

CTCAC ALLOCATION PROCESS FOR SET ASIDES AND GEOGRAPHIC REGIONS

Estimated as of February 1, 2023 (Updated August 23, 2023)

Step 1 - Calculate Total Federal Credit Ceiling (1)

New Population Based Credits	<i>Per Capita</i>	<i>Population*</i>	
	\$2.75	39,029,342	\$107,330,691
Forward Committed 2022 Credit			\$0
Available Returned Credit/Surplus Credits			\$989,983
Total Federal Credit Ceiling			<u>\$108,320,674</u>

Step 2 - Determine Set Asides (2)

Set Asides	%	Annual Set Aside Amount	Round 1 Set Aside Amount	Credit Awarded in Round 1	Round 2 Set Aside Amount
Nonprofit	10%	\$10,832,067	\$5,416,034	\$5,781,713	\$5,050,354
Rural	20%	\$21,664,135	\$10,832,068	\$10,945,825	\$10,718,310
<i>RHS and HOME Apportionment</i>	14%	\$3,032,979	\$1,516,490	\$1,918,446	\$1,500,563
<i>Native American Apportionment</i>		\$1,500,000	\$1,500,000	\$1,739,667	\$0
<i>Other</i>		\$17,131,156	\$7,815,578	\$7,287,712	\$9,217,747
Second Supplemental Set Aside		\$2,000,000	\$0	\$0	\$2,000,000
At-Risk	5%	\$5,316,034	\$2,658,017	\$3,428,294	\$1,887,740
Special Needs	4%	\$4,252,827	\$2,126,414	\$3,075,199	\$1,177,628
Supplemental Set Aside**	3%	\$3,195,818	\$0	\$0	\$3,195,818
Total Set Asides		<u>\$47,260,881</u>	<u>\$21,032,533</u>	<u>\$23,231,031</u>	<u>\$24,029,850</u>

Step 3 - Determine Geographic Apportionments (3)

Total Credit Ceiling	Federal Annual	State Total
	\$108,320,674	\$148,742,850
<i>Less Set-Asides (not including Returned Credits)</i>	<i>(\$47,260,881)</i>	
<i>Less State Credits for 4% Projects</i>		<i>(\$17,797,650)</i>
<i>Remaining Balance</i>	\$61,059,793	\$130,945,200
<i>State Credit Adjuster</i>		80%
Credit Ceiling Balance to Geographic Regions	\$61,059,793	\$104,756,160

Apportionments by Region	%	Annual Federal Credit	Total State Credit	Annual		Credited Awarded in Round 1	Estimated Adjusted Credit for Round 2 (b)
				Adjusted Credit (a)	Available Credit for Round 1		
City of Los Angeles	17.6%	\$10,746,524	\$18,437,084	\$12,590,232	\$13,578,133	\$11,682,438	\$8,190,811
Balance of Los Angeles County	17.2%	\$10,502,284	\$18,018,060	\$12,304,090	\$10,561,547	\$12,006,095	\$4,707,497
Central Valley Region	8.6%	\$5,251,142	\$9,009,030	\$6,152,045	\$0	\$0	\$598,672 ***
San Diego County	8.6%	\$5,251,142	\$9,009,030	\$6,152,045	\$345,485	\$0	\$3,421,508
Inland Empire Region	8.3%	\$5,067,963	\$8,694,761	\$5,937,439	\$621,288	\$0	\$3,590,008
East Bay Region	7.4%	\$4,518,425	\$7,751,956	\$5,293,621	\$4,420,216	\$3,144,982	\$3,922,045
Orange County	7.3%	\$4,457,365	\$7,647,200	\$5,222,085	\$0	\$0	\$943,306 ***
South and West Bay Region	6.0%	\$3,663,588	\$6,285,370	\$4,292,125	\$4,956,434	\$5,484,706	\$1,617,791
Capital Region	5.7%	\$3,480,408	\$5,971,101	\$4,077,518	\$536,056	\$0	\$2,574,815
Central Coast Region	5.2%	\$3,175,109	\$5,447,320	\$3,719,841	\$3,535,267	\$4,291,010	\$1,104,178
Northern Region	4.4%	\$2,686,631	\$4,609,271	\$3,147,558	\$244,070	\$0	\$1,817,849
San Francisco County	3.7%	\$2,259,212	\$3,875,978	\$2,646,810	\$6,398,283	\$0	\$7,721,688
	100%	\$61,059,793	\$104,756,161	\$71,535,409	\$45,196,779	\$36,609,231	\$40,210,168

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

*Population Figure released in IRS Notice 2023-22 on March 20, 2023.

**Supplemental Set-Aside includes federal credits returned after February 1, 2023

***The remaining deficits from 2022 are accounted for in the Estimated Adjusted Credit for Round 2.

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

(b) Estimated Adjusted Credit totals were calculated as follows: (the adjusted annual credit x 50%) + surplus or deficit from Round 1

(1) "Credit Ceiling is defined in CTCAC Regulation Section 10302(j) to include all elements shown below, following Ceiling definition in IRS Code Section 42.

(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(h)-(i).

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	\$48,650,999
2023 Calculated State Tax Credits Available	\$118,650,999
Plus Carry Forward of Prior Year's Credits	\$30,091,851
Plus Returned Credits	\$0
Total State Tax Credit Available for 2023	\$148,742,850

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

	Set Aside Percentage	Set Aside Amount	Credit Awarded
4% Projects	15%		
Round 1		\$17,797,650	\$2,356,148
Round 2*		\$17,797,650	\$2,356,148
Round 3		\$16,389,943	\$0
		\$16,389,943	TBD

*State Credit Available in Round 2 includes \$948,441 in returned credits from Round 1.

9% Projects	Balance of Total	\$130,945,200
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Step 6 - Calculate Housing Type Goals, Federal & State Tax Credits

Total Federal Tax Credit Ceiling (Annual Amount Multiplied By Ten)	\$1,083,206,740
State Credit Ceiling After Set Aside for Bond Projects	\$130,945,200
State Credit Ceiling After Set Aside for Bond Projects with 80% Adjustment	\$104,756,160
Total Stated As Annual	\$118,796,290

Total Awarded in Round 1	\$61,111,130
Total Available in Round 2	\$57,685,160

Housing Type Goals	Type	Percentage	Annual	Round 1	Round 2
	Large Family	65%	\$77,217,589	\$38,608,795	\$37,495,354
	Large Family New Construction ¹	30%	\$35,638,887	\$17,819,444	\$17,305,548
	Special Needs	30%	\$35,638,887	\$17,819,444	\$17,305,548
	SRO	15%	\$17,819,444	\$8,909,722	\$8,652,774
	At-Risk	15%	\$17,819,444	\$8,909,722	\$8,652,774
	Seniors	15%	\$17,819,444	\$8,909,722	\$8,652,774

Total Federal Tax Credit Available in <u>Rural Set Aside</u> (Stated As Annual)	\$21,664,135
Total Awarded in Round 1	\$10,945,825
Total Available in Round 2	\$10,718,310

Housing Type Goals in <u>Rural Set Aside</u>	Type	Percentage	Annual	Round 1	Round 2
	Acquisition and/or Rehabilitation	30%	\$6,499,241	\$3,249,621	\$3,215,493
	Large Family New Construction ¹	30%	\$6,499,241	\$3,249,621	\$3,215,493
	Seniors	15%	\$3,249,620	\$1,624,810	\$1,607,747

¹Large 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 2023	\$500,000,000
Plus Carry Forward of Prior Year's Credits	\$16,505,403
Total State Tax Credit Available in 2023	\$516,505,403

	<u>Available</u>	<u>Awarded</u>
General Allocation	\$316,505,403	\$315,552,485
Round 1	\$316,505,403	\$315,552,485
Round 2*	\$2,928,035	\$0
Round 3**	\$21,117,773	TBD

* Includes \$1,975,117 in returned state credit from Round 1

** Includes \$18,189,738 in remaining state credit transferred from CalHFA MIP Allocation to General Allocation for Round 3

	<u>Available</u>	<u>Awarded</u>
California Housing Finance Agency (CalHFA) - Mixed-Income Program (MIP) Allocation	\$200,000,000	\$181,810,262
Round 1	\$0	\$0
Round 2	\$200,000,000	\$181,810,262
Round 3*	\$0	\$0

* \$18,189,738 in remaining state credit transferred from CalHFA MIP Allocation to General Allocation prior to Round 3

STATE FARMWORKER TAX CREDITS

State Farmworker Tax Credits Available in 2023	\$0
Plus Annual Allocation Amount	\$500,000
Total State Farmworker Tax Credits Available in 2023	\$500,000