

**Text Adopted by the California Tax Credit Allocation Committee**  
**to California Code of Regulations**

**Title 4.**

**Division 17.**

**Chapter 1. Federal and State Low-Income Housing Tax Credit**

*(Amendments added to the California Code of Regulations)*

**Regulation 10326. Application Selection Criteria - Tax-Exempt Bond Applications.**

- (a) General. All applications requesting Federal Tax Credits under the requirements of IRC Section 42(h)(4) ~~(B) for buildings and land, the aggregate basis (including land) of which is financed at least fifty percent (50%) by tax-exempt bonds~~, shall be eligible to apply under this Section for a reservation and allocation of Federal Tax Credits. Those projects requesting State Tax Credits pursuant to subsection (g)(1)(A) ~~and (g)(1)(B)~~ of Sections 12206, 17058, and 23610.5 of the Revenue and Taxation Code will also be subject to the applicable requirements of Section 10317. All applicants requesting Tax Credits for projects financed with tax-exempt bonds shall apply simultaneously to the CDLAC and CTCAC and shall use the CDLAC-CTCAC Joint Application. Applications will be eligible for a reservation of tax credits only if receiving a bond allocation pursuant to a joint application.

(b)\*\*\*

(1)\*\*\*

(2)\*\*\*

(3) In the last round of 2025, subject to the requirements of paragraph (1) and excluding the \$25,000,000 in State Tax Credits available to Farmworker Housing, State Tax Credits allocated under Section 10317(j) shall not exceed the percentages of the total State Tax Credit amount available in the funding round for the following New Construction Pools and Set Asides.

<u>Black, Indigenous, or Other People of Color (BIPOC) Project Pool</u>	<u>15%</u>
<u>Rural Project Pool</u>	<u>15%</u>
<u>New Construction Pool, Homeless Projects Set Aside</u>	<u>25%</u>
<u>New Construction Pool, ELI/VLI Project Set Aside</u>	<u>15%</u>

(c)\*\*\*

(k)\*\*\*

Note: Authority cited: Section 50199.17, Health and Safety Code. Sections 12206, 17058 and 23610.5, Revenue and Taxation Code

Reference: Sections 12206, 17058 and 23610.5, Revenue and Taxation Code; and Sections 50199.4, 50199.5, 50199.6, 50199.7, 50199.8, 50199.9, 50199.10, 50199.11, 50199.12,

50199.13, 50199.14, 50199.15, 50199.16, 50199.17, 50199.18, 50199.20, 50199.21 and 50199.22, Health and Safety Code.

**Regulation 10327. Financial Feasibility and Determination of Credit Amounts.**

(a)\*\*\*

(c)\*\*\*

(1)\*\*\*

(2)\*\*\*

(A)\*\*\*

(B) For 4% credit applications applying under Section 10326 of these regulations, the maximum developer fee that may be included in project costs and eligible basis shall be as follows:

(i)\*\*\*

(iii)\*\*\*

(iv) Applicants awarded 4% credits in round 1 or round 2 of 2025 may elect to reduce their tax-exempt bond allocation amount consistent with CDLAC Resolution No. 25-007. Applicants making this election may request a waiver to exceed the maximum developer fee at initial application by no more than twenty thousand dollars (\$20,000) for every one million dollars (\$1,000,000) in tax-exempt bond allocation returned, to account for increased lending costs associated with the reduced bond allocation. Waiver requests must be received in writing by 5:00 p.m. on August 31, 2025.

(C)\*\*\*

(E)\*\*\*

(3)\*\*\*

(9)\*\*\*

(d)\*\*\*

(g)\*\*\*

(1)\*\*\*

(9)\*\*\*

Note: Authority cited: Section 50199.17, Health and Safety Code. [Sections 12206, 17058 and 23610.5, Revenue and Taxation Code](#)

Reference: Sections 12206, 17058 and 23610.5, Revenue and Taxation Code; and Sections 50199.4, 50199.5, 50199.6, 50199.7, 50199.8, 50199.9, 50199.10, 50199.11, 50199.12,

50199.13, 50199.14, 50199.15, 50199.16, 50199.17, 50199.18, 50199.20, 50199.21 and 50199.22, Health and Safety Code.

**Regulation 10336. Laws, Rules, Guidelines, and Regulations for Tenants of Low-Income Units.**

(a)\*\*\*

(b)\*\*\*

(1)\*\*\*

(2) The owners, property managers, and service providers, as applicable, must do the following:

(A)\*\*\*

(B) Adopt a written tenant selection policy in clear, intelligible, and unambiguous language that complies with state and federal law, include the Fair Housing Laws, and is consistent with any Housing Type requirements, including Housing First.

(i)\*\*\*

(ii)\*\*\*

(iii) Waiting Lists. Owners and property managers shall comply with any federal, state, or local laws, rules, or policies that require a tenant waitlist priority for households displaced and experiencing homelessness due to a Presidentially declared disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 USC 5121 et seq.) or State of Emergency declared by the Governor of California in accordance with the State Constitution and the California Emergency Services Act (Gov. Code, § 8550 et seq.).

(C)\*\*\*

(H)\*\*\*

Note: Authority cited: Section 50199.17 and 50199.25, Health and Safety Code. [Sections 12206, 17058 and 23610.5, Revenue and Taxation Code](#)

Reference: Sections 827 and 1947.12, Civil Code; Sections 12206, 17058 and 23610.5, Revenue and Taxation Code; and Sections 50199.4, 50199.5, 50199.6, 50199.7, 50199.8, 50199.9, 50199.10, 50199.11, 50199.12, 50199.13, 50199.14, 50199.15, 50199.16, 50199.17, 50199.18, 50199.20, 50199.21 and 50199.22, Health and Safety Code.