California Debt Limit Allocation Committee

CDLAC Committee Meeting

Tuesday, August 18, 2026
1:00 PM

California Debt Limit Allocation Committee

Meeting Notice

MEETING DATE:

August 18, 2026

TIME:

1:00 p.m.

LOCATION:

915 Capitol Mall, Board Room 121, Sacramento, CA 95814

Virtual Participation

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

Click here to Join TEAMS Meeting (full link below)

Dial in by phone

916-573-6313

Find a local number

Phone conference ID: 585 116 387#

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

Full TEAMS Link: https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZmI2NzYzMjItN2FlOS00N2Y4LTg2NDAtMzcyNDM4ODE0ZDI2%40thread.v2/0?context=%7b%22Tid%22%3a%223bee5c8a-6cb4-4c10-a77b-cd2eaeb7534e%22%2c%22Oid%22%3a%22838e980b-c8bc-472b-bce3-9ef042b5569b%22%7d

California Debt Limit Allocation Committee

Agenda

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

1. **Call to Order and Roll Call**

2. **Approval of the Minutes of the June 22, 2026, Meeting**

3. **Executive Director's Report**
   1. Announcement of revised 2026 meeting schedule setting an additional committee meeting for September 1, 2026, at 1:00 p.m. to consider the award recommendations for Round 2 2026 qualified residential rental projects.

   Presented by: Marina Wiant

4. **Recommendation for Supplemental Bond Allocation Requests (Cal. Code Regs., tit. 4, § 5109)**
   Presented by: DC Navarrette

Application Number	Project Name
CA-26-664	Vintage at Lockwood
CA-26-665	La Bella
CA-26-666	The Ridge at Ralston
CA-26-667	Warm Springs Apartments
CA-26-669	Block A Family Apartments

5. **Request to Extend the Bond Allocation Issuance Deadline for Qualified Residential Rental Projects and Request to Waive Forfeiture of the Performance Deposit (Cal. Code Regs., tit. 4, §§ 5006(c) & 5108(c)(1))**
   Presented by: DC Navarrette

Application Number	Project Name
CA-25-590	Gateway Tower
CA-25-594	Mirka Tower I
CA-25-599	Hillcrest Hall
CA-25-615	La Estancia
CA-25-687	Baler Place Apartments

CA-25-690	Arbor View Apartments
CA-25-705	St. Ambrose Senior Housing
CA-25-719	MacArthur Apartments
CA-25-770	Colorado Crest Apartments
CA-25-807	493 Eastmoor
CA-25-812	The Junction
CA-25-836	Vista Heights

6. **Discussion and Consideration of Appeal of the Assessment of Negative Points (Cal. Code Regs., tit. 4, §§ 5108(c)(3), 5105(m)(5), & 5005(c)(1)(E)**
   Presented by: Christina Vue

Application Number	Project Name
CA-25-623	Prospect Avenue Senior, Prospect Villa, Prospect Villa III

7. **Presentation and discussion regarding the implementation and programmatic impacts of Assembly Bill 179 (2026) on the administration of CDLAC's tax-exempt private activity bond program.**
   Presented by: Marina Wiant

8. **Public Comment**

9. **Adjournment**

California Debt Limit Allocation Committee

Committee Members

Voting Members:

- **Fiona Ma,** CPA, Chair, State Treasurer
- **Malia M. Cohen**, State Controller
- **Gavin Newsom**, Governor

Advisory Members:

- **Gustavo Velasquez**, Director of California Department of Housing and Community Development (HCD)
- **Tony Sertich**, Executive Director of California Housing Finance Agency (CalHFA)

Additional Information

Interim Executive Director: Marina Wiant

CDLAC Contact Information:
915 Capitol Mall, Suite 280 Sacramento, CA 95814
Phone: (916) 653-3255
Fax: (916) 653-6827

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

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Agenda Item 2

Approval of the Minutes of the June 22, 2026 Meeting

915 Capitol Mall, Board Room 121
Sacramento, CA 95814

June 22, 2026

CDLAC Committee Meeting Minutes

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

The California Debt Limit Allocation Committee (CDLAC) meeting was called to order at 1:00 p.m. with the following Committee members present:

Voting Members:
Fiona Ma, CPA, State Treasurer, Chairperson
Evan Johnson for Malia M. Cohen, State Controller
Michele Perrault for Gavin Newsom, Governor

Advisory Members:
Gustavo Velasquez, Department of Housing and Community Development (HCD) Director
Tony Sertich, California Housing Finance Agency (CalHFA) Executive Director

2. *Agenda Item:* **Approval of the Minutes of the May 12, 2026, Meeting**

Chairperson Ma called for public comments:
None.

MOTION: Ms. Perrault motioned to approve the minutes of the May 12, 2026, meeting, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

3. *Agenda Item:* **Executive Director's Report**
   Presented by: Marina Wiant

Marina Wiant, Interim Executive Director, said that since the last meeting, she has participated on two different panels, one at the California Housing Consortium (CHC) Policy Forum and one at the California Council for Affordable Housing (CCAH) Spring Conference. She was joined by Mr. Velasquez and Mr. Sertich. The panels discussed the changes that are coming related to the trailer bill, bond capacity, and the implementation of the 25% test. This was a great time to connect with stakeholders and talk about the programs.

Chairperson Ma called for public comments:
None.

4. *Agenda Item:* **Recommendation for 2026 round 1 Qualified Private Activity Bond awards for Qualified Residential Rental Projects (Gov. Code, § 8869.85; Cal. Code Regs., tit. 4, § 5010)**
   Presented by: DC Navarrette

Mr. Navarrette explained that at the last Committee meeting, the staff presented the list of allocations for QRRP Round 1. There was a list of projects with pending appeals and some alternates. Following the meeting, the staff completed that review process. There are now two additional projects being recommended to finalize the list of allocations: Village Park Senior Apartments (CA-26-477) and Green Manor Apartments (CA-26-511). Both projects have been reviewed for compliance with federal and state laws and are being recommended for approval.

Chairperson Ma called for public comments:
None.

MOTION: Mr. Johnson motioned to approve the recommendation for 2026 round 1 Qualified Private Activity Bond awards for Qualified Residential Rental Projects, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

5. *Agenda Item:* **Request to Add Agenda Item Past the 10-Day Noticing Deadline (Gov Code, §§ 11125, subd. (a) and 11125.3)**
   Presented by: DC Navarrette

Mr. Navarrette explained that after the meeting agenda was posted, one project, Prospect Avenue Senior, Prospect Villa, Prospect Villa III (CA-25-623), requested to be added to agenda item 6. This project is requesting an extension of its bond issuance deadline. If the Committee does not add this item to the agenda and consider the extension request, the project will risk missing its bond issuance deadline and be required to return its bond allocation as the deadline is before the next Committee meeting. The Committee may add this item to the agenda by a 2/3 vote.

Chairperson Ma asked if this is recommended by the staff.

Mr. Navarrette responded affirmatively.

Chairperson Ma called for public comments:
None.

MOTION: Mr. Johnson motioned to add the agenda item past the 10-day noticing deadline, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

6. *Agenda Item:* **Request to Extend the Bond Allocation Issuance Deadline for Qualified Residential Rental Projects and Request to Waive Forfeiture of the Performance Deposit (Cal. Code Regs., tit. 4, §§ 5006(c) & 5108(c)(1))**
   Presented by: DC Navarrette

Mr. Navarrette explained that two projects, Prospect Avenue Senior, Prospect Villa, Prospect Villa III (CA-25-623) and Diamond Village Apartments II (CA-25-722), are requesting bond allocation issuance deadline extensions. Extensions may be granted under the terms of the regulations governed by the allocation. Former Section 5101 of the CDLAC regulations permits the Executive Director to grant extensions up to 90 days for allocations but requires Committee approval for additional extensions.

Mr. Velasquez said he noticed that one of the projects requesting an extension has an HCD federal award from the HOME American Rescue Plan Program (HOME-ARP). It is very important that the HOME-ARP closing occurs soon because the extension is only for 90 days. He would like to ask the developer about when this closing may occur. Mr. Velaquez believes that a couple of the items the project has been waiting for are an equity investor and a general contractor. He would like to know of those entities have been secured.

Chairperson Ma invited a representative from Diamond Village Apartments II (CA-25-722) to speak.

Sergei Oleshko from SNO Foundation said the HOME-ARP deadline was extended until April 2027. The project has secured a contractor, a partner and co-guarantor, and an equity lender.

Chairperson Ma called for public comments:
None.

MOTION: Ms. Perrault motioned to approve the request to extend the bond allocation issuance deadline for Qualified Residential Rental Projects and waive forfeiture of the performance deposit, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

7. *Agenda Item:* **Recommendation for Supplemental Bond Allocation Requests (Cal. Code Regs., tit. 4, § 5109)**
   Presented by: DC Navarrette

Mr. Navarrette explained that Section 5109(a) of the CDLAC regulations permits QRRP projects to apply for a supplemental bond allocation throughout the year. The staff is required to review each supplemental allocation request and make a recommendation to the Committee. Supplemental bond allocation awards are memorialized in the CDLAC resolution, and all requirements imposed on the associated initial project allocation are equally applicable to supplemental allocations. There are six projects before the Committee today requesting supplemental bond allocations. They have all been reviewed, and the staff recommends their approval.

Chairperson Ma called for public comments:
None.

MOTION: Ms. Perrault motioned to approve the recommendation for supplemental bond allocation requests, and Mr. Johnson seconded the motion.

Mr. Johnson said that one of the projects requesting a supplemental bond allocation, 16th & Island Apartments (CA-25-778), is a mass timber project, and he likes seeing those move ahead. It is exciting to see more of those projects coming through the pipeline.

The motioned passed unanimously via roll call vote.

8. **Public Comment**

There were no public comments.

9. **Adjournment**

The meeting was adjourned at 1:12 p.m.

Agenda Item 3

Executive Director's Report

California Debt Limit Allocation Committee

Agenda Item 4

Recommendation for Supplemental Bond Allocation Requests (Cal. Code Regs., tit. 4, § 5109)

<u>Attachment 35</u>

<u>Vintage at Lockwood – Supplemental Bond Request Narrative (August 18, 2026)</u>

The Vintage at Lockwood project ("the Project") previously received an allocation of tax-exempt bonds in the amount of $60,910,000 on November 30, 2022 pursuant to CDLAC Resolution 22-262, and a supplemental allocation of tax-exempt bonds in the amount of $6,070,886 on March 15, 2023 pursuant to CDLAC Resolution No. 23-118. For the reasons described herein, the project is requesting a second supplemental allocation in the amount of $4,771,267 in order to meet aggregate basis requirements.

After the issuance of building permits, the City of Oxnard required the Project to develop off-site sewer improvements which resulted in unforeseen hard cost increases of approximately $1,600,000 and design and permit cost increases of approximately $300,000. Additionally, although the Project initially contemplated master-metering, Southern California Edison's updated submeter standards required the development team to redesign project utilities for individual submetering. The hard cost impact of the new submetering amounted to approximately $2,000,000, with design costs adding an additional $600,000. The metering changes also resulted in fee and permit increases of approximately $1,800,000.

As a result of the additional cost, the Project is requesting a supplemental allocation of $4,771,267 to meet the 50% test. The requested supplemental along with the previously awarded supplemental allocation of $6,070,886 total 17.80% of the original bond allocation and constitute 52.0% of aggregate basis.

The Project is now on track to complete construction in October of this year and move forward with conversion to permanent financing. Meeting the 50% test is essential to that process.

Additionally, the supplemental allocation application awarded in March 2023 included the addition of 35 1-Bedroom units at 80%AMI. During the design process it became necessary to convert 17 such units to studios and 9 such units to 2BR units. The enclosed supplemental application includes the adjusted unit mix and affordability targeting necessary to meet market demand and maintain project feasibility. The overall affordability remains consistent with that previously approved.

Attachment 35-B
Explanation Narrative of Supplemental Request

Project Number: 25-709
Project Sponsor: Alta Housing for Terra Bella II, L.P.
Original Bond Allocation: $23,794,000
Award Date: 12/10/2025
CDLAC Resolution No.: 25-282
Supplemental Allocation Request: $4,010,000

La Bella received its 4% LIHTC award and tax exempt bond allocation of $23,794,000 in Round 3 of 2025. Since then, development costs have increased due to a combination of factors, including escalating construction costs, additional architectural and engineering design caused by a complicated utility undergrounding scope, additional utility infrastructure costs, an unexpected, large increase in the City of Mountain View's water and sewer capacity fees, and our investor's requirement for a 6-month, rather than a 3-month, operating reserve. These cost increases increased the project's eligible basis and overall financing needs.

In addition, after submission of the original CTCAC/CDLAC application, the investor's tax counsel determined that the land value should be included in the project's sources and uses and treated as a bond-financed cost for purposes of the 25% test. The original application did not include the land because Terra Bella II LLC will transfer fee ownership of the site to the City of Mountain View prior to closing, after which the City will ground lease the property to the tax credit partnership for $1 per year. Based on this structure, the project team believed that the ground lease would be treated as an operating lease for Federal income tax purposes and, therefore, no land basis was included in the 25% test calculation. However, the investor's tax counsel concluded that the land value must be included, requiring a revision to the project's sources and uses.

To address the additional development costs, we secured $3.5 million in funding through the HTSV and Apple's Affordable Housing Fund. While these funds helped close the financing gap created by the increased development costs, the additional financing, together with the inclusion of the land in the project's sources and uses, increased the amount of tax-exempt bond-financed costs required to satisfy the 25% test. Accordingly, La Bella is requesting a supplemental allocation of 4,010,000 in tax exempt bonds to ensure compliance with applicable bond financing requirements and allow the project to proceed with its late-August closing.

July 23, 2026

CDLAC Supplemental Allocation
Resolution 25-272 The Ridge at Ralston

The Ridge at Ralston (Resolution No. 25-272) located at 678 Ralston Ave., Belmont, CA 94002, applied for tax-exempt bonds and 4% tax credits in the third round of 2025. On December 10, 2025, the project was officially awarded a tax-exempt bond allocation of $16,000,000.

Due to increased construction costs, the project is requesting a supplemental allocation of $1,500,000 which represents a 9.4% increase from the original allocation and results in an anticipated 26.6% for the 25% test. The primary drivers of the increased costs include the following.

- Final subcontractor pricing reflects elevated demand for skilled labor throughout the Bay Area. The Project's prevailing-wage requirements further limit the pool of qualified subcontractors and have contributed to higher labor and contractor costs.
- The Project's infill location in Belmont presents additional construction constraints, including limited staging and material-storage areas, restricted site access, traffic-control requirements, utility coordination, and more complex construction sequencing.
- Continued tightening in the construction insurance market has increased general liability and builder's risk premiums, as carriers have reduced capacity and raised rates in response to broader wildfire-related losses.
- Changes in the LIHTC equity market have shifted certain investor equity installments closer to conversion, increasing the amount and duration of construction loan borrowings and resulting in higher construction-period interest costs.

We greatly appreciate your consideration for our supplemental bond request as we experience increased cost challenges with our project.

Sincerely,

DocuSigned by:
Paul Salib
4B2ABD89EF604C6...

Paul Salib
Chief Executive Officer
CRP Affordable Housing & Community Development

FREMONT WARM SPRINGS PACIFIC ASSOCIATES, LP

Ph: 208.461.0022 // 430 E. State Street, Ste. 100 // Eagle, ID 83616 // www.tpchousing.com

August 3, 2026

Marina Wiant
Execututve Director
California Debt Limit Allocation Committee
California Tax Credit Allocation Committee
915 Capitol Mall, Suite 280
Sacramento, CA 95814

RE: Warm Springs Apartments
Fremont, California
Narrative of Supplemental Bond Request

Sponsors / Applicants are required to submit a narrative explanation of the circumstances surrounding the prior allocation and why an additional bond allocation is being requested. The narrative must include the amount of the previous allocation, the month and year it was awarded, the CDLAC resolution number, the status of the bonds, the balance of the bond proceeds, and a justification for the additional allocation.

Initial Bond Allocation Information:

- Bond Allocation Amount – $42,000,000.
- Date of Allocation – December 10, 2025.
- CDLAC Resolution Number – 25-331.
- Status of Bonds – anticipate issuing bonds on September 2, 2026.
- Balance of Bond Proceeds – $0 (bonds have yet to be issued).

Justification for Additional Bond Allocation Request:

Warm Springs Apartments (the "Project") received a bond allocation of $42,000,000 on December 10, 2025. The Sponsor is requesting $3,000,000 in supplemental tax-exempt bonds to ensure the project can satisfy the 25% test. The Project originally had a tenant improvement allowance in the amount of $15,591,500 from Safehold Inc. ("Safehold"). It was the intent of the Sponsor to enter into a long-term ground lease with Safehold at construction loan closing. Safehold was to purchase the property at closing and fund the tenant improvement allowance to the Sponsor. Over the last three months, the Sponsor has worked diligently to get the City of Fremont (the "City") comfortable with the Safehold ground lease structure. The City is providing a $12,000,000 affordable housing loan to the Sponsor. The City will not allow the Project to proceed with the ground lease structure. As a result, the Project has lost a capital source of $15,591,500 (tenant improvement allowance) and was required to reconfigure the Project's sources and uses. In addition, because the Project is no longer utilizing a long-term ground lease structure, it will incur the costs of purchasing the land ($9,500,000 land purchase price + $622,500 in carrying/holdings costs).

The $3,000,000 in supplemental tax-exempt bonds will allow the Project to meet the 25% test factoring in the additional costs associated with the reconfigured budget, while also providing additional capital necessary to replace the equity that was previously provided by the tenant improvement allowance from Safehold.

The following documents are included with this narrative for reference:

- CDLAC Bond Allocation Resolution No. 25-331 ($42,000,000 – December 10, 2025).
- CPA's 25% Test Certification (26.22%).

Fremont Warm Springs Pacific Associates, LP,
a California limited partnership

By: TPC Holdings IX, LLC, General Partner

By: Pacific West Communities, Inc.,
an Idaho corporation
Its: Manager

By: ______________________________
Caleb Roope, President & CEO

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 280
Sacramento, CA 95814
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May 11, 2026

Dr. Edward Becker
Executive Director
California Municipal Finance Authority
2111 Palomar Airport Road, Ste. 320
Carlsbad, CA 92011

RE: ALLOCATION ISSUANCE EXTENSION
(Warm Springs Apartments, Application #25-686)

Dear Dr. Edward Becker:

The California Debt Limit Allocation Committee (CDLAC) received a 90-day extension request letter from John P. Stoecker on behalf of California Municipal Finance Authority for the Warm Springs Apartments project (the Project). The purpose of this letter is to approve the requested extension and provide you with a revised deadline.

On December 10, 2025, CDLAC assigned the Project a readiness deadline of June 8 2026. The Project was structured with a ground lease and an anticipated partnership with Safehold; however, the City of Fremont, which is also providing critical financial assistance, did not approve the use of this structure. In addition, the Borrower's equity investor, Bank of America, required internal approval of the project's modular construction approach which was anticipated by the Project Sponsor and extended beyond initial expectations and delayed key financing milestones despite their diligent efforts. Being in accordance with section 5108 of the CDLAC Regulations, the Project qualifies for an extension to the issuance and readiness deadline of September 7, 2026.

Please note: All other terms and conditions of Resolution No. 25-331 under which the Allocation was granted, apply.

Do not hesitate to contact me should you have questions.

Sincerely,

Marina Wiant
Interim Executive Director

cc: Anthony Stubbs, California Municipal Finance Authority
Caleb Roope, Fremont Warm Springs Pacific Associates, LP

Grigg, Bratton & Brash, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS

MORRIS GRIGG, CPA
MARSHALL BRATTON, CPA
DUANE BRASH, CPA
JOHN MAHLER, CPA
JOCELYN KOEP, CPA

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
915 Capitol Mall, Suite 280
Sacramento, CA 95814

Re.: Project Owner: Fremont Warm Springs Pacific Associates, LP
Project Name: Warm Springs Apartments

Dear Committee:

We have performed the procedures enumerated below, which were agreed to by the California Tax Credit Allocation Committee and Fremont Warm Springs Pacific Associates, LP, solely to assist the users in evaluating the expected aggregate basis (including land) financed by the proceeds of tax-exempt bonds. This agreed upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures I performed are summarized as follows:

1. I reviewed a copy of the application to the California Municipal Finance Authority (CMFA) that requests they issue $45,000,000 of its tax-exempt bonds for the project.

2. The developer provided me with a development budget detailing total expected project costs of $175,311,898.

IRC § 42(h)(4)(B) requires that the aggregate basis and land must be financed by 25% or more with tax exempt bonds in order to not be subject to the volume cap. Based on the above discussion, we have determined that the expected aggregate basis plus land to be $171,603,989. The tax-exempt bond financing is expected to be $45,000,000 and therefore the tax-exempt bonds will finance 26.22% of the aggregate basis plus land.

I acknowledge that I am familiar with recently issued Internal Revenue Service Private Rulings 200043015, 200043016, 200043017, 200044004, 200044005 that I have discussed the substance of these rulings with my forenamed client, and that the project meets the requirements of Section 42(h)(4)(B) taking into consideration those rulings.

I was not engaged to, and did not; perform an examination, the objective of which would be the expression of an opinion on Fremont Warm Springs Pacific Associates, LP's compliance with the specified requirements. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of the California Tax Credit Allocation Committee and Fremont Warm Springs Pacific Associates, LP and should not be used by those who have not agreed to the procedures and taken the responsibility for the sufficiency of the procedures for their purposes.

Grigg, Bratton & Brash

Boise, Idaho
August 4, 2026

Jamboree

July 28, 2026

Marina Wiant
California Debt Limit Allocation Committee
915 Capitol Mall, Suite 280
Sacramento, CA 95814

RE: CDLAC Supplemental Bond Request
Project Name: Tampico Motel Conversion, Resolution No. 24-282

Dear Ms. Marina Wiant:

Center Housing Partners, LP is requesting an additional Supplemental Bond allocation in the amount of $712,124 for the Tampico Motel Conversion project (Resolution No. 24-282).

During the initial application phase in August 2024, the project originally requested tax-exempt bonds in the amount of $13,105,723. CDLAC awarded this amount on December 11, 2024 via CDLAC Resolution No. 24-282. The bonds are being drawn monthly as the project is under construction with an estimated completion date of March 2027. The bond amount disbursed to date is $8,203,915, and the remaining amount is $4,901,807. The full original bond allocation is expected to be fully expended before the end of the year.

The project is requesting a Supplemental Bond allocation due to additional costs that were incurred during construction. The costs are due to the discovery of an abandoned swimming pool underneath one of the two existing residential buildings. The remediation scope for the unforeseen discovery of the pool increased the total development cost by about $1 million and delayed construction by three months. The project is an adaptive reuse of an existing motel, and the soil remediation necessary to remove the pool and demolition of almost 100% of one residential building was not part of the original scope and budget at the time of the initial application.

Due to the increased costs, the project is not expected to meet the 50% test with the original bond allocation of $13,105,723. Therefore, the project is requesting an additional Supplemental Bond request in the amount of $712,124, or 5.4% of the original allocation, which does not exceed the 10% threshold for Committee approval. With the Supplemental Bonds, the project will achieve 50.68% of aggregate basis covered by tax-exempt bonds, which is also within the 52% threshold for Committee approval.

While the project has incurred delays and cost increases, Jamboree is pressing forward to complete by March 2027. Thank you for your consideration. Please let me know if I can answer any questions you may have. We look forward to the hearing on August 18, 2026.

Sincerely,

Victoria Rodriguez
Victoria Rodriguez (Jul 27, 2026 10:00:

Victoria Rodriguez
Vice President, Development

Jamboree Housing Corporation
17701 Cowan Ave Suite 200, Irvine, CA 92614
P: (949) 263-8676 | F: (949) 263-0647

Regional Offices
Sacramento | Santa Clara | San Diego
jamboreehousing.com

SWENSON

Date: August 7, 2026

To: DC Navarrette
CDLAC & CTCAC
901 P Street, Suite 213A
Sacramento, CA 95814

Subject: CA-25-715 Block A Family Apartments request for Supplemental Issuance.

Dear DC Navarrette,

Our entire transaction team has been diligently pursuing our closing date with weekly meetings targeting a closing date of September 2, 2026 ahead of our outside date of September 8th, 2026. The transaction has changed from the early conception of the ground lease structure to subordinate bonds due to equity investor input/criteria, which added time and complexity to the financial closing. However, all those items have been worked through, and we are all tracking our closing date with one exception. The one exception is the 25% test. The change from the ground lease to bonds increased overall costs making the original bond amount insufficient for the 25% test. We were successful in obtaining $38MM in tax exempt bonds and are requesting an additional $8,750,000 to not only meet the 25% test but also provide a small cushion for any potential hard/soft cost over runs throughout the life of the 272-unit build over the next 30-months. We appreciate the consideration and have the entire transaction team ready to close and meet the timing obligations with the outside date of September 8, 2026.

Please confirm receipt and let us know if you have any questions to help with your review of this request. We are looking forward to bringing 272 much needed affordable housing units to the City of San Jose.

Sincerely,

Mark Pilarczyk

Mark Pilarczyk
President of Development
SWENSON | 777 N 1st Street, 5th Floor | San Jose, CA 95112
408.335.5997 | mark@swenson.com

California Debt Limit Allocation Committee

Agenda Item 5

Request to Extend the Bond Allocation Issuance Deadline for Qualified Residential Rental Projects and Request to Waive Forfeiture of the Performance Deposit (Cal. Code Regs., tit. 4, §§ 5006(c) & 5108(c)(1))

CORE affordable

July 30, 2026

California Housing Finance Agency
Attn: Natalie Cooper
500 Capitol Mall, Ste. 1400
Sacramento, CA 95814

RE: Gateway Tower – Extension Request Letter
Resolution No. CA-25-590

Dear Natalie,

On behalf of the Gateway Tower affordable housing development, we respectfully request that the California Housing Finance Agency (CalHFA) submit this request to the California Debt Limit Allocation Committee (CDLAC) for a 30-day extension of the project's bond issuance deadline, extending the current outside closing date from September 21, 2026, to October 21, 2026**.**

This request is being made as a precautionary measure to protect both the State's bond allocation and the project's financing commitments against potential unforeseen circumstances during the final stages of the federal environmental review process**.** Importantly, the project remains on schedule for financial closing prior to September 21, 2026, and the development team, CalHFA, our financing partners, and all participating agencies continue working diligently toward that objective. This request is intended solely to provide a limited measure of protection against circumstances that remain outside the control of the project team during the final federal approval process.

As CDLAC is aware, the project requires completion of the National Environmental Policy Act (NEPA) review process, including compliance with Section 106 of the National Historic Preservation Act. Over the past year, CalHFA staff, the State Historic Preservation Office (SHPO), the project team, and numerous consulting parties have devoted substantial effort to successfully advance the environmental review. We are pleased that SHPO has executed the project's Memorandum of Agreement (MOA), the Environmental Assessment (EA) has been completed, and the Finding of No Significant Impact (FONSI) is scheduled to be published on July 31, 2026.

Publication of the FONSI initiates the required 15-day public comment period. While we remain optimistic that the comment period will conclude without significant issues, the nature and extent of any public comments cannot be predicted. Should substantial comments be received, additional time may be required for CalHFA and HUD to evaluate and resolve those comments before the Request for Release of Funds can be submitted to HUD.

Following submission of the Request for Release of Funds, HUD must complete its review and issue its Firm Approval letter before financial closing may occur. The timing of HUD's review is outside the control of the project team, and while every effort is being made to expedite the process, we cannot guarantee the timeframe for receipt of HUD's approval. In addition, because the transaction involves numerous lenders, investors, governmental agencies, and the exchange of original executed documents, there remains the possibility of unforeseen administrative or logistical delays—including delivery of original executed documents, execution of required signatures, overnight delivery delays, or recording-related issues—that could affect the timing of closing despite the project otherwise being fully prepared to proceed.

Our concern is heightened by the fact that there is no CDLAC Board meeting between our current outside closing date of September 21, 2026, and the next scheduled Board meeting on October 6, 2026. As a result, should an unforeseen circumstance delay closing by even a single day beyond the current deadline, the project would have no opportunity to obtain relief before the existing bond allocation expires. Accordingly, we believe it is prudent to request this limited extension at this time as a precautionary measure, rather than risk jeopardizing the State's bond allocation and the project's financing due to circumstances outside the control of the development team.

The project is fully financed, all financing commitments remain in place, and the development is otherwise ready to proceed to closing. The only remaining activities prior to financial closing are completion of the federally required NEPA process, receipt of HUD's approval to release funds, and completion of customary closing procedures. As such, the requested extension is not intended to accommodate additional project development activities, but solely to provide a reasonable safeguard against potential delays associated with this final approval and closing processes that are outside the control of the development team.

The Tax Credit Investor, construction lender, permanent lender, and all soft financing providers have issued their commitments and continue to work toward closing within the current schedule. The CalHFA Board approved the project's permanent financing on June 25, 2026, and the development team is prepared to close immediately upon completion of the remaining federal environmental approvals. Accordingly, we respectfully request:

1. A 30-day extension of the bond issuance deadline from September 21, 2026, to October 21, 2026; and
2. A waiver of any forfeiture of the project's CDLAC performance deposit and no assignment of negative points to the project sponsor associated with this extension request.

We appreciate CDLAC's continued support of the Gateway Tower project and its commitment to the timely delivery of critically needed affordable housing. Although we remain confident that financial closing will occur before September 21, 2026, we respectfully request this limited extension solely as a safeguard against circumstances outside the development team's control during the final stages of the federal approval process. We remain committed to closing as soon as all required federal approvals have been obtained.

Thank you for your consideration of this request. Please contact me with any further questions via email chertel@thecorecompanies.com or by phone (415) 988 – 5473.

Sincerely,

Carl Hertel

Carl Hertel
Vice President, Finance & Operations
Core Affordable Housing

July 31, 2026

California Debt Limit Allocation Committee
901 P Street, Room 102
Sacramento, CA 95814
Attn: Marina Wiant, Interim Executive Director

Re: Request for 30-Day Extension to Bond Issuance Deadline
Project Name: Gateway Tower
CDLAC Resolution#: 25-208
CDLAC App#: 25-590

Dear Ms. Wiant,

On July 30, 2026, CalHFA received a request from Core Affordable Housing Development, the Developer on the above-mentioned project, seeking a 30-day extension to the bond issuance deadline of September 21, 2026.

As outlined in the Developer's letter dated July 30, 2026, the extension request is a precaution to protect the bond allocation and the project's financing from any unforeseen delays during the final stages of the federal environmental review. Although the project is on track to close before September 21, 2026, the timing of HUD's final approvals and potential public comments during the FONSI comment period remain outside the project team's control. Because there is no CDLAC meeting between the current closing deadline and October 6, even a one-day delay could jeopardize the allocation. All financing commitments remain in place, and the project is otherwise ready to close once the final NEPA and HUD approvals are completed.

CalHFA formally requests a 30-day extension to the bond issuance deadline from September 21, 2026, to October 21, 2026.

Please contact Jessica McQueen at 916-326-8623 or jmcqueen@calhfa.ca.gov if you have any questions related to this request.

Thank you,

Katherine McFadden

Katherine McFadden
Director of Multifamily Programs

600 B Street, Suite 300
San Diego, CA 92101
619.323.1447
www.MirkaInvest.com

MirkaInvestments

July 21, 2026

Ashley Carroll
California Housing Finance Agency
500 Capitol Mall, Suite 400, MS 990
Sacramento, CA 95814

Re: Request for 6-month Extension – Mirka Tower 1

Dear Ms. Carroll:

On behalf of the Borrower, Mirka Tower 1, LP, we respectfully request a six-month extension for Mirka Tower 1 (CDLAC Application No. 25-594; Resolution No. 25-210, as revised) to allow additional time to complete the Project's financing and proceed to bond issuance and closing. Pursuant to Resolution No. 25-210, the current bond issuance deadline for the Project is August 31, 2026. The Borrower respectfully requests that this deadline be extended to March 1, 2027, consistent with the anticipated financing and closing schedule reflected in the attached equity Letter of Intent.

Since submission of the Borrower's previous extension request, the Project has continued to make substantial progress toward financial closing. The Project has now received an executed equity Letter of Intent from Boston Financial and continues to advance its construction financing with Greystone Housing Impact Investors. An executed construction financing term sheet is attached, and the parties are working toward execution of the construction loan commitment. Together, these financing milestones demonstrate the continued commitment of the Project's financing partners and represent significant progress toward assembling the financing necessary to close the Project.

Since the prior extension request, the affordable housing industry has also experienced significant uncertainty surrounding the California State Low-Income Housing Tax Credit program. As a result, equity investors delayed issuing investment commitments until there was greater certainty regarding the availability of the State tax credit program. Although the Project continued to advance during this period, the equity investor was not able to issue its Letter of Intent until July 2026. With the execution of the attached Letter of Intent, the Project is now advancing through the remaining underwriting and financing activities necessary to achieve financial closing.

In addition to advancing the financing, the Borrower has continued to actively advance the Project through design and permitting. Since the previous extension request, the development team has continued coordinating with the City and the Project's consultants to advance the construction documents, respond to plan check comments, and move the Project through the permit review process. The Project continues to make meaningful progress toward issuance of its construction permits, and the Borrower remains confident that permits will be obtained as the financing process is completed.

Mirka Tower 1 is a large-scale affordable housing development involving a complex financing structure and extensive coordination among the lender, equity investor, CalHFA, bond financing team, and other transaction participants. While substantial progress has been made, additional time is necessary to complete the remaining underwriting, finalize financing approvals, coordinate the closing process, and satisfy the conditions necessary for bond issuance and financial closing.

The Borrower has remained actively engaged throughout this process and has continued to work diligently and in good faith to advance the Project. The requested extension through March 1, 2027, will provide the time necessary to complete the remaining financing activities and proceed to bond issuance and financial closing, which is currently anticipated in February 2027.

Accordingly, the Borrower respectfully requests a six-month extension of the bond issuance deadline from August 31, 2026, to March 1, 2027. The Borrower remains fully committed to the Project and appreciates CalHFA's continued assistance and consideration of this request.

Sincerely,

Kursat Misirlioglu

July 28, 2026

California Debt Limit Allocation Committee
901 P Street, Room 102
Sacramento, CA 95814
Attn: Marina Wiant, Interim Executive Director

Re: Bond Issuance Deadline Extension Request to March 1, 2027
Project Name: Mirka Tower 1
CDLAC Resolution#: 25-210
CDLAC App#: 25-594

Dear Ms. Wiant,

On July 21, 2026, CalHFA was asked by Mirka Investments, LLC, the Developer on the above-mentioned project, to request an additional 181-day extension to the bond issuance deadline of August 31, 2026.

As outlined in the developer's letter dated July 21, 2026, the project has made substantial progress toward closing since the prior extension request. The development team has secured an executed equity Letter of Intent from Boston Financial and continues to advance construction financing with Greystone. However, tax credit pricing difficulties, exacerbated by the recent uncertainty in the California State Low-Income Housing Tax Credit program has caused investors to delay making firm commitments. As a result, although the project has continued to advance, the equity investor Letter of Intent was not issued until July 2026. The Letter of Intent includes a closing date of February 2027 to allow additional time to complete underwriting and coordinate closing activities among all stakeholders.

CalHFA formally requests an extension to the bond issuance deadline from August 31, 2026, to March 1, 2027.

Please contact Kevin Brown at 916-326-8808 or kbrown@calhfa.ca.gov if you have any questions related to this request.

Thank you,

Katherine McFadden

Katherine McFadden
Director of Multifamily Programs

SAN DIEGO HOUSING COMMISSION
SDHC

Real Estate Division

Marina Wiant, Interim Executive Director
California Tax Credit Allocation Committee
915 Capitol Mall, Suite 485
Sacramento, CA 95814

July 28, 2026
via email: CDLAC@treasurer.ca.gov

Dear Ms. Wiant:

CDLAC (REVISED) RESOLUTION NO. 25-214/APPLICATION NO. 25-599
FOR HILLCREST HALL
REQUEST FOR ADDITIONAL EXTENSION OF ALLOCATION EXPIRATION DATE

On behalf of the Sponsor for the Hillcrest Hall project (the "Project"), the San Diego Housing Commission ("SDHC"), on behalf of the Housing Authority of the City of San Diego (the "Authority") requests an additional extension of the allocation's expiration date.

Prior CDLAC Activities

- On August 5, 2025, the Project received an allocation with an allocation expiration date of February 2, 2026;
- On September 5, 2025, in connection with "restructuring" the allocation, the Project received a new allocation expiration date of June 2, 2026;
- On May 22, 2026, CDLAC approved a 90-day extension of the allocation expiration date from June 2, 2026, to August 31, 2026, in consideration of the uncertainty created by legislation pending in Sacramento, AB2465 (and AB1675), which prescribes limitations upon a business entity with certain contracts with the federal government to benefit from a state-provided benefit, including a tax credit.

Unfortunately, the conditions that necessitated the extension to August 31, 2026, are still evident and, as further described below, will require a prudent, further extension of the allocation expiration date, which extension shall require Committee approval.

Compensatory Actions of the Borrower and Issuer
The Authority has completed all required discretionary approvals necessary for issuance of the private activity authority provided for in the CDLAC resolution. However, issuance cannot occur until either the legislative issue has been favorably resolved or an alternate investor (for the State Tax Credits) has been committed to the project.

To that end, the Borrower and the Tax Credit Investor, Redstone, have worked diligently to identify and procure an investor for the State Tax Credit who does not suffer from the limitations imposed by AB2465. To date, Redstone has identified such an investor and, together with the Borrower and the Issuer, are working diligently to close the transaction by the current August 31, 2026, deadline. However, the Authority and the Borrower agree that prudence and abundance of caution require an extension request, as such request requires Committee approval (and must be submitted timely to be considered at the Committee's August 18, 2026 meeting date) and the Committee meeting dates is only 13 days before the August 31, 2026 expiration date. Furthermore, notwithstanding the diligent efforts of the Borrower and

Tax Credit Investor to fully engage the investor for the State Tax Credits and allow for that investor to fully underwrite and commit to the project, closing by August 31, 2026, is not a certainty.

Extension Request
Because of the foregoing reasons, the Authority requests that CDLAC grant an additional extension of the Allocation Expiration Date to October 19, 2026 (i.e., the outer readiness date applicable to other projects from the December 10, 2025 award cycle who initially received a 222 day readiness period). Such date should provide sufficient time to "cover all bases" with the new State Tax Credit investor, allowing the transaction to close without the need for specific resolution of the AB2465 legislation. The Borrower has provided (transmitted herewith) a revised bond purchaser commitment extended to accommodate the requested extension timeframe.

Finally, in view of the extraordinary circumstances – entirely outside of the Borrower's or the Issuer's control – that have resulted in this extension request, the Borrower requests, with the support of the Authority, that CDLAC waive otherwise applicable penalties, including any negative points or forfeiture of the Performance Deposit.

SDHC and the Authority very much appreciate your consideration of our requests. Please indicate your approval (and/or additional conditions) under separate cover.

Should you have any questions please contact Colin Miller, Senior Vice President Real Estate, San Diego Housing Commission, at (619) 578-7429 or colinm@sdhc.org .

Sincerely,

Signed by:
Colin Miller
72BF2327B1544D1...

Colin Miller
Senior Vice President Real Estate
Real Estate Department
San Diego Housing Commission

30141 AGOURA RD. ♦ STE. #100 ♦ AGOURA HILLS, CALIF. ♦ 91301-4332
PHONE: (818) 706-0694 ♦ FAX: (818) 706-3752

July 31, 2026

Natalie Cooper
Housing Finance Office – Multifamily Programs
California Housing Finance Agency (CalHFA)
500 Capitol Mall, Suite 990
Sacramento, CA 95814

RE: CA-25-615/La Estancia
7004, 7008, 70012, 7018 Baird Avenue
Los Angeles, CA 91355

Dear Ms. Cooper:

AMCAL Multi-Housing, Inc., Administrative General Partner of AMCAL La Estancia Fund, LP hereby requests a forty (40) day extension of our CDLAC closing date from September 2, 2026 to October 12, 2026.

The proposed DHS ICE restrictions recently under consideration by the California state legislature have roiled national tax credit investors and lenders to the point where they are not comfortable investing in California affordable housing developments that include state tax credits until an amendment exempting them from the DHS ICE bill is headed for the governor's desk for signature.

We have been informed that our State Tax Credit investor, will move forward with purchasing our state tax credits, since the amendment to the bill has now been printed; however, we are still awaiting word form our upper-tier investor to determine exactly when we will be able to finalize all of our financing.

The construction duration and lease-up periods remain unchanged. Thank you for your consideration.

Best regards,

AR Pratt

Alexander Pratt
Vice President of Development
AMCAL/AMTEX
30141 Agoura Hills Road, Suite 100
Agoura Hills, California 91301

July 31, 2026

California Debt Limit Allocation Committee
901 P Street, Room 102
Sacramento, CA 95814
Attn: Marina Wiant, Interim Executive Director

Re: Request for 40-Day Extension to Bond Issuance Deadline
Project Name: La Estancia
CDLAC Resolution#: 25-222
CDLAC App#: 25-615

Dear Ms. Wiant,

On July 31, 2026, CalHFA was asked by AMCAL Multi-Housing, Inc., the Developer on the above-mentioned project, to request an additional 40-day extension to the bond issuance deadline of September 2, 2026.

As described in the attached letter from the Developer dated July 31, 2026, recent proposed DHS ICE restrictions in California have created uncertainty among national tax credit investors and lenders, delaying their willingness to invest in projects that use state tax credits. Although the State Tax Credit investor is now prepared to move forward due to a newly printed amendment exempting such investments, they have not yet confirmed final timing for closing the financing, construction and lease-up timelines remain unchanged.

CalHFA formally requests a 40-day extension to the bond issuance deadline from September 2, 2026, to October 12, 2026.

CalHFA also requests that CDLAC waive any forfeiture of the performance deposit or assignment of negative points to the Project Sponsor that could be imposed by this request. These circumstances were outside of the Project Sponsor's control.

Please contact Jessica McQueen at 916-326-8623 or jmcqueen@calhfa.ca.gov if you have any questions related to this request.

Thank you,

Katherine McFadden

Katherine McFadden
Director of Multifamily Programs

CMFA
California Municipal Finance Authority

Tax-Exempt Financing
Throughout California

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July 22, 2026

Marina Wiant
Executive Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting a 42-day CDLAC deadline extension for the Baler Place Apartments Project (CDLAC Application No. 25-270)

Dear Ms. Marina Wiant:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request a 42-day CDLAC deadline extension for the Baler Place Apartments Project. The Project received an allocation on 12/10/2025 with a closing deadline of 6/8/2026. The Project then received an extension to 9/7/2026.

The Project has secured debt and equity commitments and has continued to work diligently through the closing process. On April 28, 2026, the San Benito County Board of Supervisors held a TEFRA hearing for the proposed bond issuance by CMFA but declined to approve the issuance based on design concerns unrelated to the proposed financing. Before the hearing, County Planning confirmed in writing that they had completed its administrative design review and that multifamily development is permitted by right at the site. The County also executed an HCD local approvals verification stating that the Project was approved by right and not subject to discretionary review.

Following the TEFRA denial, the County advised the development team that it now believes the Project requires a discretionary Major Development Plan Review and Planning Commission hearing. This revised position is inconsistent with the County's prior written approvals and representations. The development team is working with the County and City of Hollister to resolve the matter promptly and obtain TEFRA approval. In parallel, CMFA is coordinating with CalHFA regarding a potential transfer of the bond issuance so that CalHFA could complete the TEFRA approval at the state level if the local process cannot be resolved in time.

This request is being submitted as a precaution because the August 18, 2026 Committee meeting is the final opportunity to obtain Committee approval before the Project's current September 7, 2026 issuance and readiness deadlines. If the TEFRA matter is not resolved in sufficient time to close, the Project would not have another opportunity to request relief before those deadlines.

Accordingly, the development team respectfully requests that the Committee extend the Project's issuance and readiness deadlines from September 7, 2026 to October 19, 2026. October 19, 2026 is the outer readiness date applicable to other projects from the December 10, 2025 award cycle who initially received a 222 day readiness period. The requested extension therefore would remain within the cycle-wide outer boundary and would not place the Project on a longer timeline than a project already operating within the same award cycle.

Please accept this letter as a request to waive the forfeiture of performance deposit or any negative points.

Please do not hesitate to contact me should additional documentation or status updates be helpful. 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,

John P. Stoecker

John P. Stoecker
Financial Advisor
California Municipal Finance Authority

CMFA
California Municipal Finance Authority

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July 22, 2026

Marina Wiant
Executive Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting a 90-day CDLAC deadline extension for the Arbor View Apartments Project (CDLAC Application No. 25-690)

Dear Ms. Marina Wiant:

I am writing on behalf of the California Municipal Finance Authority (the “Authority”) to request a 90-day CDLAC deadline extension for the Arbor View Apartments Project. The Project received an allocation on 12/10/2025 with a closing deadline of 6/8/2026. The Project then received an extension to 9/7/2026.

The Project has secured all financing and continues to work diligently toward closing. Proposed legislation under AB 2465 and AB 1675 continues to create uncertainty for investors in California State LIHTC. As originally proposed, the bills could restrict access to state-provided benefits and California tax credits for certain entities involved with private detention facilities or immigration-enforcement contracting. Although the bills have since been amended to include protections for certain LIHTC investments, those amendments are a positive but not yet final development because the legislation remains pending and has not been enacted in final form.

The Project's financing parties require sufficient certainty that the final enacted legislation will preserve the ability to claim and use the Project's California State LIHTCs before the financing can close.

The development team continues to advance the Project toward closing and may not require the full requested extension. However, this request is being submitted as a precaution because the August 18, 2026 Committee meeting is the final opportunity to obtain Committee approval before the Project's current September 7, 2026 issuance and readiness deadlines. If the legislation is not resolved in sufficient time to close, the Project would not have another opportunity to request relief before those deadlines.

Accordingly, the development team respectfully requests that the Committee extend the Project's issuance and readiness deadlines from September 7, 2026 to October 19, 2026. October 19, 2026 is the outer readiness date applicable to other projects from the December 10, 2025 award cycle who initially received a 222 day readiness period. The requested extension therefore would remain within the cycle-wide outer boundary and would not place the Project on a longer timeline than a project already operating within the same award cycle.

Please accept this letter as a request to waive the forfeiture of performance deposit or any negative points.

Please do not hesitate to contact me should additional documentation or status updates be helpful. 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,

John P. Stoecker
Financial Advisor
California Municipal Finance Authority

CMFA
California Municipal Finance Authority

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July 22, 2026

Marina Wiant
Executive Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting a 30-day CDLAC deadline extension for the St. Ambrose Senior Housing Apartments Project (CDLAC Application No. 25-705)

Dear Ms. Marina Wiant:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request a 30-day CDLAC deadline extension for the St. Ambrose Senior Housing Apartments Project. The Project received an allocation on 12/10/2025 with a closing deadline of 6/8/2026. The Project then received an extension to 8/7/2026. The Project received another 30 day extension to 9/6/2026.

Unfortunately, following the introduction of Assembly Bills 1675 and 2465, nearly all bank investors paused their LIHTC investments in California due to ambiguity in the draft language. As the bills move through the legislative process, investor risk tolerance continues to vary widely. The Project investor is closely monitoring the issue and has committed to working toward closing financing in early September and no later than October 1, 2026. Additional information is provided in Attachment 1.

Please consider this letter as a request waiver of negative points and waiver of the forfeiture of performance deposit as well.

Please do not hesitate to contact me should additional documentation or status updates be helpful. 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,

John P. Stoecker

John P. Stoecker
Financial Advisor
California Municipal Finance Authority

Marina Wiant Executive
Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting a 90-day CDLAC deadline extension for the CSH MacArthur Project (CDLAC Application No. 25-719)

Dear Ms. Marina Wiant:

On behalf of Metropolis Architecture, Inc. I am writing in support of California Supportive Housing's request for an additional 90-day extension of the California Debt Limit Allocation Committee (CDLAC) issuance deadline for the CSH MacArthur Housing Project.

As Project Architect, our firm has been working with the Owner to address the additional design and engineering requirements resulting from the lender-requested Phase II Environmental Site Assessment completed after the Project's CDLAC allocation.

The requirements identified by the environmental review can be addressed by a VOC vapor barrier system beneath the proposed five-story (4-over-1 podium) building. Implementing the environmental mitigation measures requires specialized sub-slab engineering and coordination with the building foundation, structural systems, and construction documents. In parallel, our team has continued coordinating with the Owner to evaluate value engineering opportunities, modular design alternatives, and cost optimization measures while maintaining the approved Project scope and design objectives.

This work remains ongoing and is expected to continue through the requested extension period as the environmental mitigation measures are finalized and incorporated into the construction documents. Based on the current progress, we believe the remaining architectural coordination can be completed within the requested extension period, allowing the Project to proceed to financing closing and construction.

We respectfully support CSH's request for an additional 90-day extension and appreciate the Committee's consideration.

Sincerely,

Atabak Youssefzadeh, Architect, NCARB
Architect
Metropolis Architecture, Inc.

METROPOLIS ARCHITECTURE INC

Marina Wiant Executive
Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting a 90-day CDLAC deadline extension for the CSH MacArthur Project (CDLAC Application No. 25-719)

Dear Ms. Marina Wiant:

On behalf of Metropolis Architecture, Inc. I am writing in support of California Supportive Housing's request for an additional 90-day extension of the California Debt Limit Allocation Committee (CDLAC) issuance deadline for the CSH MacArthur Housing Project.

As Project Architect, our firm has been working with the Owner to address the additional design and engineering requirements resulting from the lender-requested Phase II Environmental Site Assessment completed after the Project's CDLAC allocation.

The requirements identified by the environmental review can be addressed by a VOC vapor barrier system beneath the proposed five-story (4-over-1 podium) building. Implementing the environmental mitigation measures requires specialized sub-slab engineering and coordination with the building foundation, structural systems, and construction documents. In parallel, our team has continued coordinating with the Owner to evaluate value engineering opportunities, modular design alternatives, and cost optimization measures while maintaining the approved Project scope and design objectives.

This work remains ongoing and is expected to continue through the requested extension period as the environmental mitigation measures are finalized and incorporated into the construction documents. Based on the current progress, we believe the remaining architectural coordination can be completed within the requested extension period, allowing the Project to proceed to financing closing and construction.

We respectfully support CSH's request for an additional 90-day extension and appreciate the Committee's consideration.

Sincerely,

A. Y

Atabak Youssefzadeh, Architect, NCARB
Architect
Metropolis Architecture, Inc.

CMFA
California Municipal Finance Authority

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Throughout California

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

August 6, 2026

Marina Wiant
Executive Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting 90-day CDLAC deadline extensions for the CSH MacArthur Apartments Project (CDLAC Application No. 25-719)

Dear Ms. Marina Wiant:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request 90-day CDLAC deadline extensions for the CSH MacArthur Apartments Project. The Project received allocation on 12/10/2025 with a deadline of 7/20/2026. The Project then received an extension to 10/19/2026.

Since approval of the previous extension, the Project Sponsor has continued advancing the environmental, design, and budget development efforts necessary to address the lender-requested Phase II Environmental Site Assessment requirements that can be addressed by a VOC vapor barrier system beneath the proposed five-story (4-over-1 podium) building. The design and implementation of this system requires specialized sub-slab engineering resulting in revisions to the project plans, construction documents, and budget. During this extension period, the Project team has continued coordinating with the architect and contractor to integrate the environmental mitigation measures into the Project while evaluating budget refinements and cost optimizations.

During the requested extension, the Project team expects to finalize the environmental mitigation measures and associated engineering and design coordination, incorporate the required measures into the construction documents, continue value engineering and modular design evaluations in response to ongoing supply constraints and recently imposed tariffs, refine the project budget, complete financing coordination, and satisfy the remaining closing conditions. This work does not change the approved scope of the Project; rather, it addresses unforeseen post-award environmental requirements that were not identified at the time of the CDLAC allocation while maintaining cost efficiencies and the Project's path to closing. Based on the current schedule, the Project Sponsor fully expects to close the bond financing within the requested extension period.

To further support this request, we have included a letter from the Project Architect confirming the ongoing design and engineering coordination associated with implementing the environmental mitigation measures identified through the Phase II Environmental Site Assessment.

Due to these delays, which are outside the control of Project Sponsor, we respectfully request a 90-day extension to allow the Project to successfully close this transaction. We also request a waiver of forfeiture of the performance deposit and any associated negative points.

Please do not hesitate to contact me should additional documentation or status updates be helpful. 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,

John P. Stoecker
Financial Advisor
California Municipal Finance Authority

CMFA
California Municipal Finance Authority

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July 22, 2026

Marina Wiant
Executive Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting a 21-day CDLAC deadline extension for the Colorado Crest Apartments Project (CDLAC Application No. 25-770)

Dear Ms. Marina Wiant:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request a 21-day CDLAC deadline extension for the Colorado Crest Apartments Project. The Project received an allocation on 12/10/2025 with a closing deadline of 6/8/2026. The Project then received an extension to 9/7/2026.

The Project has secured commitments for its financing sources and continues to work diligently toward closing. Red Stone is serving as the Project's federal and state tax credit investor. Proposed legislation under AB 2465 and AB 1675 continues to create uncertainty for investors in California State LIHTC. As originally proposed, the bills could restrict access to state-provided benefits and California tax credits for certain entities involved with private detention facilities or immigration-enforcement contracting. Although the bills have since been amended to include protections for certain LIHTC investments, those amendments are a positive but not yet final development because the legislation remains pending and has not been enacted in final form.

Red Stone has advised that it cannot proceed to closing until there is sufficient certainty that the final enacted legislation will preserve its ability to claim and use the Project's California State LIHTCs.

The development team continues to advance the Project toward closing and may not require the full requested extension. However, this request is being submitted as a precaution because the August 18, 2026 Committee meeting is the final opportunity to obtain Committee approval before the Project's current September 28, 2026 issuance and readiness deadlines. If the legislation is not resolved in sufficient time to close, the Project would not have another opportunity to request relief before those deadlines.

Accordingly, the development team respectfully requests that the Committee extend the Project's issuance and readiness deadlines from September 28, 2026 to October 19, 2026. October 19, 2026 is the outer readiness date applicable to other projects from the December 10, 2025 award cycle who initially received a 222 day readiness period. The requested extension therefore would remain within the cycle-wide outer boundary and would not place the Project on a longer timeline than a project already operating within the same award cycle.

Please accept this letter as a request to waive the forfeiture of performance deposit or any negative points.

Please do not hesitate to contact me should additional documentation or status updates be helpful. 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,

John P. Stoecker
Financial Advisor
California Municipal Finance Authority

July 31, 2026

VIA EMAIL

Marina Wiant
Executive Director
California Debt Limit Allocation Committee
901 P Street, Suite 213 A
Sacramento, CA 95814

Re: Request for Extension (493 Eastmoor)
CDLAC Resolution 25-353 (Application 25-807)

Dear Ms. Wiant,

The 493 Eastmoor Avenue affordable housing development received an allocation award on December 10, 2025. We respectfully request a 30-day extension of the project's bond issuance deadline, extending the current outside closing date from September 28, 2026, to October 28, 2026**.**

This request is being made as a precautionary measure to protect both the State's bond allocation and the project's financing commitments against potential unforeseen circumstances due to Fannie Mae and the Permanent Lenders review of the HCD IIG Grant Covenant along with delays to the Subsidy Layering Review process due to a technical issue with the submittal. The HCD IIG Grant Covenant is almost complete. The Subsidy Layering Review is in process. Importantly, the project remains on schedule for financial closing prior to September 28, 2026, and the development team, our financing partners, and all participating agencies continue working diligently toward that objective. This request is intended solely to provide a limited measure of protection against circumstances that remain outside the control of the project team during the final IIG Grant document preparation and the final SLR approvals.

The project has multiple funding sources and final loan documents are complete for the City of Daly City funding, which includes PLHA, HOME, HOME-ARP and SB31, County of San Mateo funding, which includes Housing for Healthy California funds, Housing Authority of the County of San Mateo, which includes MTW Reserve Funds, Housing Endowment and Regional Trust, which includes LHTC. The sponsor is ready to start construction, has its building permit-ready-letter in hand and the General Contractor is ready to commence construction upon receipt of the Notice to Proceed. Both the Project's Tax Credit Investor and Construction Lender are engaged with signed commitments and documents are almost final, and they will be ready to close soon. Similarly, the Project's soft lenders are ready to close upon final approval of the Subsidy Layering Review, tax credit investor and construction lender final documents. They have been able to hold equity pricing in a turbulent market and the project's sources and uses remain balanced.

Our concern is heightened by the fact that there is no CDLAC Board meeting between our current outside closing date of September 28, 2026, and the next scheduled Board meeting on October 6, 2026. As a result, should an unforeseen circumstance delay closing by even a single day beyond the current deadline, the project would have no opportunity to obtain relief before the existing bond allocation expires. Accordingly, we believe it is prudent to request this limited extension at this time as a precautionary measure, rather than risk jeopardizing the State's bond allocation and the project's financing due to circumstances outside the control of the development team.

The project is fully financed, all financing commitments remain in place, and the development is otherwise ready to proceed to closing. The only remaining activities prior to financial closing are completion of the IIG Grant Covenant and Subsidy Layering Review. As such, the requested extension is not intended to accommodate additional project development activities, but solely to provide a reasonable safeguard against potential delays associated with this final approval and closing processes that are outside the control of the development team.

Accordingly, we respectfully request:

1. A 30-day extension of the bond issuance deadline from September 28, 2026, to October 28, 2026; and
2. A waiver of any forfeiture of the project's CDLAC performance deposit and no assignment of negative points to the project sponsor associated with this extension request.

We appreciate CDLAC's continued support of the 493 Eastmoor Ave project and its commitment to the timely delivery of critically needed affordable housing. Although we remain confident that financial closing will occur before September 28, 2026, we respectfully request this limited extension solely as a safeguard against circumstances outside the development team's control during the final stages of the approval of the IIG Grant covenant and the Subsidy Layering Review. We remain committed to closing as soon as all required approvals have been obtained.

Sincerely,

Jon Penkower

Managing Director

925-476-5887

July 21, 2026

Kevin Brown
Housing Finance Officer
California Housing Finance Agency - Multifamily Programs
500 Capitol Mall, Suite 400, MS 990
Sacramento, CA 95814

RE: CDLAC Issuance and Readiness Deadlines - Extension Request
CA-25-263 The Junction

Dear Mr. Brown,

On December 10, 2025, The Junction (CA-25-263) was awarded an allocation of $10,500,000 of tax-exempt bonds from CDLAC, along with allocations of 4% federal tax credits and California State Farmworker Tax Credits. The Project also received an award for a Section 514 loan and Section 521 Rental Assistance from USDA. The original issuance and readiness deadline was June 8, 2026. CDLAC subsequently approved two 45-day extensions, resulting in the current September 7, 2026 deadline.

The Project has secured commitments for all financing sources and has received a permit-ready letter from the City of Tracy. Raymond James is serving as the Project's federal and state tax credit investor. Proposed legislation under AB 2465 and AB 1675 continues to create uncertainty for investors in California State LIHTC. As originally proposed, the bills could restrict access to state-provided benefits and California tax credits for certain entities involved with private detention facilities or immigration-enforcement contracting. Although the bills have since been amended to include protections for certain LIHTC investments, those amendments are a positive but not yet final development because the legislation remains pending and has not been enacted in final form.

Raymond James has advised that it cannot proceed to closing until there is sufficient certainty that the final enacted legislation will preserve its ability to claim and use the Project's California State LIHTCs.

The development team continues to advance the Project toward closing and may not require the full requested extension. However, this request is being submitted as a precaution because the August 18, 2026 Committee meeting is the final opportunity to obtain Committee approval before the Project's current September 7, 2026 issuance and readiness deadlines. If the legislation is not resolved in sufficient time to close, the Project would not have another opportunity to request relief before those deadlines.

Accordingly, the development team respectfully requests that the Committee extend the Project's issuance and readiness deadlines from September 7, 2026 to October 19, 2026. October 19, 2026 is the outer readiness date applicable to other projects from the December 10, 2025 award cycle who initially received a 222 day readiness period. The requested extension therefore would remain within the cycle-wide outer boundary and would not place the Project on a longer timeline than a project already operating within the same award cycle.

Please do not hesitate to reach out if you have any questions or if any additional information would be helpful. We appreciate your time and consideration.

Sincerely,

DocuSigned by:
Paul Salib
4B2ABD89EF604C6...

Paul Salib
Chief Executive Officer
CRP Affordable Housing and Community Development

July 24, 2026

Paul Salib
Gregory Nestler
CRP Affordable Housing and Community Development
4429 Morena Blvd., Suite A
San Diego, CA 92117

Re:	Partnership:	CRP The Junction, LP
	Property Name:	The Junction
	City/State:	Tracy, CA

Dear Paul and Gregory:

I am writing this letter in support of CRP seeking an extension from CDLAC to be included on the agenda at next month's meeting (8/18). A this stage, as I have previously referenced to you, Raymond James Affordable Housing Investments, Inc. ("RJAHI") will not be able to close on financing until the State Tax Credit legislation (AB 1675 and AB2465) is resolved. While we believe this will occur by the end of August, we feel an extension is merited in the event of any unforeseen delays on the passage of the new legislation.

We remain fully committed to this investment with CRP and look forward tom this project closing. Please do not hesitate to call me at (216) 509-1342 if you have any questions related to this matter.

Sincerely,

Kevin Kilbane
VP - Director of Acquisitions
Raymond James Tax Credit Funds, Inc.

CMFA
California Municipal Finance Authority

Tax-Exempt Financing
Throughout California

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

August 5, 2026

Marina Wiant
Executive Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting a 90-day CDLAC deadline extension for Vista Heights Apartments Project (CDLAC Application No. 25-836)

Dear Ms. Marina Wiant:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request a 90-day CDLAC deadline extension for the Vista Heights Apartments Project. The Project received an allocation on 12/10/2025 with a closing deadline of 7/20/2026. The Project then received a 90-day extension to 10/19/2026

American Neighborhood Housing ("ANH") has secured its path to closing. ANH is now prepared to execute and close on the financing commitments from R4 attached hereto, and its investor—having previously committed to the transaction—has reissued its letter of intent to ANH. The remaining work is documentation. Given the schedules of the underwriting and closing teams, including third-party consultants and counsel, that work will extend modestly beyond the current October 2026 Readiness deadline, and it is solely for that reason that ANH seeks this extension.

The delay reflects market and structural conditions outside ANH's control rather than any lack of readiness or diligence. Two developments in particular have lengthened the financing timeline. First, the transition from the 50% test to the 25% test, combined with a market-wide surge in LIHTC transactions competing for tax credit equity and bond financing, has made lenders and investors considerably more selective—an effect felt most acutely by emerging, BIPOC-led development entities establishing new lender and investor relationships. Second, and more recently, many investors have become unable to utilize the California State Low-Income Housing Tax Credit, sharply narrowing the pool of investors able to price and close transactions of this type. It was this combination of factors that caused ANH's original investor to be unable to proceed earlier, notwithstanding its interest, and required ANH to engage more than a dozen financing partners over the past several months. That same investor has now returned and reissued its commitment, and ANH is positioned to close on the strength of it.

ANH's development team has the expertise and commitment to deliver this Project, and the entire team is eager to move it to a successful close so that low-income residents in the Murrieta community can benefit from this significant community asset. For the reasons above, ANH respectfully requests that CDLAC grant the requested 90-day extension and waive any associated negative points and performance-deposit forfeiture.

Please do not hesitate to contact me should additional documentation or status updates be helpful. 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,

John P. Stoecker
Financial Advisor
California Municipal Finance Authority

March 20, 2026
Revised March 27, 2026
Revised April 16, 2026
Revised August 5, 2026

American Neighborhood Housing
Attn: Juan Aguilar
26050 Mureau Road, Suite 101
Calabasas, CA 91302

RE: VISTA HEIGHTS, MURRIETA, CA (the "Project")

Dear Juan:

This letter (this "**Letter**") expresses the intent of and summarizes the terms and conditions pursuant to which R4 Capital LLC or one of its affiliates (the "**Limited Partner**") will acquire a limited partnership interest in Vista Murrieta LP, a California limited partnership (the "**Partnership**"). The General Partner (as defined below) agrees and acknowledges that all information provided herein shall be true, correct, and complete in all material respects.

1. Project Structure.

The Partnership has been formed to acquire, own, develop, and operate the Project, which is anticipated to be eligible to claim Low-Income Housing Tax Credits ("**Credits**") under Section 42 of the U.S. Internal Revenue Code (the "**Code**") and California State Low-Income Housing Tax Credits ("**State Credits**") under Sections 12206, 17058, and 23610.5 of the California Revenue and Taxation Code (the "**R&T Code**"). The Partnership has received a determination (the "**Determination**") of Credits for the year 2026 a reservation of State Credits for the year 2026 (the "**Allocation**") from California Tax Credit Allocation Committee (the "**Credit Agency**"). It is anticipated that the Partnership will be entitled to receive credits by reason of the Project being financed by tax-exempt volume cap bonds (the "**Bonds**"), which bonds will be issued by California Municipal Finance Authority (the "**Issuer**").

The key parties involved in the Partnership shall be:

	Party	**Name**	**Ownership Interest in the Partnership**
1	The Partnership	Vista Murrieta LP	N/A
2	Limited Partner	An affiliate of R4 Capital LLC	99.99%
3	Managing General Partner	Vista Murrieta LLC	.009%
4	Administrative General Partner	Spada Development, LLC	.001%

Neither the General Partner nor any person related to the General Partner may hold any debt owed by the Partnership or allow any permanent debt to be recourse, if such debt was used to finance any items included in the Partnership's Eligible Basis, including the Deferred Developer Fee.

2. Other Project Parties.

A. Developer. American Neighborhood Housing ("ANH")

B. Guarantor(s). Palm Drive Associates or other parties acceptable to the Limited Partner. The obligations of the General Partner set forth in the Partnership Agreement, including but not limited to those described herein, shall be guaranteed by the Guarantor(s). The Guarantors will exhibit unrestricted net liquidity of 5% of Total Development Costs and tangible net worth of 25% of Total Development Costs as determined by the Limited Parter after review of Palm Drive Associates financial statement.

C. Property Manager. Solari Enterprises, Inc.

D. General Contractor. NextPhase. The General Partner shall obtain a fixed-price contract for the construction of the Project on terms and conditions and with a general contractor acceptable to the Limited Partner, which contract shall provide for a 100% payment and performance bond or letter of credit for not less than 10% of the fixed-price construction contract amount from a banking institution acceptable to the Limited Partner. A minimum of a 5% total construction cost contingency is required (unless a higher amount is required by the Limited Partner after underwriting the Project). It is expected that the construction contingency amount will be outside of the construction contract.

E. Development Consultant. Alliant Communities will be a Development Consultant to the Partnership. There will be a consulting agreement in place between Alliant and the Partnership in form and substance acceptable to the Limited Partner in all respects.

The qualifications and financial condition of each of the foregoing parties must be acceptable to the Limited Partner.

3. Unit Matrix and Project Schedule.

A. Unit Matrix. The Project will consist of 214 units in 3 buildings. Of the 214 units, 53 units will be subject to a 20-year Housing Assistance Payment Contract ("HAP") which will be in place prior to or concurrently with the Admission of the Limited Partner to the Partnership. It is expected that all of the units will qualify for Credits under Section 42 of the Code, all applicable state and federal regulations and the Determination. The following will be the unit mix and income restrictions of the units:

Unit Type	Number of Units	Income Restrictions
1 Bedroom / 1 Bath	53	30% AMI
1 Bedroom / 1 Bath	3	30% AMI/HAP
1 Bedroom / 1 Bath	48	80% AMI
2 Bedroom / 1 Bath	15	30% AMI/HAP
2 Bedroom / 1 Bath	39	80% AMI
2 Bedroom / 1 Bath	2	Manager
3 Bedroom / 2 Bath	35	30% AMI/HAP
3 Bedroom / 2 Bath	19	80% AMI

The Limited Partner acknowledges that the Partnership will elect to use the Average Income Test as the minimum set-aside to qualify for Credits for each building in the Project and will elect to include all buildings as a single project. The General Partner agrees that the average AMI of the designated units will not exceed 60%. Further, the General Partner will agree to engage a third-party consultant (the "Third-Party Consultant") acceptable to the Limited Partner in its sole discretion (i) to review any and all income-tracking reports or other similar reports prepared in connection with the Project, (ii) to advise the General Partner and the Management Agent regarding compliance with Code, including, but not limited to, the Average Income Test, and (iii) after Rental Achievement, (a) to deliver quarterly reports certifying that tenants' incomes and the rents charged to such tenants in each month of the reporting period comply with the requirements of the Average Income Test and (b) to review at least 20% of the leases at least annually to ensure compliance with the Average Income Set-Aside. Tenant income certification will be required to be performed annually. The Third-Party Consultant will remain engaged for at least the first five (5) years after the commencement of the credit period for each of the buildings or until such time that the Limited Partner, in its sole discretion, determines that the Third-Party Consultant is no longer necessary to ensure compliance with the Code. The cost to engage the Third-Party Consultant will be a Partnership expense and will either be included in operating expenses or included in the development budget.

B. Project Schedule. The construction/lease-up schedule expected for the Project and upon which the credit pricing and deal terms contained herein are calculated is as follows:

Closing Date	Anticipated on or after December 1, 2026
Completion Date	24 months after Closing Date, anticipated December 1, 2028
First Unit Leased	24 months after Closing Date, anticipated December 1, 2028
Last Unit Leased	29 months after Closing Date, anticipated May 31, 2029

4. Project Financing. It is anticipated that, in addition to the equity to be provided by the Limited Partner, the Project will be financed with the following loans (the "**Loans**"):

A. Permanent Loans. The following permanent loans (the "**Permanent Loans**") are expected to be made to the Partnership:

i. First Permanent Loan. A loan in the approximate amount of $39,567,222 will be provided by R4 Capital Funding. The $34,562,424 tax exempt portion loan will bear interest at a fixed rate of 6.05% per annum with a 204-month term and 480 months of amortization. The $5,004,798 taxable portion loan will bear interest at a fixed rate of 7.26% per annum with a 204-month term and 480 months of amortization. A commitment for this loan will be in place prior to admission of the Limited Partner to the Partnership. It is assumed that this loan will either be held by an entity that is not a related party of the General Partner or satisfy the de-minimis exception (26 CFR 1.752-2(d)), and accordingly will constitute qualified non-recourse debt in accordance with Section 465(b)(6).

ii. Riverside County Loan. A loan in the approximate amount of $4,000,000 will be provided by the County of Riverside. The loan will bear interest at a fixed rate of 3.0% per annum with a 204-month term and be payable solely from Cash Flow. A commitment for this loan will be in place prior to admission of the Limited Partner to the Partnership. It is assumed that this loan will either be held by an entity that is not a related party of the General Partner or satisfy the de-minimis exception (26 CFR 1.752-2(d)), and accordingly will constitute qualified non-recourse debt in accordance with Section 465(b)(6).

iii. Certificated State Credit Loan. A loan in the approximate amount of $26,361,000 will be provided by an unrelated third party non-profit with proceeds generated from the sale of certificated state tax credits. The loan will bear interest at a fixed rate of 0.0% per annum with a 204-month term and be payable solely from Cash Flow. A commitment for this loan will be in place prior to admission of the Limited Partner to the Partnership. It is assumed that this loan will either be held by an entity that is not a related party of the General Partner or satisfy the de-minimis exception (26 CFR 1.752-2(d)), and accordingly will constitute qualified non-recourse debt in accordance with Section 465(b)(6).

B. Construction Loan. The Partnership will obtain an interest-only construction loan (the "**Construction Loan**") from R4 Capital Funding in the approximate amount of $93,000,000, with a term of not less than 39 months. The Guarantor shall guarantee repayment of the Construction Loan. A commitment for this loan will be in place prior to admission of the Limited Partner to the Partnership.

C. Other Sources.

The terms and conditions of each of the Loans and any other loan to the Partnership will be subject to the Limited Partner's approval. All Permanent Loans must be non-recourse.

5. Tax Credits. It is anticipated that the Partnership will be eligible to receive Credits by reason of the Project being financed by the Bonds and, accordingly, will be entitled to receive annual Credits in the amount of $5,916,708, of which $5,916,116 will be allocated to the Limited Partner ("**Limited Partner Credit Share**"). The amount of Credits for which the Project will qualify is based on an Eligible Basis of $147,917,690 ("**Eligible Basis**"), a Qualified Basis of $147,917,960 ("**Qualified Basis**"), and an applicable percentage of 4% ("**Applicable Percentage**"). It is anticipated that the Partnership will be eligible to receive State Credits of $30,302,398, of which $30,299,367 will be allocated to the Limited Partner ("**Limited Partner State Credit Share**"). The amount of State Credits for which the Project will qualify is based on an Eligible and Qualified Basis of $113,782,839 ("**State Qualified Basis**") and a State Credit applicable percentage of 30% ("**State Credit Applicable Percentage**"). The following sets forth the delivery of Credits that the Project and the Limited Partner will claim:

Year	Project's Credits	Limited Partner Credit Share	Project's State Credits	Limited Partner State Credit Share
2029	$4,919,070	$4,918,578	$10,240,455	$10,240,455
2030	$5,916,708	$5,916,116	$10,240,455	$10,240,455
2031	$5,916,708	$5,916,116	$9,821,487	$9,821,487
2032 – 2038	$5,916,708	$5,916,116		
2039	$997,638	$997,538		

The amount of capital to be contributed pursuant to this Letter is, in part, based on the Credit delivery set forth above. Any delay in such Credit delivery will cause a decrease in the amount to be contributed by the Limited Partner. The Project is located in a difficult to develop area or is located in a qualified census tract and therefore qualifies for a 30% Eligible Basis boost.

In the event that the Form 3521A has not been issued at the time that Partnership is required to file its tax return for the first year in which a building is placed in service and commences to claim the State Credit with respect to that building, the General Partner shall cause the Partnership to file with the department of

Treasury for the State of California and provide to the Investor Limited Partner a certification required pursuant to Sections 12206(b)(2)(C), 17058(b)(2)(C) and 23610.5(b)(2)(C) of the Revenue and Taxation Code for such year and any succeeding year prior to the year in which the Partnership has received the Form 3521A for each building.

6. Capital Contributions. Based on the information set forth herein and the materials you previously submitted, and subject to the Limited Partner's satisfactory completion of due diligence (in its sole discretion), the Limited Partner will make aggregate capital contributions (the "**Capital Contributions**") to the Partnership (subject to adjustment as provided below) of $44,371,000 based on a contribution amount of $0.75 per dollar of Limited Partner Credit Share and $26,361,000 based on a contribution amount of $0.87 per dollar of Limited Partner State Credit Share in five installments according to the following schedule:

		Amount of Capital Contribution ($)	**% of Total Capital Contribution**
1	Admission of the Limited Partner to the Partnership	$3,536,600	5%
2	Later of 100% Construction Completion or January 1, 2029	$10,609,800	15%
3	Later of Rental Achievement or January 1, 2030	$55,315,677	78.20%
4	Later of Receipt of IRS Forms 8609 or July 1, 2030	$250,000	0.35%
5	60 months after Rental Achievement to fund the Operating Reserve	$1,019,923	1.44%

The following are definitions for the terms set forth above in the Capital Contribution schedule. All construction completion thresholds prior to 100% Construction Completion will be based on submissions of AIA forms G702/703 and an inspection by the Limited Partner's engineering consultant ("**Limited Partner Consultant**") and/or the Limited Partner's asset management group as to the progress of the Project, approving the construction and certifying that the work performed to meet such threshold has been permanently made a part of the Project.

A. 100% Construction Completion. 100% Construction Completion will be deemed to have occurred when (i) the Limited Partner has received a certificate from the Project architect and Limited Partner Consultant that the Project has been completed substantially in accordance with the final plans and specifications (the "**Plans**") approved by the Limited Partner, (ii) the Project has received a final certificate of occupancy (or its equivalent) permitting occupancy of the entire Project for its intended use, (iii) the Limited Partner has received a draft certificate from the Project's independent accountant setting forth the initial estimate of the Project's Eligible Basis for Credit and State Credit purposes, the amount of annual Credits and State Credits to which the Partnership is entitled, and that the amount of Bonds financing the Project as of the date the Project was placed-in-service was greater than 25% of the Project's basis in the land and building.

B. Rental Achievement. Rental Achievement will be deemed to have occurred when (i) all of the Project's permanent financing has closed (or will close simultaneously with payment of the Rental Achievement Capital Contribution), (ii) all of the set-aside apartments in the Project have qualified for Credits and State Credits, (iii) the Project has maintained a physical occupancy rate of at least 95% and a debt service coverage ratio of at least 1.15 to 1.00 (assuming a 5% vacancy factor based on the greater of actual or underwritten assumptions) for three (3) consecutive months, and (iv) the Limited Partner has received a certificate from the Project's independent accountant(s) stating the amount of the first year Credits, Eligible Basis, Qualified Basis, Applicable Percentage, the amount of annual Credits to which the Project is entitled, and the Limited Partner Credit Share.

7. Adjuster Provisions. The Capital Contributions set forth in Section 6 of this Letter will be subject to the following Credit adjusters:

   A. Credit Adjuster. If the actual amount of annual Credits or State Credits certified by the Project accountant to be allocable to the Limited Partner is less than the amount set forth above, then the amount of the Capital Contributions to be provided by the Limited Partner will be decreased by $0.75 for each $1.00 that the Limited Partner Credit Share is reduced and $0.75 for each $1.00 that the Limited Partner State Credit Share is reduced. If the Project receives an additional allocation of Credits or State Credits or is otherwise entitled to receive additional Credits or State Credits more than initially anticipated or underwritten, subject to the availability of Limited Partner funds, the amount of the Limited Partner's Capital Contributions will be increased by $0.87 for each $1.00 that the Limited Partner Credit Share is increased and $0.87 for each $1.00 that the Limited Partner State Credit Share is increased up to a maximum increase of $3,674,050. If the Limited Partner does not make Capital Contributions above the cap set forth above, then the Limited Partner will either (i) use its best efforts to procure a Class B Limited Partner to make such Capital Contributions and be allocated such additional Credits or State Credits, or (ii) elect to alter the ownership percentages in order to cause the additional Credits or State Credits to be allocated to the General Partner or its designee. Any adjustments will be reflected in the Rental Achievement Capital Contribution or the IRS Forms 8609 Capital Contribution, as set forth in the applicable documents.

   B. Timing Adjuster. If any portion of the Limited Partner Credit Share is not received in 2029 or 2030, then the 100% Construction Completion Capital Contribution or the Rental Achievement Capital Contribution, will be reduced by $0.65 for each $1.00 that the Limited Partner Credit Share is deferred. If the actual amount of Credits allocated to the Limited Partner in 2029 or 2030 is greater than the Limited Partner Credit Share for such year, then, subject to the availability of Limited Partner funds, the Rental Achievement Capital Contribution will be increased by $0.55 for each $1.00 that the Limited Partner Credit Share is accelerated. If the actual amount of State Credits certified by the Project's independent accountant to be available to the Limited Partner in 2028, 2029, or 2030 is less than the amount set forth in Section 5 above, then the amount of the Rental Achievement Capital Contribution to be provided by the Limited Partner shall be reduced by $0.30 for each dollar that the Limited Partner State Credit Share is less than the amount set forth in Section 5 above.

Should any downward adjuster be greater than the remaining balance of the Limited Partner's capital contributions, the amount shall be paid by the General Partner to the Limited Partner on a grossed-up after-tax basis and guaranteed by the Guarantor(s).

The amount of the Capital Contributions set forth above was also based upon the assumption that the Partnership will elect to be treated as an Electing Real Property Trade or Business ("**ERPTOB**"), as enacted by the 2017 amendments to the Code, and will have an initial basis of not less than $422,471 per unit with respect to residential rental property with a recovery period of 30 years. Additionally, it is assumed that the Partnership will be entitled to claim depreciation deductions with respect to site improvements of not less than $69,713 per unit with a 15-year recovery period and personal property of not less than $63,369 per unit with a five-year recovery period. This assumption is based upon the General Partner being a tax-exempt controlled entity that has made the election under Section 168(h)(6)(F) of the Code. The General Partner may not elect out of bonus depreciation with respect to the 15- and 5-year life assets in accordance with Section 168(k)(2) of the Code without the consent of the Limited Partner. As a result of 100% accelerated depreciation, the Partnership will claim accelerated depreciation deductions of $12,988,000 with respect to site improvements and $11,806,000 with respect to personal property in 2028. If the amounts of the accelerated depreciation deductions are less than the amounts set forth in the preceding sentence, the amount of the 100% Construction Completion and/or Rental Achievement Capital Contribution(s) will be reduced by $0.21 per dollar of such shortfall. In the event that the realization of such accelerated depreciation deductions by the Partnership is delayed to a subsequent year due to a delay in the Project's Completion Date, the portion of the 100% Construction Completion and/or Rental Achievement Capital Contribution(s) will be reduced by $0.021 for each dollar and each year of accelerated depreciation deductions that are so deferred. At the Partnership's expense, the General Partner shall obtain a Cost Segregation Study on behalf of the Partnership, from a provider acceptable to the Limited Partner, to segregate personal property and land improvement assets from real property costs. The General Partner shall adopt the findings of the Cost Segregation Study for all Partnership reporting purposes.

8. Developer Fee. The Developer shall be entitled to a total development fee (the "**Developer Fee**") in the amount permitted by the Credit Agency and agreed to by the Limited Partner. It is anticipated that a portion of the Developer Fee (the "**Cash Developer Fee**") will be paid from the Limited Partner's Capital Contributions (and any other mutually agreed upon sources) in installments mutually agreeable to the Partnership's partners, provided that the payment of the Developer Fee is subordinate to the payment of all of the Partnership's obligations to third parties and deposits into the Replacement Reserve and the Operating Reserve. Subject to the foregoing and provided that the Limited Partner's projections do not show the need for additional sources of funds to complete the Project, 25% of the Cash Developer Fee will be paid to the Developer upon admission of the Limited Partner to the Partnership, 25% of the Cash Developer Fee will be paid to the Developer upon 100% Construction Completion, and at least 50% of the Cash Developer Fee will be held back until Rental Achievement. To the extent the Developer Fee has not been paid in full upon the funding of the final Capital Contribution, the remainder of the Developer Fee (the "**Deferred Developer Fee**"), together with interest at 6.0%, will be paid out of Cash Flow as provided below. To the extent the Deferred Developer Fee is not paid by the end of the 15-year compliance period, the General Partner shall be obligated to contribute to the Partnership an amount equal to the unpaid Deferred Developer Fee, which obligation shall be guaranteed by the Guarantor(s).

9. Reserves. The Partnership will fund the following reserves:

   A. Replacement Reserve. The Partnership will fund out of Cash Flow a replacement reserve (the "**Replacement Reserve**") in the amount equal to the greater of (i) $250 per unit per year, to be increased by 3% annually, or (ii) such amount as determined necessary by the Limited Partner upon regular reviews of the physical needs and financial circumstances of the Project.

   B. Operating Reserve. An operating reserve (the "**Operating Reserve**") in the amount of $1,019,923 (or an amount equal to 3 months of operating expenses and debt service, as underwritten by the Limited Partner at Closing) (the "**Minimum Balance**") will be funded 60 months after Rental Achievement. The Operating Reserve will be replenished up to the Minimum Balance from Cash Flow to the extent withdrawals are made. No withdrawals may be made from the Operating Reserve (i) until Rental Achievement, (ii) while the Project is maintaining at least break-even operations or (iii) until the maximum amount of the General Partner's obligation under the Operating Deficit Guaranty (the "**Maximum ODG Amount**") is expended from other sources.

10. Obligations of the General Partner and the Guarantor(s). The General Partner shall have the following obligations, among others, and the Guarantor(s) shall guarantee these obligations:

   A. Completion and Development Deficit Guaranty. The General Partner shall guarantee lien-free completion of the Project in a good and workmanlike condition, substantially in accordance with the Plans, by not later than December 1, 2028 (the "**Completion Date**"). The Completion Date is based on an assumed closing date of December 1, 2026 and a construction period of 24 months (such date may be extended by a maximum of three (3) months in the case of unavoidable events if each Lender permits such extension). The General Partner shall be responsible to pay the amount (the "**Development Deficit**") by which all costs and expenses incurred with respect to the construction and completion of the Project and its operation until Rental Achievement has occurred (together, the "**Development Expenditures**") exceed the funds available to the General Partner from (i) the Capital Contributions, (ii) Cash Flow prior to Rental Achievement, and (iii) financing proceeds which have been approved by the Limited Partner (collectively, (i)-(iii), the "**Development Sources**"). If the Limited Partner determines in its reasonable discretion that such treatment does not, and is not likely to, result in a reallocation of credits, profits, or losses allocable to the Limited Partner, payments made under this Completion and Development Deficit Guaranty will constitute loans ("**Development Deficit Loans")** to the Partnership by the Administrative General Partners which shall be repayable solely from Cash Flow or sale or refinancing proceeds otherwise distributable to the General Partners in accordance with Sections 13(A)(xi) and 13(B)(ix) below.

   B. Operating Deficit Guaranty ("**ODG**"). The General Partner shall be required to loan the Partnership without interest all funds necessary to cover operating deficits ("**Operating Loans**") for a period commencing on the expiration of the Completion and Development Deficit Guaranty and ending upon (i) the later of (a) 60 months after the expiration of the Completion and Development Deficit Guaranty or (b) the Project's achievement of 1.15 to 1 debt service coverage on the Permanent Loans calculated over a period of 12 consecutive months based on audited financials (with such 12-month period ending no earlier than the last date of the 60-month period described in clause (a)), and (ii) confirmation that the Operating Reserve has been fully funded to its originally required balance. The maximum ODG amount shall be $3,070,545(or an amount equal to 9 months of operating expenses and debt service, as underwritten by the Limited Partner at Closing). Operating Loans will be repayable only out of 50% of future available Cash Flow or out of available proceeds of a Capital Transaction.

   C. Recapture Guaranty. If the Limited Partner is allocated Credits or State Credits less than the Limited Partner Credit Share or Limited Partner State Credit Share or Credits or State Credits allocated to the Limited Partner are recaptured, the General Partners shall reimburse the Limited Partner on a grossed-up, after-tax basis for any such deficit or recapture of Credits or State Credits plus any associated penalties, interest, or additional taxes due by reason of such payment (a "**Recapture Event**"), unless the same is caused by a change in the Code or the action of the Limited Partner in violation of the Partnership Agreement. Any amount due under this Recapture Guaranty shall bear interest at the rate of 13% per annum from the date of the Recapture Event until paid.

   D. Repurchase. At the election of the Limited Partner, the General Partner shall be required to permit the Limited Partner or an affiliate to become the General Partner of the Partnership or to repurchase the equity interests of the Limited Partner for an amount equal to (i) 100% of the Capital Contributions paid to date, plus (ii) an amount equal to 15% of the total scheduled Capital Contributions of the Project, plus (iii) interest on (i) and (ii) at the Prime Rate from the date of payment of the initial Capital Contribution, if (a) construction of the Project is not completed by the Completion Date, (b) prior to Rental Achievement there is an uncured default under or termination of any financing document or commitment or any other material document, (c) a foreclosure action is commenced against the Project prior to Rental Achievement, (d) a Form 8609 for each building is not delivered within eighteen months following 100% Construction Completion, or (e) prior to Rental Achievement certain other events occur which could impair the ability of the Partnership to claim the Credits and allocate to the Limited Partner the Limited Partner Credit Share.

E. Environmental Indemnification. The General Partner and the Guarantor(s), jointly and severally, shall indemnify the Partnership and the Limited Partner with respect to the presence of hazardous materials in, on or about the Project including all compliance, clean-up and remediation costs (if applicable). This obligation will be more specifically set forth in the Partnership Agreement and other related documents.

11. Management Fee. Solari Enterprises, Inc will be the Project's initial property manager. The Property Manager must have, to the Limited Partner's satisfaction, adequate experience in managing properties eligible for Credits, and the Property Manager will enter into a property management agreement (the "**Management Agreement**") with the Partnership subject to commercially reasonable terms and conditions including a management fee not to exceed 3% of gross rentals (the "**Management Fee**"). However, if the Property Manager is an affiliate of the General Partner, the Management Agreement will provide that up to 40% of the Management Fee will be deferred (the "**Deferred Management Fee**") to the extent that the Partnership does not have sufficient Cash Flow to pay such Management Fee. The Management Agreement must have a term of one year or less and provide for termination at the request of the Limited Partner upon 30 days' prior notice.

12. Allocation of Tax Credits, Depreciation, Profits and Losses. The Credits, depreciation, operating profits and losses will be allocated in accordance with the percentage interests of the Partnership's partners.

13. Distributions.

A. Cash Flow Distributions. For the period prior to Rental Achievement but not longer than six months following 100% Construction Completion, cash flow of the Partnership ("**Cash Flow**") after paying all expenses in connection with the development of the Project will be paid to the General Partner as an incentive fee ("**Lease-Up Fee**"). Thereafter, Cash Flow after operating expenses, mandatory debt service and any reserves that may be required by the Limited Partner or by any lender under the Loans will be distributed in the following order of priority:

i. to pay the Limited Partner a $40,000 cumulative annual local administrative fee (the "**Local Administrative Fee**"), which fee shall increase by 3% per annum;
ii. to replenish the Operating Reserve account to the Minimum Balance;
iii. to repay any loans made by any partner of the Partnership other than the General Partner;
iv. to repay any other loans made by the Partnership's partners other than those made to pay for obligations of the General Partner;
v. to pay any Deferred Management Fee;
vi. to pay any outstanding portion of the Deferred Developer Fee and accrued interest;
vii. to repay any Operating Loans to the extent of 50% of remaining Cash Flow;
viii. to pay any outstanding principal and interest on Riverside County Loan to the extent of 50% of Cash Flow; and
ix. the balance 89% to the General Partner and 11% to the Limited Partner.

B. Proceeds of Sale or Refinancing. Net proceeds of a sale or refinancing (each, a "**Capital Transaction**") will be distributed in the following order of priority:

i. to pay expenses of such Capital Transaction, debts and obligations of the Partnership, and establish necessary reserves;
ii. to pay the Limited Partner any accrued but unpaid portion of the annual Local Administrative Fee;
iii. to repay any loans made by any partner of the Partnership other than the General Partner;
iv. to repay any other loans made by the Partnership's partners other than those made to pay for obligations of the General Partner;
v. to pay any Deferred Management Fee;
vi. to pay any outstanding portion of the Deferred Developer Fee and accrued interest;
vii. to repay any other loans made by the General Partner or the Guarantor(s) pursuant to their obligations hereunder; and
viii. the balance 89% to the General Partner and 11% to the Limited Partner.

Proceeds on liquidation of the Partnership shall be made in accordance with (i) through (vii) above, and then to the partners to the extent necessary to eliminate any positive balance in their capital accounts, and then in accordance with (viii) above.

14. Rights of Limited Partner. The consent of the Limited Partner will be required for, among other things: (i) a Capital Transaction involving the Project, (ii) the withdrawal, admission or substitution of the General Partner, and (iii) the sale, assignment, encumbering or pledging of the General Partner's interests in the Partnership.

Furthermore, the Limited Partner will have the right to remove the General Partner and eliminate the General Partner's interest in the Partnership if certain events set forth in the Partnership Agreement occur, including if: (i) the General Partner violates its fiduciary responsibilities, (ii) the General Partner or the Partnership breaches its respective obligations and commitments, (iii) the General Partner or the Guarantor(s) becomes bankrupt, (iv) the Project has sustained a loss of more than 5% of the Credits, or (v) the Project is subject to foreclosure or has materially breached documents encumbering the Project.

15. Limited Partner Review. As set forth in the Partnership Agreement, the Limited Partner will have the right to inspect the Project during and after construction and to review construction loan disbursement requests and other financial and operations matters of the Project and the Partnership.

16. Reporting Requirements. The Partnership will prepare and deliver to the Limited Partner (a) quarterly unaudited financial statements to be delivered within 30 days after the end of each quarter of the fiscal year; (b) annual audited financial statements to be delivered within 60 days after the end of each fiscal year; (c) an annual budget for each fiscal year to be delivered not later than November 1 of the preceding year; and (d) the Partnership's draft tax returns and K-1 forms to be delivered within 45 days after the end of each fiscal year. The independent accountant(s) for the Partnership may be chosen by the General Partner, subject to the Limited Partner's prior approval.

17. Purchase Option; Right of First Refusal. The General Partner, so long as it is the general partner, shall have an option to purchase the Project (the "**Project Purchase Option**") at the end of the 15-year tax credit compliance period (the "**Compliance Period**") for a purchase price equal to the greater of (i) the fair market value ("**FMV**") of the Project or (ii) the sum of (x) the amount of the outstanding indebtedness secured by the Project, which indebtedness may be assumed by the General Partner at its discretion, (y) the amount of the

federal, state and local tax liability that the partners of the Partnership (or their respective partners or members) would incur as a result of such sale (determined on an after-tax basis) ("**Exit Taxes**") and (z) the amount of any unreimbursed deficiency in Credits recognized by the Limited Partner with respect to the Project as compared to the level forecast by the Limited Partner together with a return on such unrecognized Credits of 13% per annum (the "**Credit Shortfall**"). The Project Purchase Option shall terminate if it is not exercised during the one-year period immediately following termination of the Compliance Period. Additionally, the General Partner, so long as it is the general partner, shall have an option to purchase the Limited Partner's interest in the Partnership (the "**Interest Purchase Option**"), commencing at the beginning of the year following the final year in which Credits are delivered and ending upon the first anniversary of the date the Compliance Period terminated, for a purchase price equal to the greater of (1) the amount the Limited Partner would be distributed if the Project were sold at FMV, (2) the FMV of the Limited Partner's interest or (3) the sum of (a) the Exit Taxes, (b) the Credit Shortfall, and (c) the amount of any accrued and unpaid Local Administrative Fees owed to the Limited Partner as of the date the Interest Purchase Option is exercised plus, if the Interest Purchase Option is exercised prior to the end of the Compliance Period, the amount of Local Administrative Fees that would accrue and be owed to the Limited Partner if the Interest Purchase Option were not exercised until the end of the Compliance Period. In addition, if the General Partner exercises its rights pursuant to this Section 17 prior to the expiration of the Compliance Period, the General Partner and the Guarantors agree to execute a post-transfer compliance and guaranty agreement (the "**Recapture Guaranty**") relating to any tax credit recapture event arising during the Compliance Period in form and substance acceptable to the Limited Partner. Any exercise of the Interest Purchase Option prior to the expiration of the Compliance Period will be contingent upon receipt by the Limited Partner of (A) a fully-executed Recapture Guaranty that has been approved by the Limited Partner, (B) certification from the Project accountant(s) that exercising the Interest Purchase Option will not cause a tax credit recapture event, (C) the Limited Partner's Exit Taxes, (D) evidence satisfactory to the Limited Partner that the deferred developer fee has been repaid in full, (E) a covenant by the General Partner that the Partnership will not sell the Project prior to the end of the Compliance Period and will maintain insurance required to be maintained under the Partnership Agreement for the full Compliance Period, and (F) current financial statements for the Guarantors reasonably acceptable to the Limited Partner, indicating minimum unrestricted liquidity and net worth of $2,000,000 and $10,000,000, respectively.

In addition, the General Partner shall have a right of first refusal (the "**ROFR**") to purchase the Project at the end of the Compliance Period for a price equal to the amount specified in clause (ii) set forth previously in this Section. If either (I) the Project is sold for FMV pursuant to the Project Purchase Option, but the amount of proceeds that would be distributed to the Limited Partner pursuant to the waterfall set forth in Section 13(B) above would be insufficient to pay the Limited Partner its Exit Taxes and its Credit Shortfall or (II) the Project is sold pursuant to the ROFR, then the Limited Partner shall receive a priority distribution from sales proceeds prior to the waterfall set forth in 13(B) above, in an amount equal to its Exit Taxes and Credit Shortfall, if any.

18. Conditions Precedent. The Limited Partner's investment in the Partnership in accordance with the terms of this Letter is subject to satisfaction (in the Limited Partner's sole and absolute discretion) of the following conditions precedent (the "**Conditions Precedent**"):

   A. the Limited Partner's receipt and approval of all due diligence requested pursuant to the Limited Partner's due diligence list;
   B. the negotiation of a final partnership agreement governing the Partnership (the "**Partnership Agreement**") and related documents;
   C. evidence of the required approval of the Project by any necessary governmental entity;

D. the Limited Partner's receipt and approval of current financial statements (prepared in accordance with generally accepted accounting principles) and a real estate owned schedule for the General Partner, the Guarantor(s) and their principals;
E. the Limited Partner's receipt of corporate opinions rendered by counsel to the General Partner satisfactory to the Limited Partner, in form and substance acceptable to the Limited Partner;
F. evidence of insurance in accordance with the requirements set forth by the Limited Partner;
G. such other materials as are reasonably required by the Limited Partner as part of its customary financial and legal due diligence review, including such information reasonably required for inclusion in a registration statement, supplement, other offering materials prepared for the Limited Partner, or any report required to be filed with any governmental authority; and
H. approval of the Limited Partner's internal investment committee and satisfaction of such other conditions as may be required as a condition to such approval.

19. Transfer of Limited Partner Interest. The Limited Partner will have the right to transfer its interest in the Partnership, and to have the transferee admitted as a substitute limited partner: (i) to any affiliate of the Limited Partner, (ii) to any other person or entity provided that (A) the Limited Partner will remain liable to make all capital contributions outstanding at the time of the transfer or (B) the net worth of the proposed transferee will be acceptable to the General Partner in its reasonable discretion, or (iii) to a partnership or limited liability company in which the Limited Partner is the general partner or managing member.

20. Transfer of General Partner Interest. The General Partner shall not sell, transfer, assign, pledge or encumber any portion of its interest in the Partnership without the prior written consent of the Limited Partner. No change in control of the General Partner will be allowed without the consent of the Limited Partner.

21. Bank Accounts. All bank accounts of the Partnership will be maintained with an accredited banking institution acceptable to the Limited Partner.

22. Changes. Any change to the information provided to us, or any change to our assumptions after our due diligence review, could affect our financial projections and thus the amount and terms of the Capital Contributions. The Limited Partner has predicated the proposed terms contained in this Letter on the financial projections it has prepared, which are based upon the financial and other information furnished by the General Partner or its agents, as well as certain assumptions of the federal income tax consequences of this transaction. Many regulations remain to be issued under various tax acts and many tax provisions contain ambiguities. The issuance of regulations or other resolution of such ambiguities, or any other changes in these tax assumptions, could affect the financial projections and thus, the amount and terms of the Capital Contributions.

23. Tax Disclosure. Notwithstanding anything to the contrary contained in the Partnership Agreement or any other agreement between the parties hereto, or in any offering materials pertaining to the Project, the Limited Partner and each officer, employee, representative or agent of the Limited Partner may disclose to any and all persons, without limitation of any kind, (i) the tax treatment and tax structure of the Partnership and any of the Partnership's transactions or activities, and (ii) all materials of any kind (including opinions and tax analysis) that are provided to the Limited Partner regarding its investment in the Partnership and/or such transactions or activities of the Partnership. This authorization as to tax disclosure is effective retroactively to the commencement of any discussions between the parties hereto or any of their agents or representatives.

24. Exclusivity. The General Partner acknowledges that the Limited Partner will expend significant effort and expense in connection with its Project review and due diligence and may forego other investment opportunities as a result thereof. The General Partner agrees that it will not solicit or entertain any offers by

other parties to acquire an equity interest in the Partnership unless and until the Limited Partner has notified the General Partner in writing that the Limited Partner is not prepared to proceed with this transaction. The Limited Partner shall make such determination within 60 days after the submission by the General Partner of all items required by the Limited Partner to complete its due diligence.

25. Transaction Expenses. In addition to any expenses that are the responsibility of the General Partner, if the transaction does not close due to the actions of the General Partner, or the inability of the General Partner to satisfy the Conditions Precedent contained herein, the General Partner shall be responsible for the legal costs incurred by the Limited Partner. Additionally, at the time of closing, the General Partner shall reimburse the Limited Partner for a portion of its legal and due diligence fees in an amount equal to $125,000.

[Signature Page to Follow]

This Letter is not binding to the Limited Partner, as the Limited Partner's potential equity investment in the Project summarized herein remains subject to approval from the relevant internal committees of the Limited Partner with respect to any such investment and to capital commitments from investors sufficient to fund the Capital Contributions contemplated hereunder.

Please indicate your agreement and acceptance of the foregoing by signing the enclosed copy of this Letter and returning it to the undersigned by August 21, 2026. If you have not done so by such date, the proposal contained in this Letter shall expire and be of no further effect. It is also understood that the economic terms outlined herein shall remain valid for 120 days from the date hereof. Should closing of the transaction occur after such date, such terms are subject to renegotiation by the Limited Partner. We look forward to working with you on this transaction.

Very truly yours,

R4 CAPITAL LLC

By: ___________________________
Name: Cory Bannister
Title: Managing Director

AGREED AND ACCEPTED THIS
____ day of ____________________, 2026

American Neighborhood Housing

By: ___________________________
Name:
Title:

GUARANTOR(S)

Palm Drive Associates

By: ___________________________
Name:
Title:

Agenda Item 6

Discussion and Consideration of Appeal of the Assessment of Negative Points (Cal. Code Regs., tit. 4, §§ 5108(c)(3), 5105(m)(5), & 5005(c)(1)(E)

THE BENEFICIAL HOUSING FOUNDATION

July 7, 2026

Marina Wiant, Executive Director
California Debt Limit Allocation Committee
901 P Street, Suite 213A
Sacramento, CA 95814

RE: CA-25-623 / Prospect Avenue Senior, Prospect Villa I and Prospect Villa III
Appeal for Issuance of Negative Points

Dear Ms. Wiant,

Pursuant to your letter dated June 29, 2026, we write to formally appeal the issuance of two (2) negative points to Bettencourt Properties, Inc., The Beneficial Housing Foundation, and their respective principals, general partners, and related entities/parties in connection with the bond issuance extension granted for Prospect Avenue Senior, Prospect Villa I and Prospect Villa III (CA-25-623).

We respectfully submit that the negative point assessment is inconsistent with both the spirit and the existing regulatory framework governing USDA-financed projects, and that the circumstances here warrant an exception under CDLAC Regulations Section 5105(m).

I. THE EXTENSION WAS NECESSITATED BY USDA AND NOT SPONSOR UNREADINESS

The extension granted on June 22, 2026, was not the result of any failure of readiness on our part. We had fully resolved a prior Seller delay, were engaged in active closing calls, had provided all due diligence to the lender and investor, and were negotiating transaction documents with all financing parties when we were notified, for the first time, that USDA was unable to meet the deadline due to federal staffing reductions and regulatory constraints entirely beyond our control. USDA itself confirmed this and offered to communicate directly with CDLAC to corroborate these circumstances.

We had every reasonable basis to believe the deadline was achievable. Based on our track record of successfully closing USDA-financed transactions within established timelines, there was no basis to anticipate that a federal agency would be unable to perform. The delay was unforeseeable and arose entirely from external federal constraints.

II. RESOLUTION NO. 22-004 REFLECTS THE COMMITTEE'S RECOGNITION THAT USDA TIMEFRAMES REQUIRE ACCOMMODATION

In February 2022, the Committee adopted Resolution No. 22-004, delegating authority to the Executive Director to grant extensions to bond allocation issuance deadlines specifically for projects with USDA components, in order to accommodate USDA's loan approval timeframes. The passage of that Resolution itself reflects the Committee's recognition that USDA processing delays are a known and recurring challenge, one the regulatory framework was specifically designed to accommodate. The current federal environment with staffing and budget cuts has only intensified those delays.

III. THE BROADER POLICY IMPACT ON RURAL AFFORDABLE HOUSING

We also respectfully ask the Committee to consider the broader policy implications of this determination. USDA Rural Development financing is a critical tool for the preservation and development of affordable housing in rural California communities. The federal staffing reductions and regulatory constraints currently affecting USDA are not isolated to this transaction. They reflect a systemic shift in USDA's capacity to meet processing timelines across the industry.

If negative points are assessed whenever a USDA-financed project requires a deadline extension due to USDA's own processing constraints, sponsors and developers will be effectively penalized for circumstances they cannot control and cannot anticipate. Over time, this will create a significant disincentive for experienced developers to pursue rural affordable housing deals involving USDA financing, at precisely the moment when those communities need investment most. The Committee has the opportunity here to signal that California's regulatory framework will work with, rather than against the realities of federal agency capacity.

IV. REQUEST

For the foregoing reasons, we respectfully request that the Committee reverse the negative point determination issued to Bettencourt Properties, Inc., The Beneficial Housing Foundation, and their respective principals, general partners, and related entities/parties in connection with Application No. 25-623, consistent with the exception authority provided under CDLAC Regulations Section 5105(m) and the policy rationale underlying Resolution No. 22-004.

We appreciate the Committee's time and consideration of this appeal and are available to discuss the matter further at your convenience.

____

Kimberley B. McClintock, CEO
of The Beneficial Housing Foundation,
MGP of Hollister Investment Group, LP

California Debt Limit Allocation Committee

Agenda Item 7

Presentation and discussion regarding the implementation and programmatic impacts of Assembly Bill 179 (2026) on the administration of CDLAC's tax-exempt private activity bond program

Assembly Bill No. 179

CHAPTER 68

An act to amend Section 8869.84 of the Government Code, to amend Sections 17929, 18942, 50220, 50220.5, 50220.7, 50220.8, 50223, 50230, 50233, 50235, 50239, 50240, 50241, 50242, 50517.5, 50517.8, 50675, 50675.4, 50675.6, and 50675.15 of, to add Section 50246 to, to add Chapter 3.1 (commencing with Section 50160) to Part 1 of, to add Chapter 6.9 (commencing with Section 51349.1) to Part 3 of, and to add Part 18 (commencing with Section 54920) to, Division 31 of, the Health and Safety Code, to amend Sections 75200.2, 75200.3, 75210, 75212, 75214, 75215, 75216, 75217, 75218, 75218.1, and 75218.2 of, to amend, renumber, and add Section 75200 of, to add Sections 75210.1, 75210.2, 75210.3, and 75212.1 to, and to repeal Section 75200.1 of, the Public Resources Code, and to amend Section 8257 of the Welfare and Institutions Code, relating to housing, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor July 13, 2026. Filed with Secretary of State July 13, 2026.]

LEGISLATIVE COUNSEL'S DIGEST

AB 179, Committee on Budget. Housing.

(1) Existing law establishes the Business, Consumer Services, and Housing Agency consisting of various state entities, including the Department of Housing and Community Development and the California Housing Finance Agency. Pursuant to the Governor's Reorganization Plan No. 1 of 2025, beginning July 1, 2026, existing law eliminates that agency and establishes the California Housing and Homelessness Agency consisting of various state entities, including the Department of Housing and Community Development and the California Housing Finance Agency. Existing law requires these entities to oversee and administer various state housing programs, including multifamily affordable housing programs.

This bill would, to the extent feasible, require a state entity within the California Housing and Homelessness Agency to consider quantifiable in-kind local contributions, defined as a financial or in-kind commitment by a city, county, or city and county, as specified, when awarding competitive multifamily affordable housing funding for new construction projects, as specified. If a city, county, or city and county is a lead applicant for a project in an affordable multifamily rental or ownership housing development administered by a state entity within that agency and has not committed to waiving any development impact fee, as defined, that it would otherwise impose on the project, the bill would require the awarding agency to reduce the total award amount for the project, as specified. The bill would make these provisions applicable to any notice of funding opportunity issued after July 1, 2027.

(2) Existing law establishes the Homeless Housing, Assistance, and Prevention program (HHAP) for the purpose of providing jurisdictions with grant funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges, as specified. Existing law provides for the allocation of funding under the program among continuums of care, cities, counties, and tribes in 6 rounds and establishes round 7 of the program and states the intent of the Legislature to enact future legislation that specifies the parameters, as specified. Existing law provides for certain of those remaining amounts of those program allocation funds that have not been expended by certain dates, including by reverting those funds to the General Fund.

This bill would require those remaining amounts to be returned to the department for reallocation in a specified procedure, including via a subsequent notice of funding availability. By modifying existing appropriations, this bill would make an appropriation.

(3) Existing law requires applicants for a round 3 or 4 program allocation to establish certain system performance measures to prevent and reduce homelessness. Existing law requires those measures to set definitive metrics for achieving certain goals, including reducing the number of persons experiencing homelessness.

This bill would instead require those measures to include, among other things, the number of people experiencing homelessness who are accessing services, and would require applicants to also track demographic data with respect to age, gender, race, and ethnicity for each of those measures.

(4) Existing law establishes eligibility requirements for jurisdictions to receive a round 5 or 6 program allocation, including being a signatory to a regionally coordinated homelessness action plan. Existing law requires that plan to include, among other things, the most recent system performance metrics for the region, including the number of people experiencing homelessness.

This bill would instead require the most recent system performance measures for each region to include, among other things, the number of people experiencing unsheltered homelessness on a single night, and would require applicants to also track demographic data with respect to age, gender, race, and ethnicity for each of those system performance measures.

(5) Existing law requires applicants to provide certain information for all rounds of program allocations through a data collection, reporting, performance monitoring, and accountability framework, as established by the Department of Housing and Community Development. Existing law requires each recipient that receives a round 6 allocation to submit to the department, no later than April 1, 2030, a final report, as specified.

This bill would make changes to those data requirements. The bill would require each recipient that receives a round 7 allocation to submit to the department, no later than April 1, 2034, a final report, as specified.

(6) Existing law, through round 6 of HHAP, requires the Department of Housing and Community Development to make available, upon appropriation by the Legislature, $1 billion in the 2024–25 fiscal year for the implementation of the program. Existing law, through round 7 of HHAP, beginning July 1, 2026, appropriates $500,000,000, less a certain amount, for the program, to be disbursed in accordance with certain conditions, including the enactment of legislation declaring that it addresses certain issues.

This bill would require the Department of Housing and Community Development to make available, upon appropriation by the Legislature, the above-described $900,000,000, for round 7 of HHAP, to be administered as additional disbursements of round 6, as provided.

(7) Existing law requires applicants for a round 6 base program allocation to submit an application with certain information within 180 days from the date the department makes the application available. Existing law requires the department to approve the application or return it to the applicant with written detailed comments and request one or more amendments to the application. After approval of the application, existing law requires the department to disburse 50% of the eligible city's, county's, or continuum of care's total allocation, subject to meeting certain conditions. Existing law requires the department to disburse the remaining 50% of the recipient's total allocation after demonstrative compliance with certain conditions.

This bill would similarly require the department to make 2 50% disbursements of a recipient's total round 7 program allocation, subject to the recipient meeting certain conditions. The bill would also make conforming changes.

(8) Existing law, the Governor's Reorganization Plan No. 1 of 2025, beginning July 1, 2026, eliminates the Business, Consumer Services, and Housing Agency and instead establishes the Business and Consumer Services Agency and the California Housing and Homelessness Agency. The plan also, among other things, establishes the California Interagency Council on Homelessness as an independent entity within the California Housing and Homelessness Agency and renames the existing council as the California Interagency Executive Council on Homelessness, which it establishes within the California Interagency Council on Homelessness. Existing law requires the goals of the Interagency Council on Homelessness to include, among other things, creating a statewide data system or warehouse, known as the Homeless Data Integration System. To further the efforts to improve the public health, safety, and welfare of people experiencing homelessness in the state, existing law authorizes council staff to collect certain data from continuums of care.

This bill would partially effect the above-described changes made by the plan. This bill would, beginning July 1, 2026, require council staff to adopt and periodically publish system performance measures, including age, racial, and ethnic disparities for each measure, as specified.

(9) Existing law authorizes the California Housing Finance Agency to, among other things, make loans to finance affordable housing, including

residential structures, housing developments, multifamily rental housing, special needs housing, and other forms of housing, as specified.

This bill would require the California Housing Finance Agency to establish the Disaster Rebuilding Assistance Program, to be administered by the agency, for the purpose of supporting construction, reconstruction, and renovation loans for properties damaged or destroyed in a qualified disaster.

This bill would create in the State Treasury the Disaster Rebuilding Fund, to be administered by the agency and continuously appropriated for purposes of the program, and would provide that the moneys deposited in the fund may include, among other things, appropriations from the Legislature from the General Fund or other state fund. By creating a continuously appropriated fund, this bill would make an appropriation.

(10) The Governor's Reorganization Plan No. 1 of 2025, among other things, establishes the Housing Development and Finance Committee on July 1, 2026, and prescribes its duties. The plan establishes the Housing Development and Finance Executive Committee, with a specified membership, within the Business, Consumer Services, and Housing Agency and prescribes its duties, and then transfers it to the Housing Development and Finance Committee, on July 1, 2026. The plan defines various terms for these purposes.

Existing law requires the Legislative Counsel to prepare for introduction a bill effecting changes made by a Governor's reorganization plan, as specified, for the purpose of ensuring that statutory law is amended to conform with the changes made by the reorganization plan.

This bill would effect the above-described changes made by the plan. The bill, however, would add additional voting and nonvoting members to the executive committee, and would exempt the executive committee from compliance with the procedural requirements of the Administrative Procedure Act in adopting, amending, or repealing rules and regulations reasonably necessary to carry out the provisions related to its establishment and to the allocation of the executive committee's share of the state ceiling for qualified residential rental projects, as described, except as provided. The bill would require the Housing Development and Finance Committee staff to support the Housing Development and Finance Executive Committee. The bill would specify that certain meetings of the Housing Development and Finance Committee would be subject to the Bagley-Keene Open Meeting Act, but certain other meetings would not be considered "meetings" for the purposes of that act, thereby imposing a limitation on the public's right of access to the meetings of public bodies. The bill would eliminate a requirement that the Housing Development and Finance Committee submit to the Department of Justice fingerprint images and related information for any employee, prospective employee, contractor, or subcontractor whose duties include, or would include, access to specified confidential or personally identifiable information. The bill would require the executive committee to annually submit supplemental information to specified committee of the Legislature regarding bond utilization, among other information, as provided, and to evaluate certain project monitoring fees, as specified. The bill would also require the executive committee, beginning in 2028, to prepare an annual demand survey to assess demand for the Housing Development and Finance Committee housing bond allocation, as provided. The bill would also make various technical changes.

Existing law generally implements the state volume limit established pursuant to specified federal law. Existing law establishes the California Debt Limit Allocation Committee and requires the committee to determine and announce the state ceiling for the calendar year, as specified. Existing law allocates the entire state ceiling for each calendar year to the California Debt Limit Allocation Committee to further allocate to state and local agencies, as specified.

This bill would, beginning January 1, 2027, and until January 1, 2037, require the California Debt Limit Allocation Committee to dedicate a minimum of 90% of the entire state ceiling to be used for qualified residential rental projects, as specified. The bill would require the California Debt Limit Allocation Committee, until July 1, 2029, to reserve at least one-half of that 90% to qualified residential rental projects, as defined, awarded funding by the Housing Development and Finance Committee. After July 1, 2029, if that reserve amount is not reauthorized by the Legislature, the bill would require the California Debt Limit Allocation Committee to reserve at least 40% of that 90% for those qualified residential rental projects, unless the annual demand survey prepared by the Housing Development and Finance Executive Committee, as described above, demonstrates demand exceeding that amount, in which case, under the bill, the reserve amount would be automatically increased up to 50% of that 90% to meet the demand.

This bill, with respect to the reserve described above, would require the Housing Development and Finance Committee, upon approving an application for a multifamily affordable housing program award that has also requested a qualified residential rental project bond allocation, to identify the issuer and transmit the application to the California Debt Limit Allocation Committee, and, when applicable, to the California Tax Credit Allocation Committee. The bill would require those latter committees, as specified, to make a ministerial allocation of private activity bonds for the project, provided the project meets applicable federal requirements. The bill, until November 1, 2027, would provide a separate process for a private activity bond allocation for projects that received a multifamily affordable housing program award prior to January 1, 2027, and that are not seeking any additional state subsidy, as provided.

(11) Existing law requires the Strategic Growth Council (council) to develop and administer the Affordable Housing and Sustainable Communities Program (AHSC Program) to reduce greenhouse gas emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development, and that support related and coordinated public policy objectives.

This bill would, beginning with new funding rounds initiated on or after July 1, 2026, divide the administration of the AHSC Program between the council and the Housing Development and Finance Committee (committee), as specified. The bill would require the council to administer the portion of AHSC Program funding called the AHSC Sustainable Communities Allocation to support flexible infrastructure and community improvement investments that advance greenhouse gas reduction objectives, support sustainable land use patterns, strengthen communities, and facilitate affordable housing opportunities throughout the state. The bill would require the committee to administer the portion of AHSC Program funding called the AHSC Housing Allocation, with a focus on infill housing projects, as specified. The bill would make conforming changes to provisions relating to the council and the AHSC Program to account for the council's administration of the AHSC Sustainable Communities Allocation and the committee's administration of the AHSC Housing Allocation.

Existing law requires the council to develop guidelines and selection criteria for the implementation of the AHSC Program. Existing law requires, before the adoption of the guidelines and the selection criteria, the council to conduct at least 2 public workshops to receive and consider public comments, as provided. Existing law authorizes the council to include in a notice of funding availability, guidelines or criteria for the award of funds to projects that provide home ownership opportunities for low-income individuals. Existing law requires the council, in awarding funds under the AHSC Program, to provide additional points or preference to jurisdictions that have adopted a housing element that meets certain conditions.

This bill would instead require the council to develop guidelines and selection criteria for the implementation of the AHSC Sustainable Communities Allocation and the committee to develop guidelines and selection criteria for the implementation of the AHSC Housing Allocation. The bill would also require the council and committee, before adoption of their respective guidelines and selection criteria, to conduct public outreach statewide instead of 2 public workshops. For notices of funding availability within the AHSC Housing Allocation released on or after July 1, 2026, the bill would authorize the committee to include guidelines or criteria for the award of funds to projects that provide home ownership opportunities for low-income individuals. The bill would also require the committee, in awarding funds under the AHSC Program, to provide additional points or preference to jurisdictions that have adopted a housing element that meets certain conditions, as specified. The bill would require the council and the committee to jointly report the progress on the implementation of the AHSC Program, as specified.

Existing law prescribes the projects eligible for funding pursuant to the AHSC Program, including, among other projects, housing projects that support infill and compact development and transit projects and programs supporting transit ridership. Existing law requires the council to review and coordinate the activities of member agencies of the council for the AHSC Program, as provided.

This bill would, for notices of funding availability released on or after July 1, 2026, instead prescribe the projects eligible for funding under the

AHSC Sustainable Communities Allocation and the projects eligible for funding under the AHSC Housing Allocation, as specified. The bill would repeal the requirement for the council to review and coordinate the activities of member agencies of the council for the AHSC Program.

Existing law requires the Department of Housing and Community Development to perform certain actions relating to loans issued pursuant to the AHSC Program, including, but not limited to, requiring the deposit of all moneys received by the department in repayment of loans made pursuant to the AHSC Program into the Housing Rehabilitation Loan Fund.

This bill would require the committee, instead of the department, to perform those actions for the AHSC Housing Allocation.

(12) Existing law establishes the Joe Serna, Jr. Farmworker Housing Grant Program, which requires, subject to the availability of funds, various types of loans and grants to be made for construction, rehabilitation, or development of housing for lower income agricultural employees and their families, as specified. Existing law establishes the Joe Serna, Jr. Farmworker Housing Grant Fund and continuously appropriates the moneys in that fund to the department for purposes of the program, as specified. Among other things, the program authorizes the Department of Housing and Community Development to adopt criteria determining the number of units in a project to which the restrictions on occupancy contained in the agreement apply, but limits that authority to specified circumstances.

This bill would remove that limitation.

Existing law deems households eligible for a grant under the program if the household is deemed eligible by the United States Department of Agriculture under a certain federal program on the basis of the household's ratio of housing costs to household income, notwithstanding a specified calculation by the Department of Housing and Community Development.

This bill would, instead, provide that households are eligible for a grant under the program if they are deemed eligible by the United States Department of Agriculture under that certain federal program. By expanding the pool of households eligible for grants under the program, the bill would make an appropriation.

(13) Existing law establishes the Multifamily Housing Program, pursuant to which the Department of Housing and Community Development provides financial assistance in the form of deferred payment loans to pay for the eligible costs of development of specified types of housing projects. In the case of rehabilitation projects, to be eligible to receive a loan, the program requires the loan to be necessary to avoid increases in monthly debt service that would have specified effects.

This bill would, instead, provide that in case of rehabilitation projects, the department shall prioritize loans that extend affordability and reduce displacement risk for lower income households. The bill would also make technical changes and would include a statement of legislative intent.

(14) The State Housing Law (SHL) generally regulates buildings used for human habitation and prescribes requirements for the protection of the public health, safety, and general welfare of occupants of buildings. Among

other things, the SHL requires the occupants of the affordable units within a mixed-income multifamily structure to have the same access to the common entrances to, and the common areas and amenities of, the structure as the occupants of the market-rate housing units, and prohibits the structure from isolating the affordable housing units within that structure to a specific floor or an area of a specific floor. The SHL defines various terms for these purposes.

This bill would provide that, for a development that includes both a residential care facility for the elderly licensed pursuant to specified law and units that are not age restricted, the provisions described above only apply to the nonage-restricted housing units and do not apply to the age-restricted units, as specified.

(15) Existing law, the California Building Standards Law, establishes the California Building Standards Commission within the Department of General Services. Existing law requires the commission to approve and adopt building standards and to codify those standards in the California Building Standards Code. Existing law requires the commission to publish, or cause to be published, editions of the code in its entirety once every 3 years, and supplements as necessary in the intervening period.

Existing law limits the changes the commission is authorized to adopt during the intervening period to certain categories, including, among others, building standards necessary to incorporate updates to accessibility requirements that align with minimum federal accessibility laws, standards, and regulations.

This bill would expand those categories to include changes or modifications made to building codes relating to certain health facilities.

(16) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(17) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 8869.84 of the Government Code is amended to read:

8869.84. (a) The committee shall, as soon as is practicable after the start of each calendar year, determine and announce the state ceiling for the calendar year.

(b) (1) The entire state ceiling for each calendar year is hereby allocated to the committee to further allocate to state and local agencies as provided in this chapter.

(2) (A) (i) Subject to clause (ii), beginning on January 1, 2027, and until January 1, 2037, the committee shall dedicate a minimum of 90 percent of the entire state ceiling to be used for qualified residential rental projects.

(ii) Upon unanimous approval of the committee, the amount described in clause (i) may be reduced to no less than 80 percent for a one-year period.

(B) If there is insufficient demand for qualified residential rental projects during a calendar year, the committee may, for the final funding round in that calendar year, reallocate a portion of unused private activity bonds described in subparagraph (A) to address demand for other statewide priorities and to ensure utilization of the state ceiling in conformity with federal law.

(C) The Legislature finds and declares that the establishment of a minimum floor of bond capacity for housing pursuant to this paragraph reflects the statewide priority to promote the development and preservation of affordable housing and to provide certainty in long-term planning and investment. This certainty is necessary to enable developers and financing entities to leverage federal resources and deliver projects efficiently.

(3) (A) (i) Beginning January 1, 2027, the committee shall reserve at least one-half of the amount dedicated pursuant to subparagraph (A) of paragraph (2) to qualified residential rental projects, as defined in the Internal Revenue Code, awarded funding by the Housing Development and Finance Committee.

(ii) The reservation described in clause (i) shall remain in effect until July 1, 2029, unless reauthorized by the Legislature.

(iii) If the reservation described in clause (i) is not reauthorized by the Legislature, the committee shall reserve at least 40 percent of the amount dedicated pursuant to subparagraph (A) of paragraph (2) for qualified residential rental projects, as defined by Section 142(d) of the Internal Revenue Code, that are awarded funding by the Housing Development and Finance Committee.

(iv) Notwithstanding clause (iii), if the annual demand survey described in Section 54940 of the Health and Safety Code demonstrates demand exceeding the reservation required by clause (iii), the reservation shall automatically increase, up to 50 percent of the amount dedicated pursuant to subparagraph (A) of paragraph (2), to meet the demonstrated demand.

(B) (i) With respect to the reserve described in subparagraph (A), the Housing Development and Finance Committee shall, upon approving an application for a multifamily affordable housing program award that has also requested a qualified residential rental project bond allocation, identify the issuer and transmit the application to the California Debt Limit Allocation Committee and, when applicable, to the California Tax Credit Allocation Committee.

(ii) Following the application transmittal, the California Debt Limit Allocation Committee, and, when applicable, the California Tax Credit Allocation Committee, shall make a ministerial allocation of private activity bonds for the project, provided the project meets applicable federal threshold requirements.

(C) Notwithstanding subparagraph (B), until November 1, 2027, for projects that have received a multifamily affordable housing program award prior to January 1, 2027, and that are not seeking any additional state subsidy, the issuer shall apply directly to the California Debt Limit Allocation Committee, and, when applicable, to the California Tax Credit Allocation Committee, for an allocation from the reserve described in subparagraph (A). The California Debt Limit Allocation Committee shall notify the Housing Development and Finance Committee of the recommended allocation awards for approval, and the California Debt Limit Allocation Committee shall make an allocation of private activity bonds from the reserve described in subparagraph (A) for projects approved by the Housing Development and Finance Executive Committee provided the project meets applicable federal threshold requirements for bonds.

(D) (i) For the 2027 calendar year, any unused portion of the reserve described in subparagraph (A) not allocated by November 1 of the calendar year may be reallocated by the California Debt Limit Allocation Committee for other purposes consistent with federal law.

(ii) For the 2028 calendar year, and every year thereafter, any unused portion of the reserve described in subparagraph (A) not allocated by September 1 of the calendar year or any portion determined to be unused by the Housing Development and Finance Executive Committee pursuant to subdivision (d) of Section 54940 of the Health and Safety Code may be reallocated by the California Debt Limit Allocation Committee for other purposes consistent with federal law.

(c) The committee shall prepare application forms and announce procedures for receipt and review of applications from state and local agencies desiring to issue private activity bonds.

(d) The committee may at any time, before or after granting any allocations in any calendar year to any state agencies or local agencies, announce priorities or reservations of any part of the state ceiling not theretofore allocated either for certain categories of bonds or categories of issuers.

(e) The committee may require any issuer making an application to the committee or MBTCAC for allocation of a portion of the state ceiling to make a deposit, as determined by the committee, of up to 1 percent of the portion requested. If an allocation is not given, the deposit shall be returned. If an allocation is given, the deposit shall be kept, in proportion to the amount of allocation given, until bonds are issued. Upon that issuance, the deposit shall be returned to the issuer in an amount equal to the product of (1) the amount of the deposit retained times (2) the ratio between the amount of bonds issued divided by the amount of allocation granted. If no bonds are issued prior to the expiration of the allocation, the deposit shall be kept. However, in cases where only a portion or none of the bonds are issued, the committee may return all or part of the deposit if it determines there is good cause to do so. Any portion of a deposit kept shall be deposited in the fund.

(f) The committee may transfer part of the state ceiling to the MBTCAC, to be used for qualified mortgage bonds and exempt facility bonds or for qualified residential rental projects, as those terms are used in the Internal Revenue Code, together referred to as "housing bonds," with directions and conditions pursuant to which MBTCAC may allocate those amounts to issuers of housing bonds at both the state and local levels. In carrying out these functions, MBTCAC shall act solely as directed or authorized by the committee. If the committee makes the transfer to MBTCAC authorized by this subdivision, the references in Sections 8869.85, 8869.86, 8869.87, and 8869.88 to the "committee" shall, for purposes of any housing bonds, be deemed to mean MBTCAC.

(g) (1) The committee may establish the Extra Credit Teacher Home Purchase Program to provide federal mortgage credit certificates and reduced interest rate loans funded by mortgage revenue bonds to eligible teachers, principals, vice principals, assistant principals, and classified employees who agree to teach or provide administration or service in a high priority school. Priority for assistance shall be given to eligible teachers, principals, vice principals, and assistant principals.

(2) For purposes of this program, the following definitions shall apply:

(A) "High priority school" means a state K–12 public school that is ranked in the bottom half of the Academic Performance Index developed pursuant to subdivision (a) of Section 52052 of the Education Code. However, priority shall be given to schools that are ranked in the lowest three deciles.

(B) "Classified employee" means an employee of a school district, employed in a position not requiring certification qualifications.

(3) The committee may make reservations of a portion of future calendar year state ceiling limits for up to five future calendar years for that program. The committee may also make future allocations of the state ceiling for up to five years for any issuer under that program. Any future allocation made by the committee shall constitute an allocation of the state ceiling for a future year specified by the committee and shall be deemed to have been made on the first day of the future year so specified. The committee may condition allocations under the Extra Credit Teacher Home Purchase Program on any terms and conditions that the committee deems necessary or appropriate, including, but not limited to, the execution of a contract between the teacher, principal, vice principal, assistant principal, or classified employee and the issuer whereby the teacher, principal, vice principal, assistant principal, or classified employee agrees to comply with the terms and conditions of the program. The contract may include, among other things, an agreement by the teacher, principal, vice principal, assistant principal, or classified employee to teach or provide administration or service in a high priority school for a minimum number of years, and provisions for enforcing the contract that the committee deems necessary or appropriate.

(4) If a teacher, principal, vice principal, assistant principal, or classified employee does not fulfill the requirements of a contract entered into pursuant to paragraph (3), the issuer of the mortgage credit certificate or mortgage revenue bond may recover as an assessment from the teacher, principal, vice principal, assistant principal, or classified employee a monetary amount

equal to the lesser of (A) one-half of the teacher's, principal's, vice principal's, assistant principal's, or classified employee's net proceeds from the sale of the related residence or (B) the amount of monetary benefit conferred on the teacher, principal, vice principal, assistant principal, or classified employee as a result of the federal mortgage credit certificate or reduced interest rate loan funded by a mortgage revenue bond, offset by the amount of any federal recapture, as defined by Section 143(m) of the Internal Revenue Code. The assessment may be secured by a lien against the residence, which shall decline in amount over the term of the contract as the teacher, principal, vice principal, assistant principal, or classified employee fulfills the term of the contract, and which shall be collected at the time of sale of the residence. Any assessment collected pursuant to this paragraph shall be used for the issuer's costs in administering the Extra Credit Teacher Home Purchase Program. The issuers shall report annually to the committee the total amount of any assessments collected pursuant to this paragraph and how those assessments were used by the issuer.

(5) If the committee establishes the Extra Credit Teacher Home Purchase Program pursuant to this subdivision, the committee shall report annually to the Legislature the results of the program, including all of the following:

(A) The amount of state ceiling limits allocated to or reserved for the program.

(B) The agencies to which state ceiling limits were issued.

(C) The number of loans or mortgage credit certificates issued to teachers, principals, vice principals, assistant principals, and classified employees.

(D) The schools or school districts at which recipients of assistance are employed, aggregated by decile in which the schools rank on the Academic Performance Index and by the percentage of uncredentialed teachers employed at the schools.

(6) The committee shall not make any reservations of future calendar year state ceiling limits or future allocations of the state ceiling pursuant to this subdivision on or after January 1, 2004, unless a later enacted statute, that is enacted before January 1, 2004, deletes or extends that date. However, reservations and allocations made prior to that date shall remain valid.

SEC. 2. Section 17929 of the Health and Safety Code is amended to read:

17929. (a) (1) For a mixed-income multifamily structure, both of the following shall apply:

(A) The occupants of the affordable housing units within the mixed-income multifamily structure shall have the same access to the common entrances to that structure as the occupants of the market-rate housing units.

(B) The occupants of the affordable housing units within the mixed-income multifamily structure shall have the same access to the common areas and amenities of that structure as the occupants of the market-rate housing units.

51349.7. The agency shall communicate with relevant public agencies, including local, state, and federal agencies, to avoid duplication of benefits and to support program alignment with disaster recovery efforts.

51349.8. The agency may contract with public or private entities for the processing of guarantees or related administrative functions.

51349.9. On or before March 1, 2028, and each year thereafter, the agency shall submit a report to the Legislature pursuant to Section 9795 of the Government Code, describing program activity, including guarantees issued, geographic distribution, borrower demographics, claims paid, and recommendations for improvement.

SEC. 25. Part 18 (commencing with Section 54920) is added to Division 31 of the Health and Safety Code, to read:

PART 18. HOUSING DEVELOPMENT AND FINANCE

Chapter 1. Definitions

54920. For purposes of this part:

(a) "Administering entity" means the governmental entity that is responsible for administering a multifamily affordable housing program.

(b) "Committee" means the Housing Development and Finance Committee.

(c) "Executive committee" means the Housing Development and Finance Executive Committee.

(d) "Executive director" means the executive director of the committee.

(e) "HDFC housing bond allocation" means the portion of the state ceiling reserved for qualified residential rental projects awarded funding by the Housing Development and Finance Committee, as described in paragraph (3) of subdivision (b) of Section 8869.84 of the Government Code.

(f) "Multifamily affordable housing program" means any of the following or any multifamily affordable housing program administered by the Housing Development and Finance Committee:

(1) The Joe Serna, Jr. Farmworker Housing Grant Program (Chapter 3.2 (commencing with Section 50515.2)) of Part 2.

(2) The Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675)) of Part 2.

(3) The Infill Incentive Grant Program of 2007 (Section 53545.13).

(4) The Infill Infrastructure Grant Program of 2019 (Section 53559).

(5) The Transit-Oriented Development Implementation Program (Part 13 (commencing with Section 53560)).

(6) The Housing for a Healthy California Program (Part 14.2 (commencing with Section 53590)).

(7) The Veterans Housing and Homeless Prevention Act of 2014 (Article 3.2 (commencing with Section 987.001) of Chapter 6 of Division 4 of the Military and Veterans Code).

(8) The AHSC Housing Allocation administered pursuant to Part 1 (commencing with Section 75200) of Division 44 of the Public Resources Code.

(9) The administration of the funds described by clause (iii) of subparagraph (C) of paragraph (2) of subdivision (b) of Section 50470.

Chapter 2. Housing Development and Finance Committee

54925. There is hereby established the Housing Development and Finance Committee within the California Housing and Homelessness Agency.

54926. (a) (1) The Governor may appoint an executive director of the committee who shall hold office at the pleasure of the Governor.

(2) The executive director appointed pursuant to this section shall be exempt from civil service pursuant to Section 4 of Article VII of the California Constitution.

(3) The executive director shall carry out its duties under this chapter and shall carry out the duties of the committee under Chapter 3 (commencing with Section 54940).

(b) The executive director shall provide strategic alignment and direction in the administration of the respective functions of each entity in furtherance of the state's affordable housing objectives.

(c) Chapter 2 (commencing with Section 11150) of Part 1 of Division 3 of Title 2 of the Government Code applies to the committee and the executive director is the head of the committee within the meaning of that chapter.

(d) The executive director shall perform all duties, exercise all powers, discharge all responsibility, and administer and enforce all laws, rules, and regulations under the jurisdiction of the committee.

(e) The executive director shall keep all books and records necessary for proper and efficient administration of the committee.

(f) In order to assist in the administration of the committee's loan and grant programs, the executive director may appoint committees of committee employees and public representatives, the latter to serve without compensation except for reimbursement of expenses pursuant to law.

54927. (a) (1) The Governor may appoint a chief deputy director who shall hold office at the pleasure of the Governor.

(2) A chief deputy appointed pursuant to this section shall be exempt from civil service pursuant to Section 4 of Article VII of the California Constitution.

(b) (1) Upon the recommendation of the executive director, the Governor shall appoint a general counsel.

(2) A general counsel appointed pursuant to this section shall hold office at the pleasure of the Governor and shall receive a salary as shall be fixed by the Governor.

(3) A general counsel appointed pursuant to this section shall be exempt from civil service pursuant to subdivision (f) of Section 4 of Article VII of the California Constitution.

54928. (a) Upon appropriation, specified multifamily affordable housing programs shall be administered by the committee and the committee shall have all authorities, duties, powers, purposes, and responsibilities related to the programs.

(b) Upon appropriation as described in subdivision (a), any reference to the Department of Housing and Community Development or the California Housing Finance Agency in the statutes, regulations, or guidelines of the specified multifamily affordable housing programs shall be deemed to refer to the committee, and those statutes, regulations, and guidelines shall be applicable to the committee.

(c) At the direction of the Secretary of California Housing and Homelessness, the Department of Housing and Community Development and the committee shall execute any further assignments, assumptions, or other legal documentation necessary to effectuate subdivision (a).

54929. In accordance with the policy direction and priorities set by the Secretary of California Housing and Homelessness, and consistent with statewide housing initiatives, regulatory frameworks, and funding strategies, the committee shall engage in ongoing coordination with the Department of Housing and Community Development and the California Housing Finance Agency to facilitate alignment of housing policies, programs, and implementation efforts.

54931. For the purposes of this chapter, the committee has all of the following powers:

(a) To sue and be sued in its own name.

(b) To have an official seal and to alter it at its pleasure.

(c) To make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions.

(d) To employ architects, planners, engineers, attorneys, accountants, experts in housing construction, management and finance, and any other advisers, consultants, and agents necessary for the performance of its functions and to fix their compensation in accordance with applicable law.

(e) To provide advice, technical information, and consultative and technical services as provided in this chapter.

(f) To establish, revise from time to time, and charge and collect fees and charges for services provided pursuant to this chapter.

(g) To accept gifts, grants, or loans of funds or property, or financial or other aid, from any federal or state agency or private source and to comply with conditions thereof not contrary to law.

(h) To enter into agreements or other transactions with any governmental agency, including an agreement for administration of a housing or community development program of the governmental agency by the committee, or for administration by another governmental agency of a program of the committee, either in whole or in part.

(i) To enter into any agreements and perform any acts necessary to obtain subsidies for use in connection with the exercise of powers and functions of the committee, and to transfer those subsidies to others as required by the agreement.

(j) To appear on its own behalf before boards, commissions, departments, or other agencies of local, state, or federal government.

(k) To establish any regional offices necessary to effectuate the committee's purposes and functions.

(*l*) To acquire real or personal property, or any interest therein, on either a temporary or long-term basis, in its own name by gift, purchase, transfer, foreclosure, lease, option, or otherwise, including easements or other incorporeal rights in property.

(m) To provide bilingual staff in connection with services of the committee and make available committee publications in a language other than English when necessary to effectively serve groups for which the services or publications are made available.

(n) To do any and all things necessary to carry out its purposes and exercise the powers expressly granted by this chapter.

(o) To lease or sell real property to support the development of housing.

(p) (1) To sell real property acquired by the committee in a foreclosure, by deed in lieu of foreclosure, or sale under a power of sale on a deed of trust, lien, or by exercise of any other security interest on real property securing repayment of a loan or performance under a grant or loan made by the committee. Real property so acquired shall be sold for market value and sale proceeds shall be placed in the fund from which the secured loan or grant was made.

(2) The committee may establish terms, conditions, and restrictions for the sale of real property, including a requirement that the real property be used for housing for persons and families of low or moderate income, and those terms, conditions, and restrictions shall be set forth in the deed or other instrument of conveyance.

(3) The committee may conduct the sale, utilize the assistance of any local public agency authorized to conduct sales of real property, contract with a licensed real estate broker to conduct the sale, or utilize other reasonable marketing methods if the committee determines that one of these options will result in a more prompt or cost-efficient sale.

(4) If the executive director offers to sell residential real property directly pursuant to this subdivision, the committee shall close escrow within 120 days after both of the following have occurred: a qualified buyer has received approval of the committee, and the buyer has obtained adequate financing for the purchase. If the deadline set forth in this paragraph is not met, the executive director shall employ a licensed real estate broker in connection with the proposed sale. The committee may exceed the time requirements of this paragraph if the executive director finds that this is necessary due to factors outside the control of the committee, including death of the buyer, inability of the borrower to qualify for financing from a lender, substantial damage to the property resulting from a natural disaster or other act of God,

or extraordinary procedural requirements or conditions imposed by the lender or title and escrow company.

(5) The executive director shall perform all of the actions specified in subparagraphs (A), (B), and (C) within 30 days after both of the following have occurred: a qualified buyer has received approval of the committee, and the buyer has obtained adequate financing for the purchase.

(A) Identify repair work needed to be performed on the property.

(B) Cause an appraisal of the property to be completed.

(C) Determine whether it is appropriate to rent the property until it is sold.

(6) Sales of real property made pursuant to this section are not subject to the requirements of Sections 11011 and 11011.1 of the Government Code.

(7) Failure to comply with this subdivision does not invalidate any right, title, or interest acquired by a bona fide purchaser or encumbrancer for value.

(q) (1) Where the provisions of tribal law, tribal governance, tribal charter, or difference in tribal entity or agency legal structure would cause a violation or not satisfy the requirements of any state financing being provided to a housing development by the committee, the requirements of financing provided by the committee, including state statutory requirements, may be modified as necessary to ensure program compatibility. Where provisions of tribal law, tribal governance, tribal charter, or difference in tribal entity legal structure or agency create minor inconsistencies, as determined by the executive director of the committee, the committee may waive the requirements of the financing provided by the committee, including state statutory requirements, as deemed necessary, to avoid an unnecessary administrative burden.

(2) Matters that may be waived or modified pursuant to paragraph (1) include, but are not limited to, all of the following:

(A) Instrument recordation requirements.

(B) Security requirements for state financing provided pursuant to committee programs.

(C) Title insurance requirements.

(D) Target population percentage requirements. A change of target population based on income shall not be of more than one category of income between extremely low, very low, lower, and moderate-income households, as those terms are defined in Chapter 2 (commencing with Section 50050).

(E) Affordability levels and unit mix requirements. A waiver for affordability levels shall not be of more than one category of income between extremely low, very low, lower, and moderate-income households, as those terms are defined in Chapter 2 (commencing with Section 50050).

(F) Any matter not expressly or objectively set forth in statute, but is set forth with specificity in guidelines or regulations promulgated by the committee.

(G) Timeline requirements.

(H) Service area requirements.

(I) Fund matching requirements.

(J) Shovel-ready project requirements.
(K) Requirements related to housing elements and housing plans.
(L) Income limits.
(M) Form of funding provided, including, but not limited to, a grant or a loan.
(N) Phase of funding, including, but not limited to, predevelopment, construction, or permanent financing.
(O) Requirements regarding infill location and density.
(3) Any standard requirements or general rules of application that the committee develops or implements to carry out modifications or waivers set forth in this subdivision shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Divisions 3 of Title 2 of the Government Code.
(4) Repayment of principal and interest on loans made by the committee to tribal sponsors shall be deferred for the full term of the loan.
(5) The committee shall forgive loans made by the department to tribal sponsors if all conditions for the loans have been satisfied.
(6) The committee shall consult with the Department of Housing and Community Development to ensure alignment in program requirements and coordination with tribes.
54932. This chapter shall become operative on July 1, 2026.

Chapter 3. Housing Development and Finance Executive Committee

54940. (a) (1) There is hereby established within the Business, Consumer Services, and Housing Agency a Housing Development and Finance Executive Committee for the purpose of centralizing affordable housing finance policymaking across state government.
(2) Effective July 1, 2026, the executive committee is transferred to the Housing Development and Finance Committee.
(3) The committee staff shall support the executive committee to effectuate the executive committee's responsibilities.
(b) The executive committee shall be responsible for coordinating a cohesive and integrated housing finance system to enhance the efficiency, coordination, and effectiveness of the state's affordable housing finance programs.
(c) The executive committee shall oversee the allocation of multifamily affordable housing programs, ensuring resources are directed toward affordable housing development and infrastructure that supports housing production and preservation.
(d) (1) Beginning in calendar year 2028, and annually thereafter, as soon as practicable after the start of each calendar year, but no later than March 1, the executive committee shall prepare an annual demand survey, consistent with the survey described in subparagraph (B) of paragraph (1) of subdivision (g) of Section 17058 of the Revenue and Taxation Code, to assess demand

for the HDFC housing bond allocation and determine the portion, if any, of the reserve described in subparagraph (A) of paragraph (3) of subdivision (b) of Section 8869.84 of the Government Code that is reasonably anticipated to remain unused during that calendar year and to be reallocated by the California Debt Limit Allocation Committee.

(2) The survey shall identify both the amount of bond authority requested and the amount reasonably anticipated to be requested from the Housing Development and Finance Committee bond allocation during that calendar year.

(e) It is the intent of the Legislature that the executive committee will streamline investments, reduce costs, and expand access to stable housing by providing financial oversight and aligning funding decisions with state housing goals and other state priorities.

54941. (a) The executive committee is composed of all of the following:

(1) The following voting members:

(A) (i) Until July 1, 2026, the Secretary of Business, Consumer Services, and Housing, who shall be the chairperson of the executive committee.

(ii) Beginning July 1, 2026, the Secretary of California Housing and Homelessness or their designee, who shall be the chairperson of the executive committee.

(B) The Director of Housing and Community Development or their designee.

(C) The executive director of the California Housing Finance Agency or their designee.

(D) The State Treasurer or their designee.

(E) The Controller or their designee.

(2) The following nonvoting members:

(A) A representative from a county, appointed by the Senate Rules Committee.

(B) A representative from a city, appointed by the Speaker of the Assembly.

(C) A representative from the Department of Finance, or their designee.

(b) The members of the executive committee shall serve without compensation.

(c) A majority of voting members shall be empowered to act for the executive committee.

(d) The executive committee may enter into contracts as necessary to fulfill its duties under this chapter, including, but not limited to, contracting with state agencies, state departments, or consultants.

(e) The executive committee may, by resolution, delegate to one or more of its members or a deputy of the Secretary of California Housing and Homelessness, working on behalf of the executive committee, any powers and duties that it may deem proper, including, but not limited to, the power to enter into contracts on behalf of the executive committee.

(f) A meeting of the executive committee, including, but not limited to, a meeting related to the development of grant and loan guidelines and policies and the approval of grants and loans, shall be subject to the

Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), except that, for purposes of this subdivision, “meeting” shall not include a meeting that meets either of the following conditions:

(1) Executive committee members are meeting as members of the Governor’s cabinet.

(2) Executive committee staff and member agency staff are meeting to discuss, but not take final action on, any of the following:

(A) State agency coordination increasing the availability of affordable housing, improving alignment of the state’s housing finance investments, and other priorities specified in Sections 54942, 54943, 54944, and 54945.

(B) Preliminary policy recommendations and investment strategies to the Governor, the Legislature, and appropriate state agencies to encourage the development of affordable housing.

(C) Developing grant and loan guidelines, including, but not limited to, those specified in Section 54944, that are otherwise subject to public participation process requirements.

54942. (a) The executive committee shall identify and work to align funding sources that may contribute to affordable housing finance, which may include, but is not limited to, aligning funding dates and coordinating with other state affordable housing funding programs to improve program effectiveness.

(b) The executive committee may consult and coordinate with other state agencies and departments to identify and align relevant funding opportunities.

(c) The executive committee may make recommendations to state financing entities to identify and align relevant funding opportunities.

54943. (a) The executive committee shall work to align state housing funding sources for the creation of a consolidated application for multifamily affordable housing developers and a coordinated review process for the allocation of funds.

(b) The executive committee shall monitor the administration of affordable housing finance programs under the purview of the Department of Housing and Community Development and the committee and shall make recommendations, as necessary, to improve alignment and administration of those programs, including, but not limited to, determining which departments administer those programs across departments within the California Housing and Homelessness Agency and associated administrative structures.

(c) The executive committee may make recommendations for consideration by the board of the California Housing Finance Agency to improve alignment and coordination of affordable housing funding programs.

(d) The executive committee shall work to streamline the compliance monitoring of affordable multifamily rental housing developments that are subject to a regulatory agreement with more than one state entity and shall oversee implementation and compliance with Chapter 9 (commencing with Section 50260) to Part 1 among the respective entities.

(e) By July 1, 2026, the executive committee shall make recommendations on a timeline for the implementation of the consolidated application pursuant to subdivision (a) and the aligned compliance monitoring of affordable multifamily rental developments pursuant to subdivision (b).

54944. (a) (1) The executive committee shall provide oversight over the multifamily affordable housing funding programs and the matching of awards from these programs with the HDFC housing bond allocation, including, but not limited to, program guideline review and approval when applicable.

(2) The executive committee shall create a process for the executive committee to provide funding awards for the multifamily affordable housing funding programs.

(b) The executive committee shall develop an appeal process for program qualification and scoring adjustments, which shall include, but not be limited to, review and recommendation by the administering entity and consideration by the executive committee.

(c) The executive committee shall establish timelines for the allocation of awards to streamline program funding, minimize delays, and facilitate simultaneous awards across state government whenever feasible.

(d) In implementing this section, the executive committee may consult representatives from the Department of Housing and Community Development, the California Housing Finance Agency, the California Tax Credit Allocation Committee, the California Debt Limit Allocation Committee, nonprofit affordable housing developers, for-profit affordable housing developers, local governments, and tribal governments.

54945. (a) The executive committee shall work with the administering entity to accept, review, and score applications.

(b) For each multifamily affordable housing funding, the administering entity shall provide recommendations on awards to the executive committee.

(c) If the executive committee approves an award, the executive committee shall direct the committee to allocate the funds to the awardee.

(d) The Department of Housing and Community Development and the California Housing Finance Agency, as applicable, shall continue issuing and administering all notices of funding availability for the multifamily affordable housing funding programs until the executive committee adopts rules to implement this chapter.

54946. (a) (1) The executive committee may adopt, amend, or repeal rules and regulations reasonably necessary to carry out this part and the allocation of the executive committee's share of the state ceiling for qualified residential rental projects pursuant to paragraph (3) of subdivision (b) of Section 8869.84 of the Government Code without complying with the procedural requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, except as described in subdivision (b).

(2) The executive committee shall provide a notice of proposed action, as described in Section 11346.5 of the Government Code. The notice of proposed action shall be provided to the public at least 21 days before the

close of the public comment period, and the committee shall schedule at least one public hearing as described in Section 11346.8 of the Government Code before the close of the public comment period. The executive committee shall maintain a rulemaking file as described in Section 11347.3 of the Government Code. The final version of the regulations shall be accompanied by a final statement of reasons, as described in subdivision (a) of Section 11346.9 of the Government Code.

(b) (1) The executive committee may adopt, amend, or repeal emergency rules and regulations pursuant to Section 11346.1 of the Government Code to implement this chapter.

(2) The adoption, amendment, or repeal of regulations pursuant to paragraph (1) shall be deemed to be necessary for the immediate preservation of the public peace, health, safety, or general welfare within the meaning or purposes of Section 11346.1 of the Government Code.

(c) Rules and regulations adopted, amended, or repealed pursuant to this section shall be effective immediately upon adoption by the executive committee.

(d) (1) The executive committee may adopt and supply forms for eliciting information for purposes of this chapter from housing funding applicants.

(2) A housing funding applicant shall provide the executive committee with any information requested by the executive committee in performing its duties and responsibilities under this chapter.

54947. The executive committee shall post to its internet website by April 1 of each year a report specifying, with respect to its activities under this chapter during the previous calendar year, all of the following:

(a) The total amount of funding awarded by the executive committee.

(b) The total number of units assisted by the executive committee that are, or are to be, occupied by households that are acutely low income, extremely low income, and low income.

(c) The amount of funding awarded to each project, the other financing available to the project, and the number of units that are, or are to be, therein occupied by households that are acutely low income, extremely low income, and low income.

(d) Sufficient information to identify the project.

(e) An aggregation of information submitted annually by housing sponsors for all projects that have received a multifamily affordable housing program allocation in previous years specifying all of the following:

(1) Information sufficient to identify the project.

(2) The total number of units in the project.

(3) The total number of units assisted by the awards that are required to be occupied by households that are acutely low income, extremely low income, and low income.

(4) The total number of units assisted that are occupied by households that are acutely low income, extremely low income, and low income.

54948. The executive committee shall, in addition to the reporting requirement in Section 54947, and by April 1 of each year until April 1, 2029, submit supplemental information to the Joint Legislative Budget

Committee and to the relevant budget and policy committees of the Legislature. The supplemental information shall include information regarding bond utilization, implementation of the Housing Development and Finance Committee's housing reservation pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 8869.84 of the Government Code, and any other information the executive committee determines is relevant.

54949. The executive committee shall evaluate project monitoring fees to support the long-term viability of the programs and the financial sustainability of projects.

SEC. 26. Section 75200 of the Public Resources Code is amended and renumbered to read:

75200.1. For purposes of this part, the following definitions apply:

(a) "AHSC Housing Allocation" means the funding allocation described in subparagraph (A) of paragraph (1) of subdivision (c) of Section 39719.4 of the Health and Safety Code for the purposes of affordable housing and administered by the Housing Development and Finance Committee.

(b) "AHSC Sustainable Communities Allocation" means the funding allocation described in subparagraph (A) of paragraph (1) of subdivision (c) of Section 39719.4 of the Health and Safety Code for sustainable communities' investments and administered by the Strategic Growth Council.

(c) "Committee" means the Housing Development and Finance Committee established pursuant to Section 54925 of the Health and Safety Code.

(d) "Council" means the Strategic Growth Council established pursuant to Section 75121.

(e) "Disadvantaged communities" means communities identified as disadvantaged communities pursuant to Section 39711 of the Health and Safety Code.

(f) "Legacy agreement" means any award, agreement, contract, or other legally binding commitment made under funding notices of the program issued before July 1, 2026.

(g) "Program" means the Affordable Housing and Sustainable Communities Program established pursuant to Section 75210.

(h) "Program administrator" means either the committee or the council responsible for administering an allocation.

SEC. 27. Section 75200 is added to the Public Resources Code, to read:

75200. It is the intent of the Legislature that the AHSC Housing Allocation and AHSC Sustainable Communities Allocation be administered in a manner that supports coordinated and complementary investments that reduce greenhouse gas emissions, expand affordable housing opportunities, strengthen sustainable communities, and maximize the public benefit of state, regional, and local infrastructure investments.

SEC. 28. Section 75200.1 of the Public Resources Code is repealed.

SEC. 29. Section 75200.2 of the Public Resources Code is amended to read:

Agenda Item 8

Public Comment

Agenda Item 9

Adjournment