



# 2025 ANNUAL REPORT

## California Tax Credit Allocation Committee

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Front: Completed in 2025, Prospera at Homestead is a newly completed 108-unit affordable housing community in Dixon, developed as part of the Homestead Master Plan – a major component of the broader Southwest Dixon Specific Plan. The community serves individuals and families earning up to 60% AMI and includes amenities such as a resident services coordinator, after-school programming, playground, outdoor BBQ and recreation areas, and dog park, and clubhouse. Directly next door, Silvey Villas at Homestead provides 72 affordable homes for seniors. The two communities were intentionally designed as a multi-generational housing hub, connected through walkways and shared outdoor activity spaces to encourage interaction and community building across age groups. The development received tax-exempt bonds from CDLAC's Rural Pool and federal 4% and enhanced state tax credits from CTCAC. (Photo Credit: Hampstead Development Partners, Inc. and Crestone Development)



# TO GOVERNOR NEWSOM AND THE CALIFORNIA STATE LEGISLATURE:

## Requirements

Section 50199.15 (a) of the California Health and Safety Code requires the California Tax Credit Allocation Committee (CTCAC) to submit an annual report of the prior year's activities to the California State Legislature, reporting on the following information:

- The total amount of lower-income housing credits allocated by CTCAC;
- The total number of lower-income units that are, or will be, assisted by the credits occupied by households whose income is 60 percent or less of area median gross income;
- The amount of credits allocated to each project, other financing available to the project, and the number of units that are, or will be, occupied by households whose income is 60 percent or less of area median gross income; and,
- Sufficient information to identify the project.

The annual report must include an aggregation of information submitted annually by housing sponsors for all projects that received an allocation in previous years, specifying the following:

- Information sufficient to identify the project;
- The total number of units in the project; and,
- The total number of units assisted by the credit that are required to be occupied by households whose income is 60 percent or less of the area median gross income as a condition of receiving the credit.

Finally, the annual report to the Legislature must include any recommendations for improvement in the low-income housing tax credit and, beginning in 2025, an aggregation of the information submitted to CTCAC pursuant to AB 2873 (Jones-Sawyer, 2022).

**This entire report can also be viewed online:**

<https://treasurer.ca.gov/ctcac/annual-reports>



# CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

## Voting Committee Members

Fiona Ma, CPA, Chair

State Treasurer

Joe Stephenshaw

Director, Department of Finance

Malia M. Cohen

State Controller

Tony Sertich

Executive Director, California Housing Finance Agency

Gustavo Velasquez

Director, Department of Housing and Community Development

## Advisory Committee Members

Tyller Williamson

City Representative

Michelle Whitman

County Representative

***MISSION: To incentivize private investment in projects that support the development of safe and quality affordable housing that contributes to the economic vitality of California through the allocation of tax credits.***

## CTCAC Staff

**Marina Wiant, Executive Director**

**Anthony Zeto, Deputy Director**

Joe Boniwell, Senior Counsel

Carmen Doonan, Development Section Chief

Ashwin Mehta, Development Section Chief

Sarah Gullikson, Program Manager

Marisol Parks, Program Manager

Diane SooHoo, Program Manager

Sopida Steinwert, Program Manager

Lucy Vang, Program Manager

Tommy Shim, Research Data Specialist

Elizabeth Gutierrez, Compliance Division Chief

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Mayra Lozano, Compliance Section Chief

Phyllis Blanton, Program Manager

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Richard Fujitani, Program Manager

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Maliah Alexander

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Michelle Flock

Bahareh Haft Shayjani

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Joshua Helmich

Andy Her

Jerry Ingram

Noemy Iniguez

Rikki Jenkins

Elaine Johnson

Cameron Kalagher

Ashley Lambert

John Le

Cheng Lee

Tricia Mitchell

Pheng Moua

Noeh Nazareno

Alex Ninh

Jacob Paixao

Dillon Paule

Martin Presley

JoAnn Rosen

Jeanette Sanchez

Jahan Tahaei

Kevin Thai

Marilynn Thao

Eric Turlak

Jewelry Vang

Julio Villanueva

Gloria Witherow

Dua Xiong

Jerry Yang

Sabrina Yang

Andrew Yu

# EXECUTIVE SUMMARY

Since the program's inception in 1987, CTCAC has assisted more than 550,000 affordable units with tax credit awards, serving over 1 million lower-income households, supporting nearly 300,000 jobs per year, and generating over \$12 billion in tax revenue and \$3.5 billion in wages and business income per year.

Despite ongoing challenges facing the housing industry and the state – inflation, high interest rates, natural disasters – CTCAC continues to receive a large volume of shovel-ready project applications and had to turn away more than half due to limited federal 9% Low Income Housing Tax Credits (LIHTCs) and state Low-Income Housing Tax Credits (state LIHTCs).

LIHTCs are available for new construction projects or existing properties undergoing rehabilitation. Two types of federal tax credits are available and are generally referred to as nine percent (9%) and four percent (4%) LIHTCs. Each number refers to the approximate percentage that is multiplied against a project's requested "qualified basis" to determine the maximum amount of annual federal credits CTCAC may award the project. While low-income housing tax credits are referred to in annual terms, each federal LIHTC award earns investors 10 years of annual federal tax credits.

In 2025, **CTCAC awarded \$115.5 million in competitive annual federal 9% LIHTCs to 58 proposed housing projects, totaling 2,953 lower-income units and \$639.9 million in annual federal 4% LIHTCs to 195 proposed housing projects, totaling 25,476 lower-income units.** Included with the 9% and 4% federal tax credit awards listed above, CTCAC provided 17 of these projects with statutory state tax credit awards totaling \$115.3 million and provided 44 of these projects with competitive state tax credits

totaling \$512.6 million. State credits are instrumental in providing additional equity to projects when federal tax credits fall short of a project's needed financing, and state tax credit



*Awarded CDLAC bonds and 4% LIHTCs in December 2024, Amanda Villas in Southeast Los Angeles County broke ground in fall 2025. It will offer 140 apartment homes for seniors earning below 50% AMI and will feature a state-of-the-art health center, which will provide comprehensive medical, dental and behavioral health services to all residents. It is scheduled to open in Winter 2027.*

awards permit federal credits to be stretched across more projects, resulting in more housing being built.

In addition to awarding LIHTCs, CTCAC is responsible for ongoing compliance monitoring of California's tax credit housing portfolio. In 2025, **CTCAC staff physically monitored 1,241 tax credit projects and 16,081 units**. Monitoring visits include reviewing files and physically inspecting the units and common areas. Internal Revenue Code Section 42 and state statutes require state allocating agencies to monitor occupancy compliance at least once every three years throughout the initial 15-year credit period and every five years for the remaining 40-year term of the regulatory agreement.

In 2025, CTCAC staff held a total of 5 compliance workshops virtually to stakeholders, including owners, tax credit investors and property managers, to provide updates on CTCAC and the program generally. Over 30 hours of training was provided by CTCAC staff to the 979 participants who attended these workshops.

New for 2025, CTCAC awarded 12 projects a total of \$50,000,000 in State Historic Rehabilitation Tax Credits.

# 2025 CTCAC FAST FACTS



CTCAC administers the federal and state LIHTC program to encourage private investment in affordable rental housing for households meeting certain income requirements. In addition to allocating these resources, CTCAC provides federal compliance monitoring for the initial 15 years and then continues auditing and monitoring projects throughout the regulatory agreement period, in most cases for a total of 55 years.

## 9% Program

\$115,545,376

Federal 9% LIHTCs  
Allocated

\$115,271,800

State LIHTCs Allocated

58

Projects Awarded

2,953

Lower-Income Units to be  
Developed

## 4% Program

\$639,918,711

Federal 4% LIHTCs  
Allocated

\$512,589,281

State LIHTCs Allocated

195

Projects Awarded

25,476

Lower-Income Units to be  
Developed

CTCAC development staff issued 1,413 IRS Forms 8609 to projects that were placed in service.

CTCAC compliance staff physically monitored 1,241 tax credit projects and 16,081 units and offered more than 30 hours of training, which was attended by 979 participants statewide.

# 9% LOW-INCOME HOUSING TAX CREDITS

The U.S. Census Bureau reported California's estimated July 1, 2024 population as 39,431,263 to be used for 2025 and a per capita rate of \$3.00. This resulted in a 2025 Housing Credit Ceiling of \$118,293,789 in annual federal 9% LIHTCs. In terms of credits, this is a \$5,294,728 increase in federal 9% LIHTCs from the 2024 State Housing Credit Ceiling. When accounting for \$931,976 in forward committed 2024 federal 9% LIHTCs and \$98,101 in surplus credits, CTCAC had a total of \$117,459,914 in federal 9% LIHTCs available for allocation.

In 2025, **CTCAC allocated \$115,545,376 federal 9% LIHTCs to 58 projects, totaling 2,953 lower-income units.** The IRS released the 2025 National Pool allocations in late December, distributing \$13.1 million in unused LIHTCs to 25 states, the highest amount since 1995. CTCAC was allocated in \$2,389,455 resulting in a surplus of \$1,943,714 for use in 2026.



*Turning Point Commons is an existing 66 unit affordable complex in Chico that was built in 1982 and is comprised of 18 buildings. One 5-unit building is currently uninhabitable due to a fire. With the existing regulatory agreement set to expire in 2027, this property received federal 9% tax credits in 2025 in the At Risk set-aside. The award will ensure full rehabilitation of uninhabitable units and preserve affordable for another 55 years. (Photo Credit: Community Housing Improvement Program)*

## Demand and Applications

Applicants submitted a total of 141 applications for federal 9% LIHTCs in 2025, with 58 projects, or 41%, receiving a tax credit allocation.

**\$284,782,854**

Federal 9% LIHTCs Requested

**\$115,545,376**

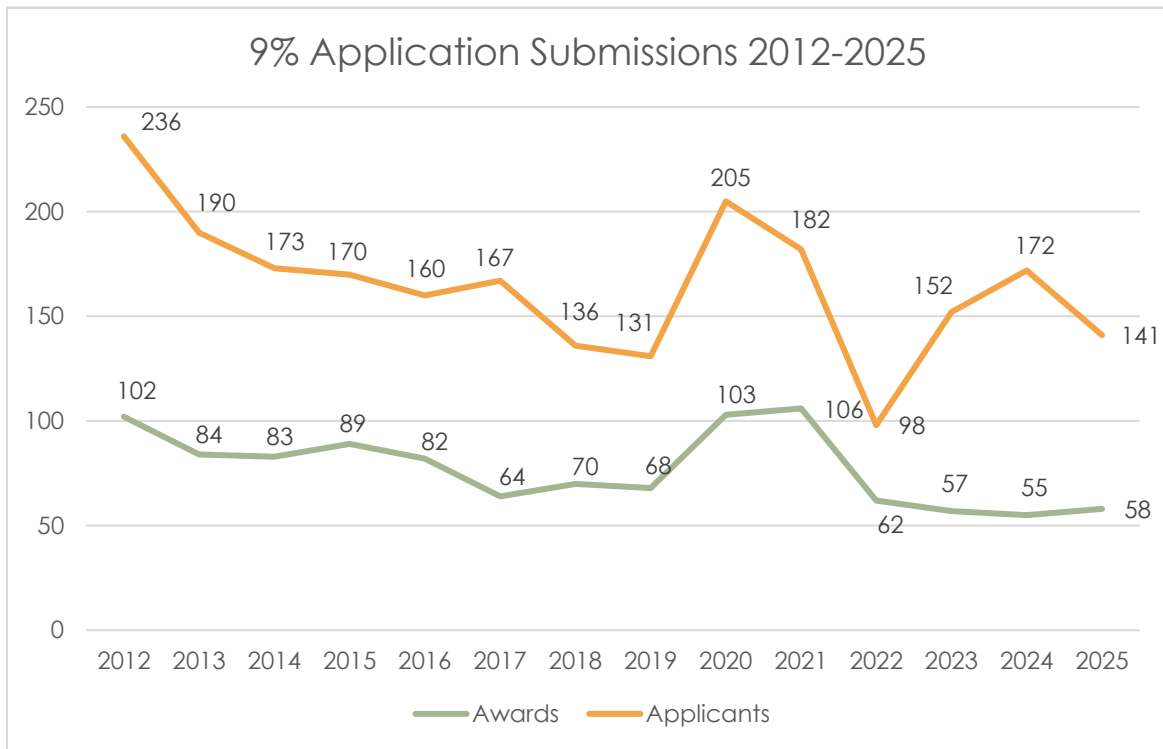
Federal 9% LIHTCs Allocated

**58**

Projects Awarded

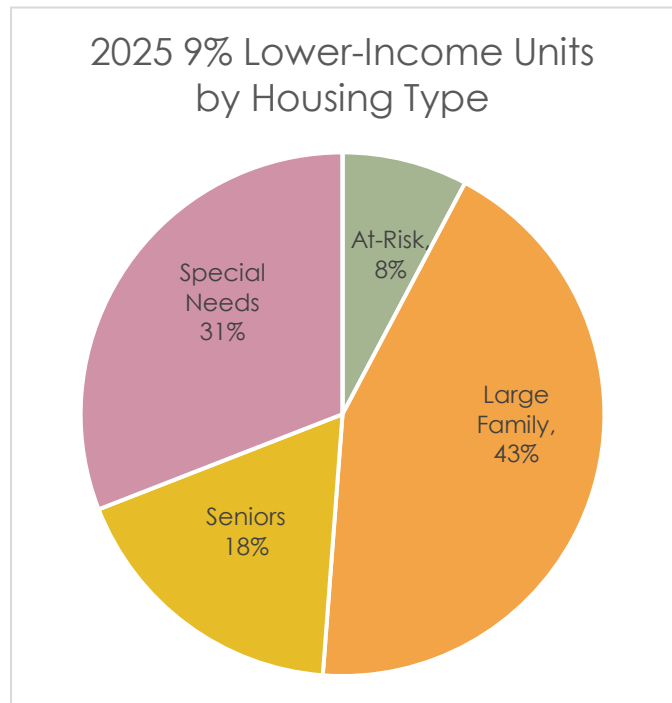
**2,953**

Lower-Income Units to  
be Developed



## Housing Types

State regulations require all 9% tax credit applicants to compete as one of five housing types: large family (3-bedroom or larger units accounting for at least 25% of total project units), special needs (e.g., persons with developmental, physical, or mental health disabilities, physical abuse survivors, individuals experiencing homelessness, or persons with chronic illness), single room occupancy (SRO) (90% of all units shall be efficiency or studio units), existing projects “At-Risk” of losing affordability, and senior projects. CTCAC uses the housing type tie breaker to ensure that no single housing type will exceed the percentage goals where other housing type maximums are not yet reached.



## Set-Asides

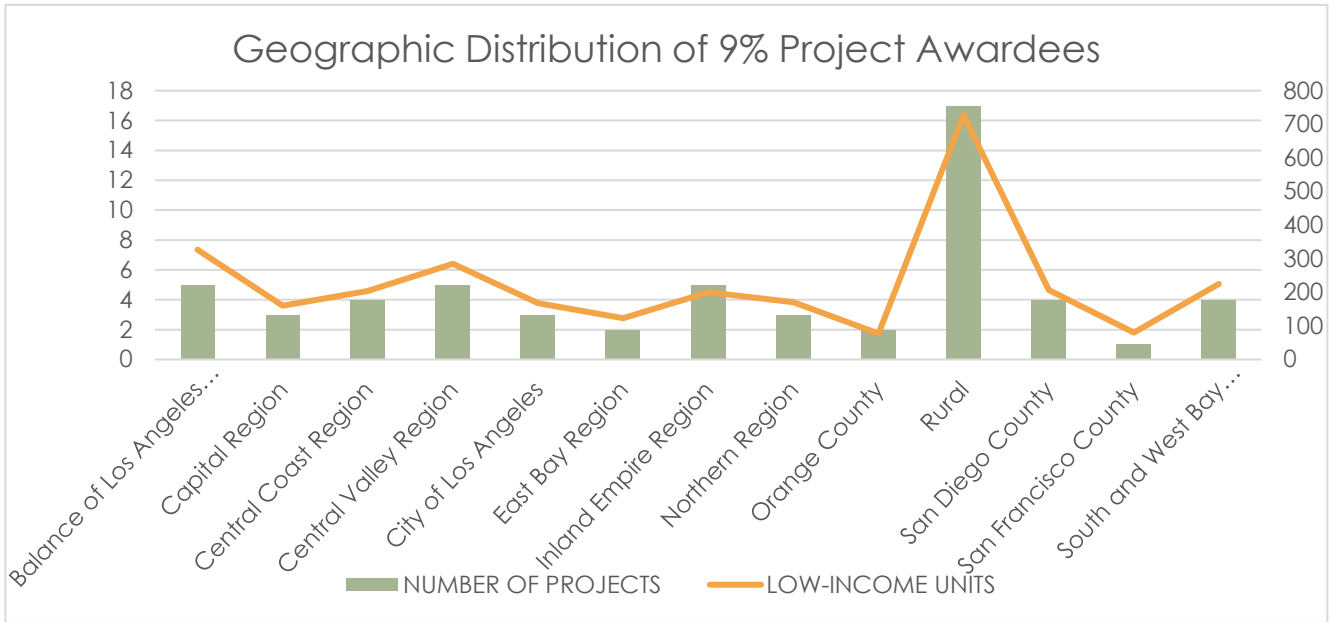
Consistent with federal and state law, CTCAC sets aside ten percent (10%) of the available 9% tax credits for non-profit entities. Within the non-profit set-aside, CTCAC regulations prioritize projects that designate at least 50% of the lower-income units for homeless households. State law also provides that 20% of federal credits be set aside for allocation to rural projects. CTCAC regulations provide for a 4% set-aside for special needs developments, a 5% set-aside for affordable housing at risk of losing affordability, and that 10% of the rural set aside be available for projects on land owned by a federally-recognized Indian tribe.



*Goldfinch at Mulberry Gardens in Riverside received CDLAC bonds and 4% LIHTCs in 2024 and broke ground in Winter 2025. The 149-unit affordable family development is being built alongside a senior development, Sparrow at Mulberry Gardens, which received federal 9% LIHTCs in 2023, and will share some community spaces. Sparrow and Goldfinch are anchored by the pedestrian paseo between the two buildings, which includes seating and gathering spaces and a walking loop running along the property edges. (Photo Credit: Eden Housing)*

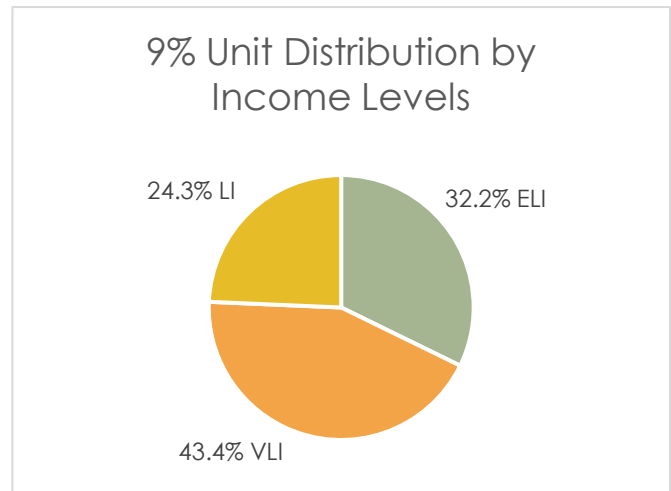
## Geographic Apportionment

The balance of the federal 9% LIHTCs are available to 12 geographic regions. The percentages for each region are in the CTCAC regulations and the amounts available and published on the CTCAC website prior to each 9% round in a credit estimates document. The apportionment percentages were updated in 2013 and are based on the population of renters with high housing cost burden (gross rent 50% or more of household income) and then adjusted for costs using the RS Means City Cost Index.



### Unit Distribution by Income Levels

In 2025, the 58 projects awarded federal 9% credits LIHTCs totaled 2,953 lower-income units. Of these, 952 units, or 32.2%, were targeted to extremely low-income households at income levels at or below 30% Area Median Income (AMI), 1,283 units, or 43.4%, were targeted to very low-income households at income levels between 30% and 50% AMI, and 718 units, or 24.3%, were targeted to low-income households at income levels between 50% and 80% AMI.



## 4% LOW-INCOME HOUSING TAX CREDITS

The federal 4% LIHTCs derive from a project's use of tax-exempt private activity bonds (PABs) allocated by the California Debt Limit Allocation Committee (CDLAC) and are limited only by the amount of bonds annually available in California. CTCAC and CDLAC analysts work collaboratively to review the bond and tax credit applications to ensure all federal and state requirements are met and that each project will contribute to the housing goals set by the State of California and the Treasurer's Office. The 4% applications at CTCAC are reviewed and scored competitively through the CDLAC scoring system. Only projects successful in the CDLAC competition will receive federal 4% LIHTCs.

In July 2025, H.R. 1 was signed into law, which, among other things, permanently reduced the bond financing threshold from 50% to 25%. Practically speaking, this change will allow California to finance nearly double the amount of affordable housing using PABs and federal 4% LIHTCs. California was the first state to begin implementing this change, with CDLAC and CTCAC adopting emergency regulations on August 5, just one month after the federal legislation was enacted.

As a result of these swift changes, in 2025, **CTCAC allocated \$639,918,711 in federal 4% LIHTCs to 195 projects, totaling 25,476 lower-income units, over 10,000 more units than in 2024.**

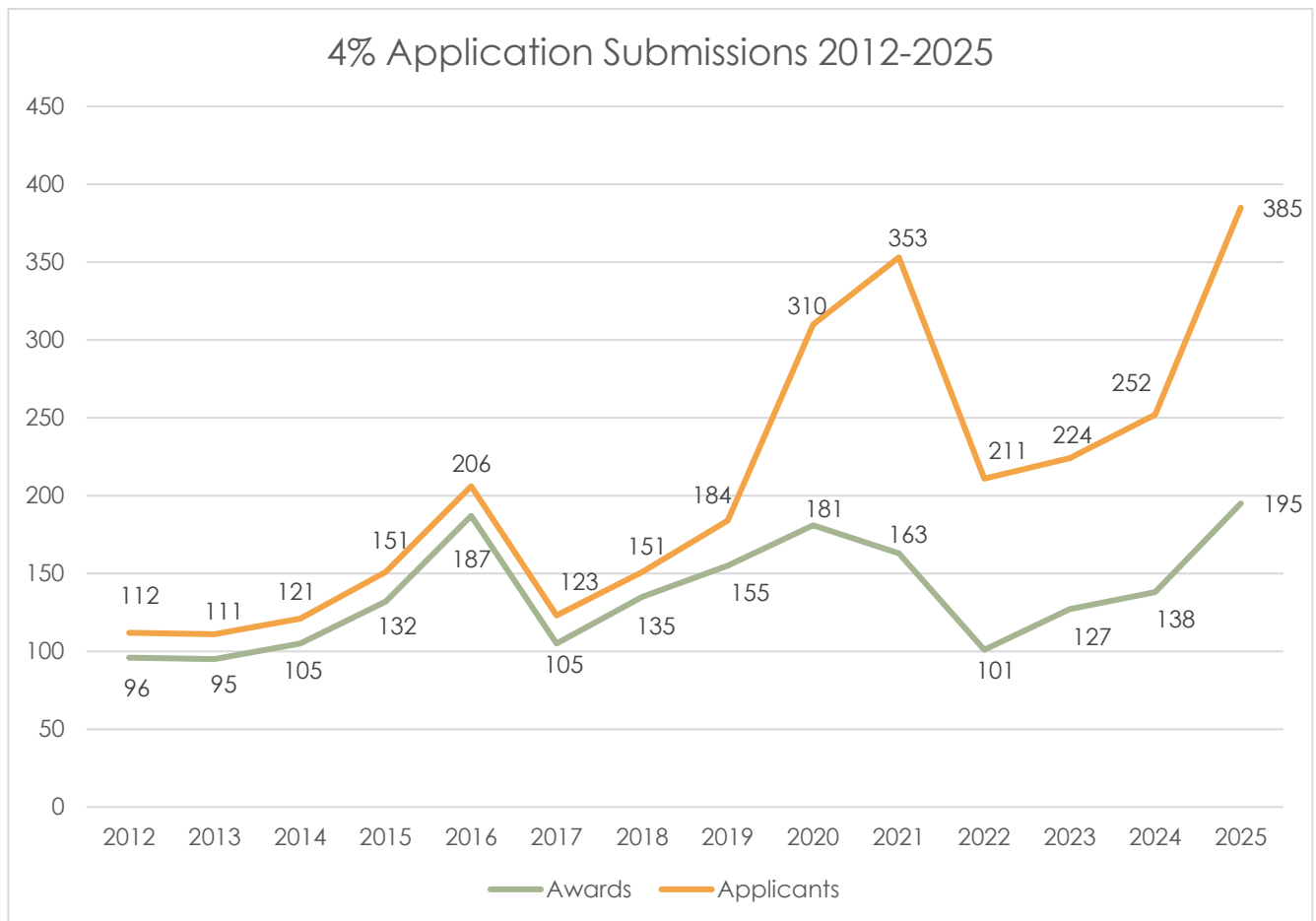


*Berryessa TOD, which received CDLAC bonds and federal 4% LIHTCs in 2025, is the first phase of the Berryessa BART Urban Village Plan – a comprehensive, multi-phase redevelopment initiative designed to create a vibrant, transit-rich, and pedestrian-friendly neighborhood centered around the Berryessa BART Station. Berryessa TOD will include 193 affordable units, 49 of which will be permanent supportive housing units for previously unhoused individuals or families with special needs. The site is one of several sites owned by Valley Transportation Authority (VTA) that are actively being converted from park-and-ride lots into affordable housing. (Photo credit: Affirmed Housing)*

## CDLAC Tax-Exempt Private Activity Bonds

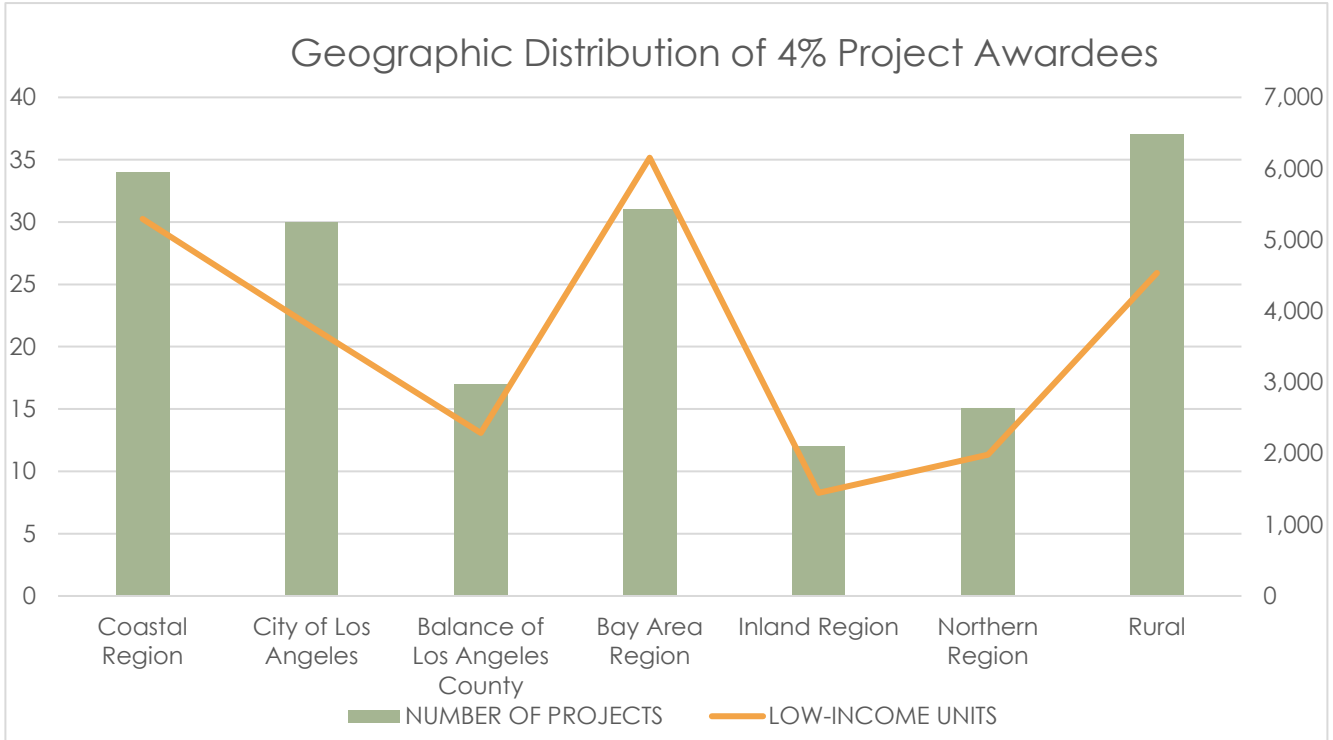
As stated above, federal 4% LIHTCs are limited only by the number of PABs annually available in California. At CDLAC, projects co-applying for 4% LIHTCs compete in the Qualified Residential Rental Project (QRRP) pool. The U.S. Census Bureau reported California's estimated July 1, 2024 population as 39,431,263, to be used for 2025 PAB calculation, resulting in a 2025 bond state ceiling of \$5,126,064,190. Combined with unallocated 2024 carryforward PABs, PABs, available for allocation in 2025 totaled \$5,143,749,252. On January 15, 2025, **CDLAC allocated \$4,803,749,252 or 93% of volume cap to QRRP** and established a competitive process for the 2025 program year.

In 2025, CDLAC received a total of 385 applications, with 195 projects, or 51%, receiving an award of PABs and federal 4% LIHTCs.



CDLAC's competitive application process prioritizes new construction projects, funds pools and set-asides to further prioritize QRRP projects that meet state priorities and sets geographic apportionments, as outlined below.

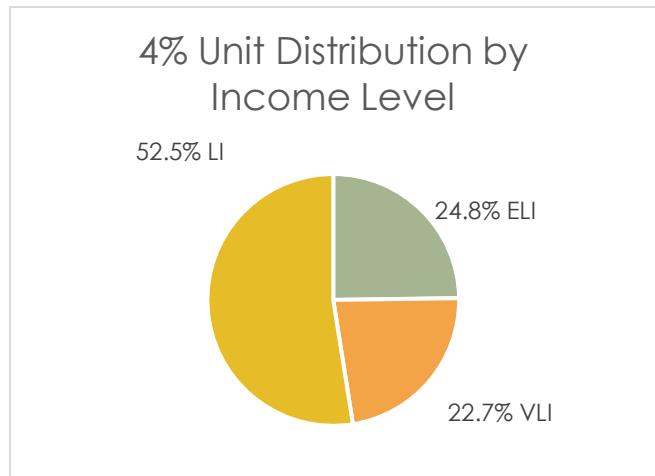
<b><u>Non-Geographic Pools</u></b>	<b><u>58%</u></b>
BIPOC	5%
Preservation	13%
Other Rehabilitation	5%
Rural – New Construction	5%
<b>New Construction Set-Aside</b>	
Homeless	25%
ELI/VLI	30%
CalHFA Mixed Income Program (MIP)	17%
<b><u>New Construction Geographic Apportionments</u></b>	<b><u>39%</u></b>
<b>Coastal Region</b> (Monterey, Napa, Orange, San Benito, San Diego, San Luis Obispo, Santa Barbara, Sonoma, and Ventura Counties)	21%
<b>City of Los Angeles</b>	17%
<b>Balance of Los Angeles County</b>	16%
<b>Bay Area Region</b> (Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Santa Cruz Counties)	21%
<b>Inland Region</b> (Fresno, Imperial, Kern, Kings, Madera, Merced, Riverside, San Bernardino, Stanislaus, and Tulare Counties)	16%
<b>Northern Region</b> (Butte, El Dorado, Placer, Sacramento, San Joaquin, Shasta, Solano, Sutter, Yuba, and Yolo Counties)	9%
<b><u>Supplemental Allocations</u></b>	<b><u>3%</u></b>



Additionally, CDLAC’s competitive application process prioritizes large family or special needs projects that are located in a “High” or “Highest Resource Area,” as specified on the CTCAC/HCD Opportunity Map Area, with a goal of allocating 50% of resources to projects in these areas. In 2025, CDLAC awarded 85 projects (44%) located in “High” or “Highest Resource Areas.”

**Unit Distribution by Income Levels**

In 2025, the 195 projects awarded federal 4% LIHTCs totaled 25,476 lower-income units. Of these, 6,313 units, or 24.8%, were targeted to extremely low-income (ELI) households at income levels at or below 30% AMI, 5,789 units, or 22.7%, were targeted to very low-income households (VLI) at income levels between 30% and 50% AMI, and 13,374 units, or 52.5%, were targeted to low-income households (LI) at income levels between 50% and 80% AMI.



# STATE LOW-INCOME HOUSING TAX CREDITS

Recognizing the high cost of developing housing in California, the State Legislature created the state low-income housing tax credit (state LIHTC) program in 1987 to augment the federal LIHTC program. State LIHTCs are only available to projects that previously received, or are concurrently receiving, an allocation of federal LIHTCs. The 2025 state credit ceiling of \$126,125,128 less \$53,468,706 2024 in advance allocations in prior years resulted in an available amount of \$72,656,422 for 2025. Of the annual statutory state credit ceiling, 15% is available to be combined with tax-exempt bond financed acquisition/rehabilitation projects applying for federal 4% LIHTCs and the remaining balance is allocated through the federal 9% LIHTC geographic apportionments.

The state also provides \$500,000 in state farmworker tax credits annually, which was not allocated in 2025.

**In 2025, CTCAC allocated \$124,722,178 in statutory state credits to 17 federal 9% LIHTC projects and 1 federal 4% acquisition/rehab LIHTC project, totaling 976 lower-income units.**



*MOSA, a 387 unit affordable housing development in Elk Grove held its grand opening in 2025. Eight three-story and six four-story buildings make up the community along with learning centers, a fitness studio, courtyards and community lounges, recreation and play areas and surface parking. MOSA was one of the first projects financed from CDLAC's BIPOC pool, and received over \$70 million in enhanced state tax credits.*

Since 2020, the state budget has provided an additional \$500 million in state low-income housing tax credits (enhanced state LIHTCs) to be combined with federal 4% LIHTCs for new construction multifamily housing projects. The additional \$500,000,000, plus a carry forward of \$4,166,150 from 2024, totaled \$504,166,150 in available enhanced state LIHTCs. In 2025, \$100

million was set aside to be paired with projects receiving funding from the CalHFA Mixed Income Program and \$25 million was set aside for farmworker housing.

State enhanced LIHTCs continue to be highly competitive – 135 projects requested \$1,363,501,288 – and **CTCAC allocated \$503,138,903 in enhanced state LIHTCs to 43 projects, totaling 5,140 lower-income units.** Of these, two farmworker projects were awarded \$24,414,826 enhanced state LIHTCs of the available \$25 million, totaling 98 lower-income units.

State Credits for 9% Projects	State Credits for 4% Acq/Rehab Projects	State Credits for New Construction 4% Projects
<p>\$115,271,800</p> <p>State LIHTCs Allocated</p>	<p>\$9,450,378</p> <p>State LIHTCs Allocated</p>	<p>\$503,138,903</p> <p>State LIHTCs Allocated</p>
<p>17</p> <p>Projects Awarded</p>	<p>1</p> <p>Projects Awarded</p>	<p>43</p> <p>Projects Awarded</p>
<p>870</p> <p>Lower-Income Units to be Developed</p>	<p>106</p> <p>Lower-Income Units to be Developed</p>	<p>5,140</p> <p>Lower-Income Units to be Developed</p>

# STATE HISTORIC REHABILITATION TAX CREDIT

Senate Bill 451 (Chapter 703, Statutes of 2019) established the State Historic Rehabilitation Tax Credit (SHRTC) program to allow a taxpayer that receives a tax credit allocation, subject to appropriation, to claim a credit against those taxes for each taxable year beginning on or after January 1, 2021, and before January 1, 2027, for the rehabilitation of certified historic structures. The state appropriated \$50 million for the program in 2022, with \$8 million set aside for taxpayers with qualified rehabilitation expenditures of less than \$1 million for any other certified historic building that is not a qualified residence and \$2 million for taxpayers with qualified rehabilitation expenditures for a certified historic structure that is a qualified residence. The remainder was made available on July 1, 2025, for taxpayers with qualified rehabilitation expenditures of more than \$1 million for affordable housing projects that had previously applied and were next in line for funding.

CTCAC administers the SHRTC in coordination with the Office of Historic Preservation (OHP) Division of the California State Parks. The Office of Administrative Law approved CTCAC's Regulations in 2024 and in January 2025, OHP opened applications for the credits. CTCAC allocated the credits on a first-come, first-served basis upon OHP's approval of a project's application.

CTCAC awarded a total of 12 SHRTC projects in 2025, exhausting the \$50 million available.

<b>Qualified Rehabilitation Expenditures of More Than \$1m</b>	<b>Qualified Rehabilitation Expenditures of Less Than \$1m</b>	<b>Qualified Residential Rehabilitation</b>
<b>\$49,670,490</b>	<b>\$200,000</b>	<b>\$129,510</b>
Credits Allocated	Credits Allocated	Credits Allocated
<b>4</b>	<b>2</b>	<b>6</b>
Projects Awarded	Projects Awarded	Projects Awarded

# CTCAC COMPLIANCE

As required by federal law, CTCAC monitors a tax credit project for progress in meeting milestones and reservation requirements up until it is completed and “placed in service.” Additionally, Internal Revenue Code Section 42 and state statutes require CTCAC to monitor compliance throughout the entire term of the project’s regulatory period. CTCAC is required to monitor projects after they have been “placed-in-service” and every three years thereafter during the year federal credit compliance period. For the remaining term of the regulatory agreement, ranging from 30 years for older projects to 55 years for current projects, CTCAC is solely responsible for enforcement and monitoring projects on a five-year schedule. When CTCAC monitors a project, it inspects and reviews at least 20% of the files and residential units.

CTCAC’s compliance monitoring program must determine, among other requirements, whether the income of families residing in lower-income units and the rents they are charged are within agreed upon limits stated in the regulatory agreement. CTCAC staff must conduct physical inspections of units and buildings in each development to ensure they are in safe, sanitary, and habitable condition. Project owners are also required to report complete and accurate project information to CTCAC annually. All non-compliance with federal requirements or reporting failures during the federal credit compliance period, whether corrected or not, is required to be reported to the Internal Revenue Service (IRS). **CTCAC Compliance completed 1,231 on-site audits in 2025, totaling over 16,081 units.** During the 15-year federal compliance period, the IRS may recapture federal tax credits from owners for findings of non-compliance. Thereafter, and for violations of state requirements that exceed federal standards, CTCAC may issue negative points to owners, levy fines, or pursue legal action.

In addition to performing compliance monitoring, CTCAC staff conducts annual basic and advanced compliance workshops for owners, developers, investors, management company agents, and asset managers. **In 2025, the CTCAC staff held a total of 5 compliance workshops** virtually to stakeholders, including owners, tax credit investors and property managers, to provide updates on CTCAC and the program generally. **Over 30 hours of training was provided by CTCAC staff to the 979 participants** who attended these workshops.

As required by AB 2006 (Berman, 2022), CTCAC, the Department of Housing and Community Development (HCD), and the California Housing Finance Agency (CalHFA) entered into a Memorandum of Understanding (MOU) in July 2024 between the three agencies to streamline the compliance monitoring of affordable multifamily rental housing developments

that are subject to a regulatory agreement with more than one of these entities and began implementing the process in 2025.

# AB 2873: HOUSING SUPPLIER DIVERSITY REPORTING

Housing supplier diversity reporting requirements were established through Assembly Bill 2873 (Jones-Sawyer, 2022) and are intended to increase supplier and contractor participation in the development of LIHTC projects by women, minority, disabled veteran, and LGBT business enterprises. Housing Sponsors that receive an allocation of low-income housing tax credits, beginning in 2024, must annually collect and report diverse housing supplier procurement data and a plan to increase procurement from diverse suppliers. CTCAC created guidelines and a reporting form to assist Housing Sponsors with this reporting.

For the 2025 reporting period, CTCAC received 153 Housing Supplier Diversity Reporting Forms, providing insights into procurement trends and diversity efforts across LIHTC-funded projects. The collected data is summarized below.

## 2025 Housing Supplier Diversity Data

Supplier Category	Overall Procurement Totals (Including Diverse Suppliers)		Diverse Suppliers Only	
	Number of Contracts	Totals	Number of Contracts	Totals
Technology Contracts	68	\$2,922,249	7	\$707,565
Goods Contracts	88	\$9,459,655	12	\$491,236
Services Contracts	1,889	\$181,987,271	385	\$30,748,490
Construction Contracts	2,624	\$3,635,594,637	430	\$472,621,944
Direct Contracts	n/a	\$1,385,358,133	65	\$123,261,740
Sub-Contracts	n/a	\$1,441,421,637	58	\$227,801,318
<b>TOTALS</b>	4,669	\$3,829,963,813	834	\$504,569,235

# LOOKING FORWARD

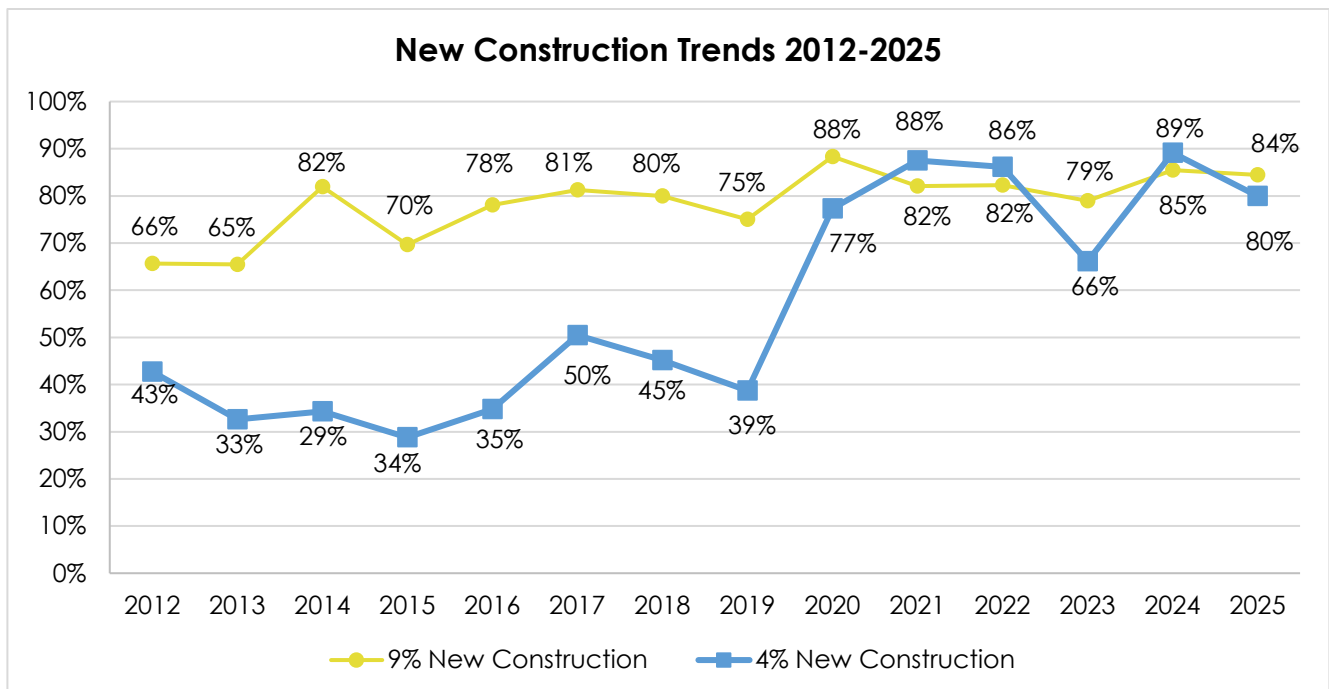
## Federal Changes

H.R. 1 was signed into law in July 2025, increasing the federal 9% tax credit authority by 12% annually and reducing the bond funding threshold for projects to qualify for 4% LIHTCs from 50% to 25%. These two changes will increase the number of projects awarded by (1) increasing available federal 9% LIHTCs and (2) more efficiently using tax-exempt bond authority, potentially doubling the number of projects awarded federal 4% LIHTCs.

Novogradac, a national affordable housing and tax credit consulting firm, estimates these two changes would increase the amount of LIHTC units developed in California by over 20,000 per year. Following quick implementation of reduced 25% standard, CTCAC awarded more than double the anticipated amount of federal 4% LIHTCs than expected in the third round of 2025, resulting in 10,000 more LIHTC units for 2025 compared to 2024, on pace to exceed the estimated 20,000 annual increase.

## Demand

Demand for tax-exempt bond financing and, by extension, federal 4% LIHTCs for new construction projects is highly dependent on the availability of enhanced state LIHTCs and other state and local "soft" funding sources. The drop in new construction in 2023 was largely due to projects' reliance on enhanced state credits. While demand for the enhanced state credits is still high - \$1.3 billion in requests for \$500 million available – many projects were restructured to fill their financing gaps with other available "soft" funding sources in 2024 and 2025, increasing the new construction numbers close to the same levels as 2021 and 2022.



CDLAC's swift implementation of the 25% standard meant CDLAC and CTCAC were able to fund all new construction projects that did not request state credits in 2025 and fund more acquisition and rehabilitation projects than in previous years. Although the committees are still committed to prioritizing new construction, CDLAC increased the allocation to acquisition and rehabilitation projects to \$1 billion in 2026 to help ensure full utilization of these federal resources and ensure the long-term affordability of the existing affordable housing portfolio.

## **Annual Rent Cap Policy**

Pursuant to AB 846 (Bonta, 2024) and effective January 1, 2025, CTCAC implemented a rent increase limit on all low-income housing tax credit projects with a CTCAC regulatory agreement. Under the rent cap, owners may increase gross rent for a lower-income household provided that in any 12-month period the increase does not exceed the lesser of 5% plus the percentage increase in the cost of living or 10% of the lowest rental rate charged for that household at any time during the 12 months prior to the effective date of the increase.

Upon request, the Executive Director may waive the rent cap limit if the project owner shows that the proposed increase is necessary to ensure the financial stability or fiscal integrity of the project and does not unreasonably impact existing residents.

The annual rent cap is in addition to the general program maximum rents for that are published by the Department of Housing and Urban Development each year.

## **Affordable Housing Preservation**

To help to preserve the affordability of rent restricted multifamily rental housing and provide orderly, early warnings and purchase opportunities to keep units affordable when restrictions or subsidies expire, CTCAC developed and is implementing new processes to better track data and share information with the California Housing and Community Development's Housing Preservation Unit.

# CTCAC HISTORIC 9% DATA

The table below summarizes the amount of federal 9% and state tax credits awarded to projects from 1987 through 2025.

9% Credits Awarded as of December 31 of the Allocation Year, 1987-2025									
Year	Federal Credits Available	Federal Credits Awarded*	Number of Projects	Lower-Income Units	Total Units	State Credits Available**	State Credits Awarded*	Number of Projects (State)	Total Units (State)
1987	\$33,730,000	\$5,090,439	66	2,497	2,840	\$34,578,625	\$6,818,086	17	755
1988	\$34,578,750	\$18,889,759	169	4,812	4,812	\$34,578,625	\$35,461,086	67	2,545
1989	\$35,060,129	\$35,060,129	155	7,960	8,303	\$35,000,000	\$61,433,913	74	3,792
1990	\$34,717,032	\$34,717,032	84	5,391	5,391	\$35,000,000	\$28,976,550	26	1,490
1991	\$68,885,066	\$68,885,066	78	9,122	9,122	\$35,000,000	\$34,855,113	28	1,547
1992	\$64,261,202	\$64,017,031	133	8,030	8,030	\$35,000,000	\$48,699,970	29	2,183
1993	\$70,434,569	\$70,434,569	128	9,001	9,001	\$35,000,000	\$49,043,203	32	2,185
1994	\$68,944,489	\$67,113,568	121	8,612	8,697	\$35,000,000	\$47,220,796	29	2,085
1995	\$49,716,643	\$48,616,533	83	5,680	5,680	\$47,133,862	\$48,469,566	28	2,006
1996	\$48,286,953	\$48,992,572	107	6,482	6,501	\$33,599,382	\$38,894,819	31	1,878
1997	\$42,851,707	\$41,911,674	77	5,213	5,213	\$35,038,813	\$33,913,707	17	1,384
1998	\$43,688,538	\$44,093,456	86	5,757	5,771	\$51,453,018	\$45,658,584	30	2,061
1999	\$43,800,383	\$44,267,928	83	5,347	5,759	\$51,784,811	\$50,311,562	30	2,141
2000	\$50,672,338	\$50,667,206	81	5,057	5,667	\$56,684,151	\$56,040,292	32	2,218
2001	\$51,574,882	\$52,078,900	67	5,119	5,228	\$71,207,244	\$35,918,710	23	1,581
2002	\$60,302,560	\$62,802,560	68	5,392	5,518	\$105,652,910	\$91,928,018	24	2,492
2003	\$62,732,155	\$59,694,578	86	5,450	5,545	\$83,835,104	\$74,152,009	29	2,164
2004	\$69,253,801	\$61,038,716	65	4,508	4,591	\$74,528,807	\$67,423,784	22	1,526
2005	\$71,582,089	\$70,613,062	71	4,916	5,018	\$78,593,303	\$54,900,296	19	1,192
2006	\$72,776,635	\$72,500,934	70	4,098	4,210	\$80,613,481	\$67,913,607	18	1,146
2007	\$75,897,915	\$76,997,954	70	4,424	4,504	\$92,450,265	\$71,062,246	19	1,352
2008	\$82,594,947	\$81,738,210	72	4,640	4,724	\$88,761,840	\$67,371,340	19	1,195
2009	\$88,399,735	\$91,099,781	79	4,840	4,934	\$107,996,565	\$72,515,252	19	1,370
2010	\$79,886,455	\$79,964,641	75	4,170	4,245	\$91,242,275	\$31,372,828	14	742
2011	\$80,902,713	\$83,682,515	105	6,026	6,150	\$129,463,639	\$86,979,826	34	2,114
2012	\$86,676,609	\$87,345,016	102	6,246	6,363	\$109,510,155	\$85,508,947	28	1,822
2013	\$89,963,084	\$86,760,169	84	5,080	5,171	\$93,102,456	\$77,737,478	29	1,707
2014	\$92,229,552	\$91,789,133	83	4,846	4,931	\$103,894,360	\$97,523,148	29	1,705
2015	\$92,309,204	\$91,101,325	89	4,794	4,903	\$89,452,736	\$111,069,513	39	1,938
2016	\$95,461,381	\$94,897,880	82	4,513	4,649	\$67,118,373	\$73,548,126	27	1,421
2017	\$97,699,609	\$97,105,701	64	3,844	3,912	\$61,808,069	\$84,395,506	18	1,213
2018	\$108,789,910	\$108,955,667	70	4,143	4,232	\$62,368,748	\$63,863,106	19	1,129
2019	\$111,080,957	\$111,548,104	68	3,851	3,924	\$84,366,903	\$87,268,614	22	1,426
2020	\$212,319,567	\$210,190,924	103	6,884	7,129	\$86,343,919	\$87,233,658	16	1,152
2021	\$193,376,736	\$191,444,125	106	6,235	6,357	\$109,656,498	\$97,062,762	23	1,438
2022	\$101,615,414	\$117,721,696	62	3,451	3,518	\$111,457,110	\$110,153,585	20	1,283
2023	\$109,539,399	\$110,559,098	57	2,936	2,991	\$148,742,850	\$160,313,311	27	1,608
2024	\$112,068,057	\$113,944,937	55	3,232	3,310	\$96,310,845	\$162,338,732	23	1,594
2025	\$117,459,914	\$115,545,376	58	2,953	3,012	\$72,656,422	\$115,271,800	17	888
<b>TOTAL</b>	<b>\$3,106,121,079</b>	<b>\$3,063,877,964</b>	<b>3,362</b>	<b>205,552</b>	<b>209,856</b>	<b>\$2,855,986,164</b>	<b>\$2,720,623,449</b>	<b>1,030</b>	<b>65,468</b>

\*Federal Credits Awarded reports current year awarded and includes any forward commitment made. Projects receiving awards in multiple years or returning credits and reapplying in a subsequent year are counted for each award received. State Credit Awarded from 1987-1993 is estimated based on available data.

\*\*State Credits Available is estimated in some years based on available data.

# CTCAC HISTORIC 4% DATA

The table below summarizes the amount of federal 4% and state LIHTCs awarded to projects from 1987 through 2025.

## 4% Credits Awarded as of December 31 of the Allocation Year, 1995-2025

Year	Federal Credits Awarded*	Number of Projects	Lower-Income Units	Total Units	State Credits Available**	State Credits Awarded*	Number of Projects (State)	Total Units (State)
1995	\$5,593,972	15	2,431	2,634			0	0
1996	\$7,064,992	26	3,976	4,480			0	0
1997	\$15,573,917	71	6,076	7,379			0	0
1998	\$32,565,503	116	12,743	14,383		\$4,575,223	7	628
1999	\$38,151,075	110	13,905	14,990		\$3,246,160	2	293
2000	\$47,010,344	109	14,759	15,436		\$0	0	0
2001	\$58,249,828	123	14,864	16,429		\$0	0	0
2002	\$62,496,934	130	12,627	15,451		\$0	0	0
2003	\$73,099,179	138	13,329	15,730	\$12,575,266	\$9,683,098	8	713
2004	\$65,748,903	112	11,066	12,361	\$11,179,321	\$3,248,707	3	140
2005	\$73,893,061	120	11,279	11,846	\$11,788,995	\$19,092,357	10	963
2006	\$86,164,472	115	12,356	12,804	\$12,092,022	\$13,597,161	9	583
2007	\$93,173,118	119	12,795	13,717	\$13,867,540	\$23,395,641	9	1,003
2008	\$86,604,695	122	11,433	12,355	\$13,314,276	\$27,512,886	10	759
2009	\$43,486,921	64	5,236	5,437	\$16,199,485	\$6,718,223	3	183
2010	\$33,596,704	49	4,481	5,248	\$13,686,341	\$22,964,367	9	789
2011	\$83,046,843	125	10,473	11,248	\$19,419,546	\$23,833,168	16	1,134
2012	\$69,902,808	96	9,021	9,478	\$16,426,502	\$26,322,456	13	1,212
2013	\$67,917,076	95	9,292	9,804	\$13,965,368	\$9,004,034	7	451
2014	\$80,820,170	105	9,004	9,213	\$15,584,154	\$14,553,964	8	533
2015	\$137,554,828	132	13,317	13,601	\$13,417,910	\$12,978,507	8	578
2016	\$229,615,414	187	19,804	20,847	\$14,183,335	\$13,802,178	5	386
2017	\$124,868,779	105	9,492	10,179	\$14,477,647	\$14,410,723	5	351
2018	\$214,395,831	135	14,619	15,527	\$14,782,992	\$14,551,552	4	348
2019	\$241,573,051	155	16,619	17,111	\$15,065,371	\$13,484,975	3	351
2020	\$301,706,282	181	16,908	17,555	\$515,409,634	\$494,037,277	75	6,808
2021	\$358,991,060	164	16,518	16,729	\$533,835,493	\$504,501,818	72	7,503
2022	\$280,130,462	101	11,151	11,320	\$518,662,405	\$525,762,088	51	6,135
2023	\$387,010,314	127	14,796	14,975	\$516,505,403	\$529,373,901	40	4,945
2024	\$435,481,645	138	15,271	15,484	\$529,373,901	\$505,232,408	40	7,764
2025	\$639,918,711	195	25,476	25,781	\$504,166,150	\$512,589,281	44	5,308
<b>Total</b>	<b>\$4,475,406,892</b>	<b>3,580</b>	<b>375,117</b>	<b>399,352</b>	<b>\$3,359,979,057</b>	<b>\$3,348,472,153</b>	<b>461</b>	<b>46,861</b>

\*Federal Credits Awarded totals the awards made in each year. Projects receiving awards in multiple years or returning credits awarded in one year and reapplying in a subsequent year are counted for each award received. Although 4% credit awards were made from 1987-1994, there is a lack of sufficient verifiable data in those early years of the program. Some data presented is based on CTCAC prior year annual reports.

\*\*Beginning in 2003, 15% of the State Credits Available was set aside for 4% projects.