Credit Allocation Committee as follows:

SECTION 1. The minimum point requirement for the competitive 2025 applications as shown in Exhibit A to this resolution is adopted.

SECTION 2. This resolution shall take effect immediately upon its adoption.

Attest: \_\_\_\_\_  
Chair

Date of Adoption: January 15, 2025



# California Tax Credit Allocation Committee

## EXHIBIT A

Under California Code of Regulations, title 4, section (Section) 10305(g), prior to a tax credit funding round, the California Tax Credit Allocation Committee (CTCAC) may establish minimum point thresholds applicants are required to meet to be considered for a tax credit award. Staff proposes the Committee establish a minimum point threshold for the Section 10325 competitive nine percent (9%) application funding rounds in 2025 as in previous years.

### **Background:**

Section 10305(g) states:

The Committee may, at its sole discretion, reject an application if the proposed project fails to meet the minimum point requirements established by the Committee prior to that funding round. The Committee may establish a minimum point requirement for competitive rounds under either Section 10325 or 10326.

CTCAC alternatively has authority under Section 10325(c) to reject applications on a case-by-case basis for low scores without regard for a minimum point threshold. In past public forums, stakeholders clearly stated a preference for CTCAC to establish a scoring floor under Section 10305(g), rather than exercise its discretionary authority to reject applications on a case-by-case basis under Section 10325(c).

### **Recommendation:**

Staff recommends CTCAC exercise its authority to establish a minimum point threshold under Section 10305(g) by adopting the same minimum point threshold as 2024 for the 2025 competition, as follows:

<u>Application Type</u>	<u>Minimum Score</u>	<u>Maximum Score</u>
9% Applications	93 Points	109 Points
9% Native American Apportionment	80 Points	94 Points



## **AGENDA ITEM 5**

**Adoption of the approximate amount of tax credits available in each reservation cycle for the 2025 calendar year (Cal. Code Regs., tit. 4, §§ 10305, 10310)**



**CTCAC ALLOCATION PROCESS FOR SET ASIDES AND GEOGRAPHIC REGIONS**

Estimated for Calendar Year 2025

**Step 1 - Calculate Total Federal Credit Ceiling (1)**

	<i>Per Capita</i>	<i>Population*</i>	
New Population Based Credits	\$3.00	39,431,263	\$118,293,789
Forward Committed 2025 Credit			<b>(\$931,976)</b>
Available Returned Credit/Surplus Credits			\$98,101
<b>Total Federal Credit Ceiling</b>			<b>\$117,459,914</b>

**Step 2 - Determine Set Asides (2)**

<b>Set Asides</b>	<b>%</b>	<b>Annual Set Aside Amount</b>	<b>Round 1 Set Aside Amount</b>
<b>Nonprofit</b>	<b>10%</b>	<b>\$11,745,991</b>	<b>\$5,872,996</b>
<b>Rural</b>	<b>20%</b>	<b>\$23,491,983</b>	<b>\$11,745,992</b>
<i>RHS, HOME, and CDBG-DR Apportionment</i>	14%	\$3,288,878	\$1,644,439
<i>Native American Apportionment</i>	10%	\$2,349,198	\$1,174,599
<i>Other</i>		\$17,853,907	\$8,926,954
<b>Second Supplemental Set Aside</b>		<b>\$2,000,000</b>	<b>\$0</b>
<b>At-Risk</b>	<b>5%</b>	<b>\$5,772,996</b>	<b>\$2,886,498</b>
<b>Special Needs</b>	<b>4%</b>	<b>\$4,618,397</b>	<b>\$2,309,199</b>
<b>Supplemental Set Aside**</b>	<b>3%</b>	<b>\$3,463,797</b>	<b>\$0</b>
<b>Total Set Asides</b>		<b>\$51,093,164</b>	<b>\$22,814,685</b>

**Step 3 - Determine Geographic Apportionments (3)**

	<b>Federal Annual</b>	<b>State Total</b>
<b>Total Credit Ceiling</b>	<b>\$117,459,914</b>	<b>\$72,656,422</b>
<i>Less Set-Asides (not including Returned Credits)</i>	<b>(\$51,093,164)</b>	
<i>Less State Credits for 4% Projects</i>		<b>(\$10,898,463)</b>
<i>Remaining Balance</i>	\$66,366,750	\$61,757,959
<i>State Credit Adjuster</i>		80%
<b>Credit Ceiling Balance to Geographic Regions</b>	<b>\$66,366,750</b>	<b>\$49,406,367</b>

<b>Apportionments by Region</b>	<b>%</b>	<b>Annual Federal Credit</b>	<b>Total State Credit</b>	<b>Annual Adjusted Credit (a)</b>	<b>Adjusted Surplus/Deficit From 2024 (b)</b>	<b>Estimated Adjusted Credit for Round 1 (c)</b>
City of Los Angeles	17.6%	\$11,680,548	\$8,695,521	\$12,550,100	<b>(\$1,563,726)</b>	\$4,711,324
Balance of Los Angeles County	17.2%	\$11,415,081	\$8,497,895	\$12,264,871	<b>(\$493,535)</b>	\$5,638,901
Central Valley Region	8.6%	\$5,707,541	\$4,248,948	\$6,132,436	<b>(\$435,254)</b>	\$2,630,964
San Diego County	8.6%	\$5,707,541	\$4,248,948	\$6,132,436	<b>(\$184,732)</b>	\$2,881,486
Inland Empire Region	8.3%	\$5,508,440	\$4,100,728	\$5,918,513	<b>(\$91,864)</b>	\$2,867,393
East Bay Region	7.4%	\$4,911,140	\$3,656,071	\$5,276,747	<b>(\$526,495)</b>	\$2,111,879
Orange County	7.3%	\$4,844,773	\$3,606,665	\$5,205,440	<b>(\$2,656,804)</b>	\$0 ***
South and West Bay Region	6.0%	\$3,982,005	\$2,964,382	\$4,278,443	<b>(\$417,186)</b>	\$1,722,036
Capital Region	5.7%	\$3,782,905	\$2,816,163	\$4,064,521	<b>(\$109,391)</b>	\$1,922,870
Central Coast Region	5.2%	\$3,451,071	\$2,569,131	\$3,707,984	<b>(\$135,518)</b>	\$1,718,474
Northern Region	4.4%	\$2,920,137	\$2,173,880	\$3,137,525	<b>(\$1,550,481)</b>	\$18,282
San Francisco County	3.7%	\$2,455,570	\$1,828,036	\$2,638,374	<b>\$1,778,819</b>	\$3,098,006
	100%	\$66,366,752	\$49,406,368	\$71,307,390		\$29,321,615

Note: All numbers in *(italics bracketed with parens)* are negative numbers.

\* Population estimate from 2024

\*\* Supplemental Set-Aside does not reflect federal credits returned after February 1, 2025

\*\*\* The credits available in Round 1 is \$0 because 2024 Waiting List Awards were made in the region. The remaining deficit will be accounted for in Round 2.

(a) The Adjusted Credit amounts are calculated as follows: (Annual Federal Credit x 10 + Total State Credit)/10.

(b) The Adjusted Surplus or Deficit: the full adjusted credit balance from 2024

(c) Estimated Adjusted Credit totals were calculated as follows: (the adjusted annual credit x 50%) + surplus or deficit from 2024

(1) "Credit Ceiling" is defined in CTCAC Regulation Section 10302(t) to include all elements shown below, following Ceiling definition in

(2) Health and Safety Code part 50199.2 establishes Rural Set Aside at "...20 percent of the federal ceiling." CTCAC Regulations Section 10315 also defines Set-Asides with reference to a given percentage of the "Federal Credit Ceiling".

(3) Similar language applies to Geographic Apportionments in CTCAC Regulations Section 10315.

**CALCULATION OF STATE TAX CREDIT CEILING AND HOUSING TYPE GOALS**

**Step 4 - Calculate State Credit Ceiling**

Statutory Base State Credit Number	\$70,000,000
Plus State Credit CPI Adjustment	\$56,125,128
2025 Calculated State Tax Credits Available	\$126,125,128
Less Advance Allocations in Prior Year	(\$53,468,706)
Plus Returned Credits	\$0
<b>Total State Tax Credit Available for 2025</b>	<b>\$72,656,422</b>

**Step 5 - Calculate Tax Exempt Bond Financed Project (4% Project) Set Aside**

	<u>Set Aside Percentage</u>	<u>Set Aside Amount</u>
4% Projects	15%	\$10,898,463
9% Projects	Balance of Total	\$61,757,959
<b>Total</b>		<b>\$72,656,422</b>

**Step 6 - Calculate Housing Type Goals, Federal & State Tax Credits**

Total Federal Tax Credit Ceiling (Annual Amount Multiplied By Ten)	\$1,174,599,140
State Credit Ceiling After Set Aside for Bond Projects	\$61,757,959
State Credit Ceiling After Set Aside for Bond Projects with 80% Adjustment	\$49,406,367
<b>Total Stated As Annual</b>	<b>\$122,400,551</b>

Housing Type Goals	<u>Type</u>	<u>Percentage</u>	<u>Annual</u>	<u>Round 1</u>
	Large Family	65%	\$79,560,358	\$39,780,179
	Large Family New Construction <sup>1</sup>	30%	\$36,720,165	\$18,360,083
	Special Needs	40%	\$48,960,220	\$24,480,110
	Seniors	20%	\$24,480,110	\$12,240,055
	SRO	15%	\$18,360,083	\$9,180,042
	At-Risk	15%	\$18,360,083	\$9,180,042

<b>Total Federal Tax Credit Available in <u>Rural Set Aside</u> (Stated As Annual)</b>	<b>\$23,491,983</b>
--	---------------------

Housing Type Goals in <u>Rural Set Aside</u>	<u>Type</u>	<u>Percentage</u>	<u>Annual</u>	<u>Round 1</u>
	Acquisition and/or Rehabilitation	30%	\$7,047,595	\$3,523,798
	Large Family New Construction <sup>1</sup>	30%	\$7,047,595	\$3,523,798
	Seniors	20%	\$4,698,397	\$2,349,199

<sup>1</sup>Large Family New Construction receiving the tiebreaker increase for being located in census tracts or census block groups designated on the CTCAC/HCD Opportunity Area Map as Highest or High Resource (CTCAC Regulations Section 10315(h)).

**STATE TAX CREDITS - NEW CONSTRUCTION 4% PROJECTS**

State Tax Credits Available in 2025	\$500,000,000
Plus Carry Forward of Prior Year's Credits	<u>\$4,166,150</u>
Total State Tax Credit Available in 2025	\$504,166,150

	<u>Annual</u>	<u>Round 1</u>	<u>Round 2</u>	<u>Round 3</u>
General Allocation	\$379,166,150	\$0	\$189,583,075	TBD *
General Allocation for Farmworker Housing	\$25,000,000	\$0	\$25,000,000	TBD *
California Housing Finance Agency (CalHFA) - Mixed-Income Program	\$100,000,000	\$0	\$100,000,000	\$0

\*Total State Tax Credits remaining after Round 2

**STATE FARMWORKER TAX CREDITS**

State Farmworker Tax Credits Available in 2025	\$0
Plus Annual Allocation Amount	<u>\$500,000</u>
Total State Farmworker Tax Credits Available in 2025	\$500,000

January 6, 2025

Ms. Marina Wiant  
Executive Director, California Tax Credit Allocation Committee (CTCAC) and  
Executive Director, California Debt Limit Allocation Committee (CDLAC)  
901 P Street, Suite 213A  
Sacramento, CA 95814

Re: Reservation of State Tax Credits

Dear Director Wiant:

As we move toward another calendar year of extreme competition for California's allocation of volume cap, I want to thank you for the collaboration between the California Debt Limit Allocation Committee (CDLAC), the California Tax Credit Allocation Committee (CTCAC) and the California Housing Finance Agency (CalHFA). This partnership continues to successfully deploy the finite resources available for the development of much-needed affordable housing throughout the state.

In 2024, CalHFA developments were awarded \$1,248,532,611 in bond cap to facilitate the development of 4,543 units of affordable housing. In November 2024, CalHFA submitted its estimated bond cap demand for 2025, a total of \$1,299,460,255, that is expected to fund roughly 35 developments with approximately 4,500 units. This amount included \$479,500,000 and 11 developments expected to be funded under the CalHFA Mixed-Income Program (MIP).

In 2025, CalHFA again expects to see an oversubscription of MIP, which is funded with resources allocated pursuant to SB2 and AB101. While demand for this mixed-income affordable housing program could certainly use an allocation near the \$200 million in State Tax Credits contemplated under AB101, CalHFA recognizes the pressure caused by the continuing increase in demand for State Tax Credits to help fund developments across the spectrum of affordable housing types. With this in mind, CalHFA is formally requesting that CTCAC reserve a reduced amount of no less than \$100 million in 2025 State Tax Credits for MIP. It should be noted, however, that should more State Tax Credits become available as the year progresses, CalHFA could deploy those credits to support the high demand for MIP. We look forward to staying in close communication with you to ensure the efficient use of this subsidy by year end.

Thank you for your partnership and leadership, and please let me know if you have any questions.

Sincerely,



Rebecca Franklin  
Chief Deputy Director  
California Housing Finance Agency (CalHFA)



## CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

---

901 P Street, Suite 213A  
Sacramento, CA 95814 p  
(916) 654-6340  
f (916) 654-6033  
[www.treasurer.ca.gov/ctcac](http://www.treasurer.ca.gov/ctcac)

### MEMBERS

FIONA MA, CPA, CHAIR  
State Treasurer

MALIA M. COHEN  
State Controller

JOE STEPHENSHAW  
Director of Finance

GUSTAVO VELASQUEZ  
Director of HCD

VACANT  
Executive Director of CalHFA

### EXECUTIVE DIRECTOR

January 7, 2025

Rebecca Franklin  
Chief Deputy Director  
California Housing Finance Agency (CalHFA)  
500 Capitol Mall, Ste. 1400  
Sacramento, CA 95814

**RE: Reservation of Enhanced State Tax Credits**

Dear Ms. Franklin:

This letter is in response to your letter dated January 6, 2025 regarding your formal request that the California Tax Credit Allocation Committee (CTCAC) reserve no less than \$100 million in enhanced state tax credits for projects financed by CalHFA's Mixed-Income Program (MIP).

Following review of your letter, CTCAC accepts the request to reserve no less than \$100 million in enhanced state tax credits for projects financed by CalHFA's MIP for 2025. Prior to the final round, if projects financed by CalHFA MIP are unable to fully utilize the \$100 million in enhanced state tax credits, please notify CTCAC in writing to release the remainder of the enhanced state tax credits so they are available to general 4% new construction projects at the next available funding round.

We appreciate the partnership between CTCAC, the California Debt Limit Allocation Committee (CDLAC) and CalHFA. Please let me know if you have any questions or concerns.

Sincerely,

A handwritten signature in blue ink that reads "Marina Wiant".

Marina Wiant  
Executive Director



California Tax Credit Allocation Committee

## **AGENDA ITEM 6**

### **Public Comment**



California Tax Credit Allocation Committee

## **AGENDA ITEM 7**

### **Adjournment**