



California Debt Limit Allocation Committee

CDLAC
Committee Meeting
Wednesday, September 29, 2021
11:00 AM



CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 311
Sacramento, CA 95814
p (916) 654-6340
f (916) 654-6033
www.treasurer.ca.gov/cdlac

MEETING NOTICE

AGENDA

MEETING DATE:
September 29, 2021

TIME:
11:00 AM

LOCATION:
**915 Capitol Mall, Room 587
Sacramento, CA 95814**

Public Participation Call-In Number*
(888) 557-8511
Participant Code:
5651115

The Committee 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

Action Item: **2. Approval of the Minutes of the September 8, 2021 Meeting**
Presented by: Nancee Robles

3. Executive Director's Report

Update on Strategic Plan
Update and Discussion Regarding Carryforward

Action Item: **4. Consideration of Extension Requests for Qualified Residential Rental Projects Allocated in 2021**
Presented by: Nancee Robles

<u>Project #</u>	<u>Project Name</u>
CA-21-439	Maison's Village I

5. Discussion of Black Indigenous and People of Color (BIPOC) Regulations
Presented by: Emily Burgos

Action Item: **6. Reassign 2018 Carryforward Allocated to Resolution Number 21-157 Barry Apartments**
Presented by: Emily Burgos

BOARD MEMBERS (voting)
FIONA MA, CPA, CHAIR
State Treasurer

BETTY YEE
State Controller

KEELY MARTIN BOSLER
Director of Finance

ADVISORY MEMBERS (non-voting)
GUSTAVO VELASQUEZ
Director of HCD

TIENA JOHNSON HALL
Executive Director of CalHFA

DIRECTOR
NANCEE ROBLES
Interim Executive Director



CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Action Item: 7. Recommendation for Adoption of Emergency Regulations

Presented by: Nancee Robles

Title 4 of the California Code of Regulations:

Section 5000. Definitions

Section 5052. Forfeiture of Performance Deposit

Section 5060. Minimum Requirements

Section 5141. Notification of Bond Issue

Section 5144. Annual Applicant Public Benefits and On-Going Compliance Self Certification

Section 5170. Definitions

Section 5190. Readiness

Section 5230. Evaluation Criteria

Section 5233. Allocation Limits

Section 5250. Application Requirements

8. Public Comment

9. Adjournment

FOR ADDITIONAL INFORMATION

Nancee Robles, Interim Executive Director, CDLAC
915 Capitol Mall, Room 485, Sacramento, CA 95814
(916) 654-6340

This notice may also be found on the following Internet site:
www.treasurer.ca.gov/cdlac

* Interested members of the public may use this number to call in to listen to and/or comment on items before the California Debt Limit Allocation Committee. Additional instructions will be provided to callers once they call the indicated number. This call-in number is provided as an option for public participation but the Committee is not responsible for unforeseen technical difficulties that may occur. The Committee is under no obligation to postpone or delay its meeting in the event such technical difficulties occur during or before the meeting.

The California Debt Limit Allocation Committee (CDLAC) 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 the CDLAC in appropriate alternative formats when requested. If you need further assistance, including disability-related modifications or accommodations, you may contact Tracy Sullivan of CDLAC no later than five calendar days before the meeting at (916) 653-1065 and Telecommunication Device for the Deaf (TDD) at (916) 654-9922.



AGENDA ITEM 2

Approval of Minutes from September 8, 2021 Committee Meeting



California Debt Limit Allocation Committee

915 Capital Mall, Conf Rm 587
Sacramento, CA 95814

September 8, 2021

Committee Meeting Minutes

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

The meeting was called to order at 10:02am, and roll call was taken as follows:

Voting Members:	Fiona Ma, CPA, State Treasurer Tony Sertich for Betty T. Yee, California State Controller Gayle Miller for Governor Gavin Newsom
Advisory Members:	Zachary Olmstead for the Department of Housing and Community Development Kate Ferguson for the California Housing Finance Agency

2. Agenda Item: *Approval of August 11, 2021 Minutes*

Committee Comments: Ferguson made suggestions to provide clarity to agenda item 5 on the August 11, 2021 minutes. The committee members agreed with these changes.

Public Comments: There were no public comments.

MOTION: Sertich moved to approve the August 11, 2021 meeting minutes contingent upon recommended edits being made. Miller seconded the motion.
Motion passed unanimously via roll call vote.

3. Agenda Item: *Executive Director's Report – Presented by Nancee Robles*

Committee Comments: Sjoberg update will be provided at the September 29, 2021 Committee Meeting, as well as additional updates.

Public Comments: There were no public comments.

4. Agenda Item: *Consideration of Appeals for Award of Allocation of State Ceiling on Qualified Private Activity Bonds for Qualified Residential Rental Projects– Presented by Nancee Robles*

Due to a shift in the final list from the August 11, 2021 Committee Meeting, there were several projects that were removed at the last minute. Three of those projects submitted an appeal.

Betsy McGovern-Garcia, the Director of Real Estate Development for Self-Help Enterprises, spoke about the Santa Fe Commons project that was on the preliminary recommendation list for the last meeting, requesting \$15,443,215 in allocations. She claimed no forewarning before the meeting that it would be removed. The project that bumped Santa Fe Commons was Entrada Apartments, which was requesting \$19 million then withdrew the application shortly after the meeting. Entrada Apartments had not been on any previous recommendation lists and was not expecting to be awarded. Had there been advance notice of the last minute change, Entrada Apartments would

CDLAC Committee Meeting
September 8, 2021



California Debt Limit Allocation Committee

likely have withdrawn the application, providing Santa Fe Commons the opportunity to be awarded the requested \$15 million bond. It was requested to award the project out of the remaining allocation in the Inland Region for Round 2.

Ben Barker with California Municipal Finance Authority (CMFA) was present for all three of the appeals, and declared CMFA had \$88 million in carryforward that could be used to allocate to the projects.

Committee Comments: Sertich reiterated the process used from the last meeting was not ideal, so recommends voting on each of the appeals individually. Ferguson asked if there was sufficient allocation to fund Santa Fe Commons after Entrada pulled out, and Robles confirmed there was.

Public Comments: There were no public comments.

MOTION: Sertich motioned to allocate to Santa Fe Commons from the Inland Region Round 2. Miller seconds the motion.

Motion passed unanimously via roll call vote.

Sear Spear, CEO of Community Housing Works for Portola Senior, which was requesting \$11,245,815 in allocations, reiterated the shift in the final staff recommendations caused a cascade effect. He said he was able to work with the issuer for a workable solution that does not affect the Round 2 funds, nor forward funding from Round 3.

Committee Comments: Sertich spoke to the difficulty of the process, with no easy outcome. He stated it may not be fair to those applying for Round 3 to pull from those funds. He further specified it is a good idea to use the carryforward. Miller requested clarification through an agenda item on carryforward at the next committee meeting, saying this method should be an option visited going forward.

Public Comments: There were no public comments.

MOTION: Sertich motioned to allocate to Portola Senior using carryforward. Miller seconds the motion.

Motion passed unanimously via roll call vote.

Todd Cottle with C&C Development, representing Orange Corporate Yard, which was requesting \$16,100,000. Similar to others, the shift the morning of the last meeting was unexpected. He supports using the carryforward from CMFA to allocate to the project.

Committee Comment: Sertich approves using carryforward to allocate to this project.

Public Comment: There were no public comments.

MOTION: Sertich motioned to allocate to Orange Corporate Yard using carryforward. Miller seconds the motion.

Motion passed unanimously via roll call vote.



California Debt Limit Allocation Committee

5. Agenda Item: **Public Comment**

Chair Ma expressed appreciation for the governor allocating \$500 million for state housing tax credits, and for everyone's accommodations during COVID.

Ben Barker stated he's preparing a one page memorandum on carryforward and how the procedure works on a tax basis including bullet point Question and Answers and can send it to CDLAC which may help the public out. Miller requested to see CMFA's spreadsheet of carryforward and how it's being used going forward. Barker agreed to send that spreadsheet for review. Sertich reiterated bonds cannot be issued if they are not approved by the board and wants to see how policy is being used when things are being moved around. This would make it easier for staff moving forward.

William Leach from Kingdom Development requested reconsideration of the language in the regulations to carryforward being award to the first awarded projects instead of the highest-ranking projects. The concern was state tax credits would be exhausted in the next round and whether projects could be awarded credits once they have been exhausted. Will they receive bonds but not tax credits, or neither?

Matt Callahan of Southern California Partners in Home Ownership spoke regarding the canceled Mortgage Credit Certificate Program. This Program was used to assist low-income families to purchase a home. Cancelling the Program makes it more difficult for low-income families to purchase across the state. They are looking for ways to fund this program and recognize issuers may have access to money in the form of carryforward. He is asking if allocation can be made available to fund this program.

6. Agenda Item: **Adjournment**

Meeting was adjourned at 10:34am.



California Debt Limit Allocation Committee

AGENDA ITEM 3

Executive Directors Report

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AGENDA ITEM 4

Consideration of Extension Requests for Qualified Residential Rental Projects Allocated in 2021



Tax-Exempt Financing
Throughout California

2111 Palomar Airport Road, Suite 320 • Carlsbad, CA 92011 • (760) 930-1221 • Fax (760) 683-3390

September 2, 2021

Ms. Nancee Robles
Interim Executive Director
California Debt Limit Allocation Committee
915 Capitol Mall, Room 31
Sacramento, CA 95814

Re: Requesting a 90-day CDLAC Extension for the Maison's Village Apartments Project (CDLAC Application No. 21-439)

Dear Ms. Robles:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request a CDLAC 90-day extension to February 7, 2022, for the Maison's Village Apartments Project (the "Project"). The Project (Resolution No. 21-140) received allocation on April 28, 2021, with a closing deadline of November 8, 2021.

In September of 2020, CDFW granted "Candidate Species" status to the Joshua Tree. As a result, the Joshua Tree must be treated as an endangered species, and the Project Sponsor is required to obtain an "Incidental Take Permit" (ITP) from the CDFW. The CDFW has issued an Emergency Order with respect to certain solar projects which laid out in their requirements for mitigation. The Project Sponsor had initially assumed that they would be able to work within the confines of these parameters as the Emergency Order was issued at the same time as the above classification. However, CDFW informed the Sponsor that the project would not be permitted to utilize the same mitigation requirements as those projects and instead would be subject to requirements that came at a significantly higher economic burden. Several third-party consultants have been engaged to assist the Sponsor in these discussions with CDFW and have come to a verbal agreement on mitigation requirements that, while burdensome, the Project Sponsor will be able to incorporate into the project budget without any requirement for incremental bond proceeds or tax credits.

As noted, this will not prevent the project from being completed, but it does present a timing issue at this point. Furthermore, the equity and debt financing partners will require us to get a "Ready to Issue (RTI)" permit letter from Palmdale (which effectively says that they are ready to issue the permits for construction as long as the permit fees are paid). In this instance, Palmdale will require an ITP to be granted in order to issue an RTI without an exception for the Joshua Tree issue. As such, we are asking for a 90-day extension to the closing date to be able to deal with unanticipated and unforeseen delay in the permitting process.

Please accept this letter as a request to the CDLAC Board to have negative points waived and a waiver of the forfeiture of the performance deposit.

Should you have any questions or need further information, please don't hesitate to contact me. I can be reached at (760) 930-1221

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "John P. Stoecker".

John P. Stoecker
Financial Advisor
California Municipal Finance Authority



AGENDA ITEM 5

Discussion of

Black Indigenous and People of Color

(BIPOC)

Regulations

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
September 29, 2021

Discussion of Black Indigenous People of Color (BIPOC) Regulations
Agenda Item No. 5

BACKGROUND:

The BIPOC pool was created for the 2021 CDLAC program year to offer a specific pool where BIPOC developers could compete for tax-exempt bond allocation. The regulations were later amended at the April 28, 2021 Committee meeting to further clarify the eligible ownership structure of a BIPOC Entity and limit the BIPOC pool to emerging BIPOC developers who lack the necessary experience to compete in other pools. At the August 11, 2021 Committee meeting, no projects were recommended for award in the BIPOC pool. Concerns were raised about the usability of the pool and a discussion was requested.

DISCUSSION:

At the September 29, 2021 Committee meeting, staff will facilitate a discussion and welcome public comment regarding the BIPOC pool, its aim, and how it can be improved for next year.

Prepared by Emily Burgos



AGENDA ITEM 6

Reassign 2018 Carryforward Allocated to

Resolution Number 21-157

Barry Apartments

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
September 29, 2021

Recommendation to Reassign 2018 Carryforward Allocation to Resolution Number 21-157
Barry Apartments
Agenda Item No. 6

BACKGROUND:

CA-21-542 Barry Apartments was awarded allocation at the August 11, 2021 Committee meeting. In compliance with the CDLAC regulations, City of Los Angeles' available carryforward was applied to its highest ranked project, CA-21-542 Barry Apartments. The award included \$5,815,376 in 2018 carryforward allocation, \$14,332,715 in 2019 carryforward allocation, and no current year allocation. Resolution number 21-157 was issued for the project with an issuance deadline in 2022.

DISCUSSION:

A project assigned 2018 carryforward must issue its bond by December 31, 2021 or the 2018 carryforward will be lost. The developer has identified various reasons outlined in the letter attached, that CA-21-542 Barry Apartments will not issue bonds before the end of the year. The issuer is requesting to swap the 2018 carryforward allocation assigned to CA-21-542 Barry Apartments with current year allocation awarded to CA-21-546 Lumina which was also awarded at the same Committee meeting. CA-21-546 Lumina is projected to close late October/early November and will be able to utilize the allocation of 2018 carryforward.

RECOMMENDATION:

Staff is recommending the swap of \$5,815,376 in 2018 carryforward with current year allocation between CA-21-542 Barry Apartments and CA-21-546 Lumina.

Prepared by Emily Burgos

Ann Sewill, General Manager
Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

City of Los Angeles



Eric Garcetti, Mayor

LOS ANGELES HOUSING DEPARTMENT

1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
Tel: 213.808.8808

housing.lacity.org

September 9, 2021

Nancee Robles, Executive Director
California Debt Limit Allocation Committee
915 Capitol Mall, Room 311
Sacramento, CA 95814

Via Email

**Re: Barry Apartments (Resolution No. 21 157) and Lumina Apartments (Resolution No. 21 161)
Request for Re assign of 2018 Carryforward**

Dear Ms. Robles,

On behalf of the sponsors for Barry Apartments and Lumina Apartments, (the "Projects"), the City of Los Angeles ("Applicant") is requesting a revision to the CDLAC Resolutions No. 21 157 and 21 161, respectively, as follows:

- Re assign the unused 2018 carryforward (\$5,815,376) from Barry Apartments to Lumina Apartments and re assign a like amount of 2021 cap from Lumina Apartments to Barry Apartments

The Applicant very much appreciates your consideration of this request. If you have any questions, please do not hesitate to contact Carmen Velazquez of my staff at (213) 808 8691 or carmen.velazquez@lacity.org. Please indicate your approval (and/or additional conditions) under separate cover.

Sincerely,

André C. Perry
Manager, Multifamily Housing Finance



September 9, 2021

Nancee Robles, Executive Director
California Debt Limit Allocation Committee
915 Capitol Mall, Room 311
Sacramento, CA 95814

RE: Barry Apartments (Resolution No. 21-157) and Lumina Apartments (Resolution 21-161)
Request for Re-Assignment of 2018 Carryforward

Dear Ms. Robles,

As manager of the Administrative General Partners for the Project Sponsors of Barry Apartments and Lumina, Affirmed Housing is respectfully requesting a revision to both CDLAC resolutions (Resolution No. 21-157 and 21-161). We are requesting CDLAC to re-assign the unused 2018 carryforward (\$5,815,376) from Barry Apartments to Lumina, and re-assign a like amount of 2021 cap from Lumina to Barry Apartments.

It is our understanding that the 2018 carryforward requires a construction loan closing by December 31, 2021. Barry Apartments is in the middle of the City of Los Angeles Building Permit process currently, and we expect building permit approval/issuance in early January (after the holidays). Building permit readiness/issuance, is a condition of closing. With many people taking time off in December for the holidays, it would be difficult to achieve permit readiness by December 31, 2021. The permitting process has gone smoothly to this point, and we fully anticipate permit readiness shortly after the holidays.

Barry Apartments also has 2 tenants living in the existing buildings, and we are working on relocating them based on a closing schedule of early 2022. We do not want to place added stress to the existing tenants should they have to change their moving plans and have to move out earlier because of this earlier close date.

Lumina is projected to have permit approval/readiness in late October/early November. This project is on track to close prior to the December 31st deadline associated with the 2018 carryover, which is why we are requesting to re-assign the unused 2018 carryover to Lumina. We did not realize that Barry would be assigned the 2018 carryforward, but can make the carryforward work by re-assigning it from Barry Apartments to Lumina.

We appreciate your consideration of this request. Please feel free to reach out to me at cristina@affirmedhousing.com or 858-386-5170, should you have any questions.

Sincerely,

Cristina Martinez
Project Manager, Affirmed Housing Group, Inc.



California Debt Limit Allocation Committee

AGENDA ITEM 7

Recommendation for Adoption of Emergency Regulations

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

September 29, 2021

Proposed Emergency Regulations

Action Item

Agenda Item No. 7

ACTION:

CDLAC is requesting Committee approval to Adopt Emergency Regulations.

DISCUSSION:

California has been allocated \$4.3 billion in bond authority for 2021 of which \$3.9 billion has been allocated by the Committee for tax-exempt bond authority for affordable housing projects. The schedule for awards includes a Committee Meeting on December 8, 2021 by which time these emergency regulations must be in effect in order to allocate the prescribed \$1.5 billion allocation remaining for affordable housing in a manner that complies with all statutory requirements and also provides fair and consistent requirements for applicants. Timely allocation will address the existence of an affordable housing crisis in California as proclaimed by the Governor and the State Legislature. The amendments proposed by this promulgation will assist the Committee to meet those goals.

All of the regulation changes being proposed today have already been approved by this Committee at its October 16, 2019 meeting and its May 20, 2020 meeting. The Emergency Regulations were approved by the Committee and filed with the Office of Administrative Law (OAL). Due to staff error the final step of completion, the filing of a permanent regulation packet, was not performed during the required timeframe causing expiration and necessitates the re-adoption of these Emergency Regulations.

List of regulations to be modified:

- Title 4, Section 5000. Definitions
- Title 4, Section 5052. Forfeiture of Performance Deposit
- Title 4, Section 5060. Minimum Requirements
- Title 4, Section 5141. Notification of Bond Issue
- Title 4, Section 5144. Annual Applicant Public Benefits and On-Going Compliance Self Certification
- Title 4, Section 5170. Definitions
- Title 4, Section 5190. Readiness
- Title 4, Section 5230. Evaluation Criteria
- Title 4, Section 5233. Allocation Limits
- Title 4, Section 5250. Application Requirements

The Committee is authorized to adopt regulations relating to an allocation system to administer the state unified volume ceiling as emergency regulations (California Government Code 8869.94).

Amend Title 4, Section 5000, “Mixed Income Project”.

Pursuant to Title 4, §5000, “Mixed Income Project” means tenant occupied units within a Qualified Residential Rental Project that are restricted to households earning 60% or less of the applicable median family income pursuant to a Bond Regulatory Agreement or a CTCAC regulatory agreement for a minimum of thirty (30) years. CDLAC’s proposed regulation changes to Section 5000 (Definitions) provide a clearer definition of “Mixed-Income Project” which supports the Qualified Residential Rental Project (QRRP) Program and aligns with the California Tax Credit Allocation Committee (CTCAC) regulations as it relates to joint applications. Amending this regulation will eliminate joint application ambiguity while allowing for more applications to be completed without rejection or modification by the applicants.

This amendment was part of emergency filings 11/14/2019 2019-1025-01 and 5/26/20 2020-5014-03, but expired and reverted 12/5/2020.

Amend Title 4, Section 5000, “Restricted Rental Units”.

Congress applied income averaging only to the Low Income Housing Tax Credit Program and not the bond program, resulting in a mismatch regarding 4% bond-financed projects. Thus the applicant/borrower must make two elections: either 20/50 or 40/60 on the bond side and this or income averaging on the tax credit side. The borrower must comply with both elections. For CDLAC purposes, the definition of “Restricted Rental Units” applies only to bond requirements. CTCAC’s definition would be different and would include income averaging and up to 80% AMI units. For this reason, we have also removed the reference to the CTCAC regulatory agreement in the definition of Restricted Rental Unit as that complicates the issue.

This amendment was part of emergency filing 5/22/20: 2020-0514-02 which expired and reverted on 3/19/21.

Amend Title 4, Section 5052: “Forfeiture of Performance Deposit”.

Pursuant to Title 4, § 5052 applicants receiving an allocation award on or after March 16, 2016, any extension of the expiration date for Qualified Residential Rental Bonds granted pursuant to Section 5101 or 5132 will result in forfeiture of the Project’s performance deposit to the extent that the performance deposit has not previously been forfeited.

On February 18, 2020 the Committee decided that CDLAC would follow its regulations and rank order projects using only CDLAC score and approve up to the allocation limit for the round. However it was understood that there might be some joint applications on the CTCAC waiting list that may be unable to obtain state tax credits. This provision allows the issuer to fill the financing gap without state tax credits or it can return the allocation within 90 days to the Committee without penalty.

This amendment was part of emergency filing 5/22/20: 2020-0514-02 which expired and reverted on 3/19/21.

Amend Title 4, Section 5060: "Minimum Requirements".

Pursuant to Title 4, § 5060 applicants, other than Applicants for a Mortgage Credit Certificate Program, shall provide evidence of a plan to privately place or publicly sell the proposed bonds with or without Credit Enhancement for an amount no less than the amount requested in the Application.

As CDLAC takes steps to implement a bond recycling program, CDLAC will require that projects receiving new volume cap allocations incorporate language in their bond documents that will facilitate the preservation of volume cap through bond recycling by incorporating favorable provisions such as continued principal payments or repayments. The proposed regulation also requires at least thirty days' notice to CDLAC and the applicant prior to redemption of bonds at conversion to permanent financing to facilitate project financing and CDLAC processing. These provisions will greatly simplify recycling transactions once these projects undergo permanent conversion.

This amendment was part of emergency filing 5/22/20: 2020-0514-02 which expired and reverted on 3/19/21.

Amend Title 4, Section 5100: "Program Expiration Dates".

CDLAC's proposed regulation amendments to Section 5100 (a)(3)(i)(ii) (Program Expiration Dates) which delete the existing subparagraph (i) and renumber and amend the former subparagraphs (ii) and (iii) provide uniformity in expiration dates for projects receiving an allocation. Amending this section aligns expiration dates during a Competitive Application process with Non-Competitive Application process. Thus all expiration dates will be the same no matter if the application submitted is involved in a Competitive Application process or Non-Competitive Application process. It has been noted in the past that the bond issuance has taken longer than 90 days. Therefore to accommodate for larger allocation demands due to priorities of the current administration, amending this section assists more successful projects being placed into service.

This amendment initially was part of emergency filings 11/14/2019 2019-1025-01 and 5/26/20 2020-5014-03, which expired and reverted on 12/5/2020.

Amend Title 4, Section 5141: "Notification of Bond Issue".

Pursuant to Title 4, Section 5141, within twenty-four (24) hours of using the Allocation to issue Bonds or to convert Bond authority to Mortgage Credit Certificate authority, an Applicant or its counsel must notify the Committee of such use of the Allocation via the e-mail address or facsimile number as provided in section 5140. The notification must identify the Applicant, the Project or program, the date the Allocation was used, and the amount of the Allocation used. CDLAC is adding "Qualified Residential Rental Projects" to this section's requirements in order to be consistent with the same requirements set forth in section 5060.

This amendment was in an amendment filed 5-22-2020 as an emergency pursuant to Government Code section 8869.94; operative 5-22-2020 (Register 2020, No. 21).

An additional emergency filed 5-22-2020 extended 60 days pursuant to Executive Order N-40-20 and an additional 60 days pursuant to Executive Order N-66-20 (Register 2020, No. 21). No Certificate of Compliance was recorded by 3-22-2021 and the language expired and section reverted.

Amend Title 4, Section 5144, subsection (c): “Annual Applicant Public Benefits and On-Going Compliance Self Certification”.

CDLAC is correcting an erroneous citation in Title 4, Section 5144 to Tax Credit Allocation Committee (CTCAC) Compliance Manual section to change “VI” to “IV”.

This amendment was in an amendment filed 5-22-2020 as an emergency pursuant to Government Code section 8869.94; operative 5-22-2020 (Register 2020, No. 21).

An additional emergency filed 5-22-2020 extended 60 days pursuant to Executive Order N-40-20 and an additional 60 days pursuant to Executive Order N-66-20 (Register 2020, No. 21). No Certificate of Compliance was recorded by 3-22-2021 and the amendment expired and subsection reverted.

Adopt and Amend Title 4, Section 5170: “Definitions”.

The definition of “Federally Assisted At-Risk Project” previously existed within this section. A prior emergency amendment in emergency action 2020-5014.02 for which CDLAC did not file the Certificate of Compliance prior to expiration of the emergency period included two amendments to this definition, changing a reference to “10325(g)(5)(B)(i)(v)” to only “10325(g)” and changing the trigger date for expiration from within two (2) years of the application to within five (5) years of the application.

This entire “Federally Assisted At-Risk Project” definition was repealed by a later CDLAC emergency package, 2021-0120-01E, (which added a new “At-Risk Project” definition) and is being repealed again in this emergency package to ensure that OAL does not revert the definition as a result of the prior emergency package not receiving its Certificate of Compliance and therefore becoming void. NOTE: A new definition of “At-Risk Project” adopted by 2021-0120-01E is not affected by this emergency package.

CDLAC is repealing the existing definition of “New Construction” adopted by emergency action 2020-0514-02 and further amended prior to its reverting by emergency action 2021-0120-01E and the definition of “New Construction Pool” as adopted by emergency action 2020-0514-02 and further amended in emergency action 2021-0120-01E prior to its reverting (now referred to as “New Construction Project”). The failure to file a Certificate of Compliance caused the original language adopted by emergency action 2020-0514-02 and further amended prior to its reverting by emergency action 2021-0120-01E raises questions as to the viability of the latter amendments. CDLAC seeks to permanently delete this definition which will be replaced by “New Construction Project”.

CDLAC is adopting the current definition of “New Construction Project” as amended by emergency action 2021-0120-01E without further amendment

CDLAC is repealing the existing definition of “Other Restricted Units” as adopted by emergency action 2020-0514-02 and further amended by emergency action 2021-0120-01E prior to its reverting and “Other Affordable Pool” as adopted by emergency action 2020-0514-02 and further amended by emergency action 2021-0120-01E prior to its reverting (now referred to as “Other Rehabilitation Project”). The failure to file a Certificate of Compliance caused the original language adopted by emergency action 2020-0514-02 and further amended prior to its reverting by emergency action 2021-

0120-01E raises questions as to the viability of the latter amendments. CDLAC seeks to permanently delete this definition which will be replaced by “Other Rehabilitation Project”.

CDLAC is adopting the current definition of “Other Rehabilitation Project” as amended by emergency action 2021-0120-01E without further amendment.

CDLAC is repealing the definition of “Preservation Pool,” as adopted by emergency action 2020-0514-02 and further amended by emergency action 2021-0120-01E prior to its reverting (now referred to as “Preservation Project”) The failure to file a Certificate of Compliance caused the original language adopted by emergency action 2020-0514-02 and further amended prior to its reverting by emergency action 2021-0120-01E raises questions as to the viability of the latter amendments. CDLAC seeks to permanently delete this definition which will be replaced by “Preservation Project”.

CDLAC is adopting the current definition of “Preservation Project” as amended by emergency action 2021-0120-01E without further amendment.

On January 15th, 2020, the CDLAC board approved separating the Multifamily General pool into three sub-pools: New Construction, Preservation, and Other Affordable. Given the competitive nature of CDLAC rounds in the drive to build new units, it was decided, in order to preserve allocation, new construction projects compete in their own pool. It was also discussed, that while there is a need to preserve affordability for acquisition/rehabilitation projects, these projects should be considered and compete but with an at-risk status.

These amendments were included in two prior emergency filings, but no Certificate of Compliance was recorded for either and therefore the amendments were repealed by OAL.

Amend Title 4, Section 5190, subsection (c): “Readiness”.

The amendment proposing a deletion in this section 5190 proposed by emergency action 2020-0514-02 failed to take effect. The section was extensively rewritten prior to its expiration date by subsequent emergency regulations. As a result, the language proposed for deletion cannot and should not be replaced in this section.

Amend Title 4, Section 5230): “Evaluation Criteria”.

The amendments proposing a deletion and amendments in this section 5230 proposed by emergency action 2020-0514-02 failed to take effect. The section was extensively rewritten by subsequent emergency regulations prior to its expiration date. As a result, the language proposed for deletion cannot and should not be replaced in this section, although the amended section should continue to be in effect.

Amend Title 4, Section 5233): “Allocation Limits”.

In subsection (a), CDLAC is increasing its current allocation limits of bond allocation on a per unit basis (adjusted by the number of bedrooms) in the General and Rural Multifamily Pools. Current limits are as follows:

Studio and SRO:	\$402,500
One-bedroom:	\$420,000
Two-bedroom:	\$447,500
Three-bedroom:	\$492,500
Four or more bedroom:	\$517,500

The proposed new limits are as follows:

Studio and SRO:	\$522,000
One-bedroom:	\$544,000
Two-bedroom:	\$580,000
Three-bedroom:	\$638,000
Four or more bedroom:	\$671,000

The current allocation limits in CDLAC regulations were developed in 2016. Construction costs have greatly increased in the past five years. The adjustment is based on the change in total development costs between December 2016 applications and December 2019 projects (typically a high-volume month for CDLAC).

The addition of the last sentence, “In determining compliance with this test, CDLAC staff may rely on the legal or tax opinion submitted with the application.” was an amendment in the emergency action 2021-0120-01E but is not reflected in the official regulations. It is added to this emergency regulation in order to ensure that the authority is available to CDLAC.

These cost cap amendments were in an amendment filed 5-22-2020 as an emergency pursuant to Government Code section 8869.94; operative 5-22-2020 (Register 2020, No. 21). An additional emergency filed 5-22-2020 extended 60 days pursuant to Executive Order N-40-20 and an additional 60 days pursuant to Executive Order N-66-20 (Register 2020, No. 21). A Certificate of Compliance was not transmitted to OAL by 3-22-2021 and the emergency language was repealed by operation of law on the following day.

Amend Title 4, Section 5250(a) (1)-(2): “Application Requirements”.

Pursuant to Title 4, § 5250, (1) A Capital Needs Assessment report may combine information for all Project sites in one report. (2) A Market Study may combine information for all Project sites in one report; however, the Market Study must have separate Rent Comparability Matrices for each site.

CDLAC is proposing clarification language allowing for New Construction to be in accordance with CTCAC application requirements. CTCAC allows new construction scattered site projects as well as acquisition/rehabilitation scattered site projects. There is a need for clarification in CDLAC regulations as it does not explicitly exclude new construction scattered site projects. For clarification, consistency, and joint application alignment with CTCAC, clarification language added in subsection (a)(1) and (a)(2) is proposed to distinguish between the obligation for both types of scattered site projects.

These amendments were in an amendment filed 5-22-2020 as an emergency pursuant to Government Code section 8869.94; operative 5-22-2020 (Register 2020, No. 21). An additional emergency filed 5-22-2020 extended 60 days pursuant to Executive Order N-40-20 and an additional 60 days pursuant to Executive Order N-66-20 (Register 2020, No. 21). A Certificate of Compliance was not transmitted to OAL by 3-22-2021 and the emergency language was repealed by operation of law on the following day.

CALIFORNIA CODE OF REGULATIONS
TITLE 4. BUSINESS REGULATION
DIVISION 9.5. CALIFORNIA DEBT LIMITATION ALLOCATION COMMITTEE
CHAPTERS 1 AND 2
SECTIONS 5000-5250, NONCONSECUTIVE SECTIONS

Amend Section 5000, Definitions

"Mixed Income Project" means a Qualified Residential Rental Project having 50% or fewer of its total units designated as Restricted Rental Units or is part of the California Housing Finance Agency Mixed-Income Program.

"Restricted Rental Units" means tenant occupied units within a Qualified Residential Rental Project that are restricted to households earning 60% or less of the applicable median family income pursuant to a Bond Regulatory Agreement ~~or a CTCAC regulatory agreement for a minimum of thirty (30) years.~~

Note: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.

Amend Title 4, Section 5052: "Forfeiture of Performance Deposit"

Section 5052. Forfeiture of Performance Deposit.

(a) For Projects receiving an allocation award on or after March 16, 2016, an extension of the expiration date for Qualified Residential Rental Bonds granted pursuant to Section 5101 or 5132 will result in forfeiture of the Project's performance deposit to the extent that the performance deposit has not previously been forfeited.

(b) If less than 80% of the Allocation is used to issue Bonds, a pro-rata portion of the deposit will be forfeited equal to the same percentage ratio as the amount of unused Allocation bears to the amount of awarded Allocation. If at least one (1) Mortgage Credit Certificate is not issued prior to the applicable expiration date, the entire performance deposit will be forfeited. If 80% or more of the Allocation is used to issue bonds prior to the expiration date, or at least one (1) Mortgage Credit Certificate is issued prior to the applicable expiration date, a full refund of the performance deposit will be authorized.

(c) Applicants bear the risk of forfeiting all or part of their performance deposit if the Allocation is not used in accordance with the conditions and/or timeframes set forth in the Committee Resolution.

(d) The Applicant shall remit all forfeited performance deposits to the Committee within thirty (30) days of receipt of an invoice issued by the Committee.

(e) An Applicant may request waiver of a performance deposit forfeiture by submitting a written request to the Executive Director within 30 days of the date of the Committee's Forfeiture Fee Invoice. The Committee shall grant a forfeiture extension upon a showing that the request aligns with an extended allocation and waiver upon showing the circumstances prompting the forfeiture were unforeseen and entirely beyond the control of the Project's sponsor and development team. The granting of a waiver pursuant to this subsection will not preclude performance deposit forfeiture for subsequent extensions of the expiration date for Qualified Residential Rental Bonds granted pursuant to Section 5101 or 5132.

(f) If the awarded project is from a joint CDLAC/CTCAC application and not awarded State Tax Credits and therefore is unable to fill the financing gap, the issuer may return the allocation to the Committee within 90 days after notice of failure to obtain State Tax Credits without forfeiture of the performance deposit or assessment of negative points.

Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e) and 8869.86(c)(3), Government Code.

Amend Title 4, Section 5060: "Minimum Requirements".

Section 5060. Minimum Requirements

(a) Applicants, other than Applicants for a Mortgage Credit Certificate Program, shall provide evidence of a plan to privately place or publicly sell the proposed Bonds with or without Credit Enhancement for an amount no less than the amount requested in the Application. All relevant bond documents for Qualified Residential Rental Projects must permit principal payments or prepayments on the underlying loan(s) as transferred proceeds in a bond preservation and recycling program as permitted by 26 U.S.C. Section 146(i)(6) and shall require no less than thirty (30) days notice to CDLAC and to the applicant prior to the redemption of bonds at the conversion to permanent financing. Bond sale structures that include a credit rating shall be subject to the following:

(1) Governmental Bond issued with full recourse to, or guaranteed by a general obligation of a governmental entity with taxing authority or Qualified Private Activity Bonds with recourse to the corporate parent entity of the Project Sponsor via a corporate guarantee must have an investment grade credit rating for the Project or the source of the aforementioned guarantee for the Project.

(2) Qualified Private Activity Bonds without a governmental or corporate guarantee shall provide a credit rating specifically for the transaction.

(3) Governmental Bond issues with limited recourse (i.e. lease revenue Bonds, project-specific recourse, or certificates of participation) may provide either a credit rating specifically for the transaction or provide evidence of a current credit rating for an existing outstanding Bond with the same source of debt repayment.

(4) All Bond ratings shall include evidence that the credit rating has been provided within the last six (6) months, or that the current credit rating for outstanding Bond(s) has been substantiated via the most recent updated surveillance review completed by a rating agency within the last thirty six (36) months.

(b) Applicants requesting an award of Allocation for pollution control projects administered by the California Pollution Control Financing Authority (CPCFA) should refer to CPCFA regulations for additional requirements.

(c) Notwithstanding the requirements set forth in article 6 of this chapter, the Committee may apply more stringent requirements and thresholds for a given Project based upon factors such as, but not limited to the size of the Bond issue and/or the specific ratings of the Applicant and/or Project Sponsor.

Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.

Amend Title 4, Section 5100: "Program Expiration Dates".

Section 5100 Program Expiration Dates.

(a) The expiration date of the Allocation shall be specified in the Committee Resolution and shall start from the date on which the Committee awards the Allocation.

(b) Notwithstanding extensions as provided in sections 5101 or 5103; the limitations prescribed by section 5104; or Allocations awarded on a carry-forward basis as provided in section 5131; the expiration dates for issuing Bonds or converting Bonds to Mortgage Credit Certificate authority shall be:

(1) One-Hundred Eighty (180) days for the issuance of Beginning Farmer Bonds, Mortgage Revenue Bonds, Small-Issue Industrial Development Bonds, Exempt Facility Bonds, and the conversion of Bonds to Mortgage Credit Certificate authority.

(2) One-hundred twenty (120) days for the issuance of Student Loan Bonds and for the issuance of at least one (1) Mortgage Credit Certificate.

(3) For Qualified Residential Rental Project Bonds, the following expiration dates shall be assigned randomly by a lottery drawing conducted by the Executive Director within five (5) business days following each Allocation Round:

(i) ~~Projects receiving an allocation during a Competitive Allocation Process shall be assigned an expiration date of ninety (90) days, one hundred (100) days, or one hundred ten (110) days.~~

~~(ii)~~ Projects receiving an allocation ~~during a Competitive Allocation Process~~ shall be assigned an expiration date of one-hundred eighty (180) days or one-hundred ninety-four (194) days.

~~(iii)~~ (ii) A project's applicant may request an expiration date of less than one-hundred eighty (180) days by submitting a written request to the Executive Director. The request shall be submitted no later than the final posting date for the round in which the project is seeking an allocation.

Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e) and 8869.89, Government Code.

Amend Title 4, Section 5141: "Notification of Bond Issue".

Section 5141. Notification of Bond Issue.

Within twenty-four (24) hours of using the Allocation to issue Bonds or to convert Bond authority to Mortgage Credit Certificate authority, an Applicant or its counsel shall notify the Committee of such use of the Allocation via the e-mail address or facsimile number as provided in section 5140. The notification shall identify the Applicant, the Project or program, the date the Allocation was used, and the amount of the Allocation used and for Qualified Residential Rental Projects, the estimated date of conversion to permanent financing and confirmation that the bond documents meet the requirements set forth in section 5060.

Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.86(c), Government Code.

Amend Title 4, Section 5144, subsection (c): "Annual Applicant Public Benefits and On-Going Compliance Self Certification".

(c) For all QRRP projects receiving allocations after December 31, 2016, Sponsors will be required to utilize CTCAC's Compliance Manual specifically Section ~~VI~~ IV: Qualify Tenants for Low Income Housing Tax Credit Units, to verify tenant income in conjunction with initial occupancy. No less than every three years after the project is completed, the Sponsor must collect and retain the following income and verification documentation related to all the Federally Bond-Restricted units identified in the Committee Resolution or Restricted Rental Units as defined in Section 5000: CTCAC Tax Income Calculation (TIC) or equivalent documentation, all associated source income documentation, and evidence of the verifying income computation. Additionally Project Sponsors will be required to prepare and forward a CTCAC Project Status Report (PSR) or equivalent documentation to the Applicant annually in conjunction with the Annual Applicant Public Benefits and On-going Compliance Self Certification. Sponsors must retain information pertaining to the income verification process for 10 years.

Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a), 8869.85(b) and 8869.86(c), Government Code

Adopt and Amend Title 4, Section 5170: "Definitions".

~~"Federally Assisted At Risk Project" means a property that is at risk of conversion as defined by Revenue and Taxation Code section 17058(c)(4) and by section 10325(g)(5)(B)(1) of Title 4 of the California Code~~

of Regulations, or a property that otherwise meets all requirement of Revenue and Taxation Code section 17058(c)(4) and section 10325(g) of Title 4 of the California Code of Regulations, except that the federal assistance due to expire within five (5) calendar years of application to the Committee may include a tax-exempt private activity Bond regulatory agreement.

....

~~“New Construction” means a Qualified Residential Rental Project in which 100% of its units constituting new units to the market, and expressly excludes any Project that involves rehabilitation or any construction affecting existing residential rental units.~~

~~“New Construction Pool” means QRRP projects applying for an allocation of tax-exempt private activity bonds who meet at least one of the following: (1) the definition of “New Construction” in Section 5170, (2) projects that involve the demolition or rehabilitation of existing residential units that increase the unit count by (i) 25 or (ii) 50% of the existing units, whichever is greater or (3) adaptive reuse of non-residential structures.~~

~~“New Construction Project” means QRRP projects applying for an allocation of tax-exempt private activity bonds who meet at least one of the following: (1) 100% of its units constitute new units to the market, (2) involves the demolition or rehabilitation of existing residential units that increase the unit count by (i) 25 or (ii) 50% of the existing units, whichever is greater or (3) adaptive reuse of non-residential structures including hotels and motels that were converted to residential use within the previous five years from the date of the application..~~

“New Construction Project” means QRRP projects applying for an allocation of tax-exempt private activity bonds that meet at least one of the following: (1) 100% of its units constitute new units to the market, (2) involve the demolition or rehabilitation of existing residential units that increase the unit count by (i) 25 units or (ii) 50% of the existing units, whichever is greater or (3) adaptive re-use of non-residential structures, including hotels and motels that were converted to residential use within the previous five (5) years from the date of the application.

~~“Other Restricted Units” means units that are not Federally Bond-Restricted Units but are affordable and identified in the CDLAC resolution as being subject to the long-term rent and income restrictions.~~

...

~~“Other Affordable Pool” means QRRP Projects applying for an allocation of tax-exempt private activity bonds from the General Pool that are no eligible for New Construction or Preservation Projects. This would include but not be limited to acquisition/rehabilitation projects or projects which involve both acquisition/rehabilitation and new construction.~~

“Other Rehabilitation Project”: means a QRRP Project applying for an allocation of tax-exempt private activity bonds from the General Pool that is not eligible for treatment as a New Construction or a Preservation Project. In a Competitive Application Process, a rehabilitation project or an acquisition and rehabilitation project must meet all of the following criteria:

1. Will complete at least \$60,000 in hard construction costs per unit, as defined in CTCAC Regulation Section 10320(u); and,

2. At least 60% of hard construction costs shall be expended only on immediate health and safety improvements, seismic and accessibility improvements and/or the replacement of major systems with a remaining useful life of less than ten years, as evidenced by a CTCAC Capital Needs Assessment.

~~“Preservation Pool” means QRRP Projects applying for an allocation of tax-exempt private activity bonds preserving affordability through items such as but not limited to the HUD RAD Program, HUD Section 18 projects, and pre FY 2000 AB 1699 projects funded on former IRS Code guidelines, projects meeting the definition of an At-Risk project as defined in TCAC regulation 10325(g).~~

“Preservation Project” means a QRRP project applying for an allocation of tax-exempt bonds that is not a New Construction Project and meets at least one of the following: (1) has a pre-1999 HCD loan that is being restructured pursuant to Section 50560 of the Health and Safety Code (AB 1699 projects) (2) any replacement or rehabilitation project approved by HUD pursuant to a Section 18 or Section 22 Demolition/Disposition authorization; (3) an At-Risk project that is not subject to a regulatory agreement imposing a rent restriction with a remaining term that is greater than five years from the year in which the application is filed that restricts income and rents on the residential units to an average no greater than 60% of the area median income; (4) any project being rehabilitated under the HUD Rental Assistance Demonstration (RAD) Program, or (5), a project that meets all of the following: (A) the project (or projects, if more than one) is not currently encumbered with an existing CDLAC (via bond issuer), CTCAC, or other affordability regulatory agreement, with the exception of a regulatory agreement associated with a HUD Project-Based Section 8 or USDA Rental Assistance contract; (B) the project (or projects, if more than one) is subject to an existing project-based contract under Section 8 of the United States Housing Act of 1937 or any comparable rental assistance program that provides rental assistance to at least 50% of the units; and (C) the project (or projects, if more than one) shall be required to complete rehabilitation work at a minimum of \$60,000 in hard construction costs per unit, as defined in CTCAC Regulation Section 10302(u), subject to the provisions of IRC Section 42(e)(3)(A)(ii)(I).

Note: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.

Amend Title 4, Section 5190, subsection (c): “Readiness”.

No Amendment: See Informative Digest

Amend Title 4, Section 5230): “Evaluation Criteria”.

No Amendment: See Informative Digest

Amend Title 4, Section 5233): “Allocation Limits”.

Section 5233 Allocation Limits

- (a) Limit CDLAC bond allocation on a per unit basis (adjusted by the number of bedrooms) in the QRRP Pools as follows:

Studio and SRO	<u>\$402,500</u>	<u>\$522,000</u>
One bedroom	<u>\$420,000</u>	<u>\$544,000</u>

Two-bedroom	\$447,500	\$580,000
Three-bedroom:	\$492,500	\$638,000
Four or more bedroom	\$517,500	\$671,000

(b) Private Activity Bond allocation awards cannot exceed 55% of the aggregated depreciable basis plus land basis. In determining compliance with this test, CDLAC staff may rely on the legal or tax opinion submitted with the application.

Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.

Amend Title 4, Section 5250: “Application Requirements”.

Section 5250 Application Requirements

(a) Applications for Scattered Site Projects shall provide all information required for each site. Additional stipulations are as follows:

(1) A For acquisition and rehabilitation projects, a Capital Needs Assessment report may combine information for all Project sites in one report.

(2) A For new construction projects and acquisition/rehabilitation projects, a Market Study may combine information for all Project sites in one report; however the Market Study shall have separate Rent Comparability Matrices for each site.

(3) Acquisition/Rehabilitation Projects where each location is subject to an existing Residential Rental Regulatory Agreement or a federal, state, or local operating or rental assistance agreement may provide, as an alternative to providing a market study and affordability matrices consistent with Sections 5200(a) and 5250(a)(3), a comprehensive market study consistent with 26 U.S.C. Section 42(m)(1)(A)(iii). The study must be a written statement certified by a third party market analyst and the project must meet at least one of the following requirements:

(A) as certified by a third-party market analyst, the proposed tenant paid rents and income targeting will not exceed one hundred-five percent (105%) of the current rents and targeting and a vacancy rate of no more than five percent (5%); for single room occupancy and special needs housing a vacancy rate of no more than ten percent (10%); or

(B) as evidenced by copies of executed contracts, the project has been receiving federal, state, or local operating or rental assistance and will continue to receive such assistance for at least five (5) additional years. If a contract demonstrating operating or rental assistance for an additional five (5) years is not available, a letter signed by the contractor's senior official may be submitted that describes the efforts undertaken to effectuate an operating or rental assistance contract, the expected duration of the contract, and the expected contract execution date.

(4) Evidence of site control shall be required for each site.

(5) Any maps provided shall include each site.

(b) An Applicant may seek a waiver of the Scattered Site five (5) location limit. A written request describing how the project will benefit from waiver of the location limit must be submitted no later than the application due date for the allocation round in which the Project is seeking an allocation.

Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.

CDLAC has posted the proposed emergency regulations on its website pursuant to a five-day public comment period. If approved by the Committee, staff will submit the emergency regulations to the Office of Administrative Law for final review and approval.

RECOMMENDATION:

Staff recommends approval of the proposed Emergency Regulations.



California Debt Limit Allocation Committee

AGENDA ITEM 8

Public Comment



California Debt Limit Allocation Committee

AGENDA ITEM 9

Adjournment