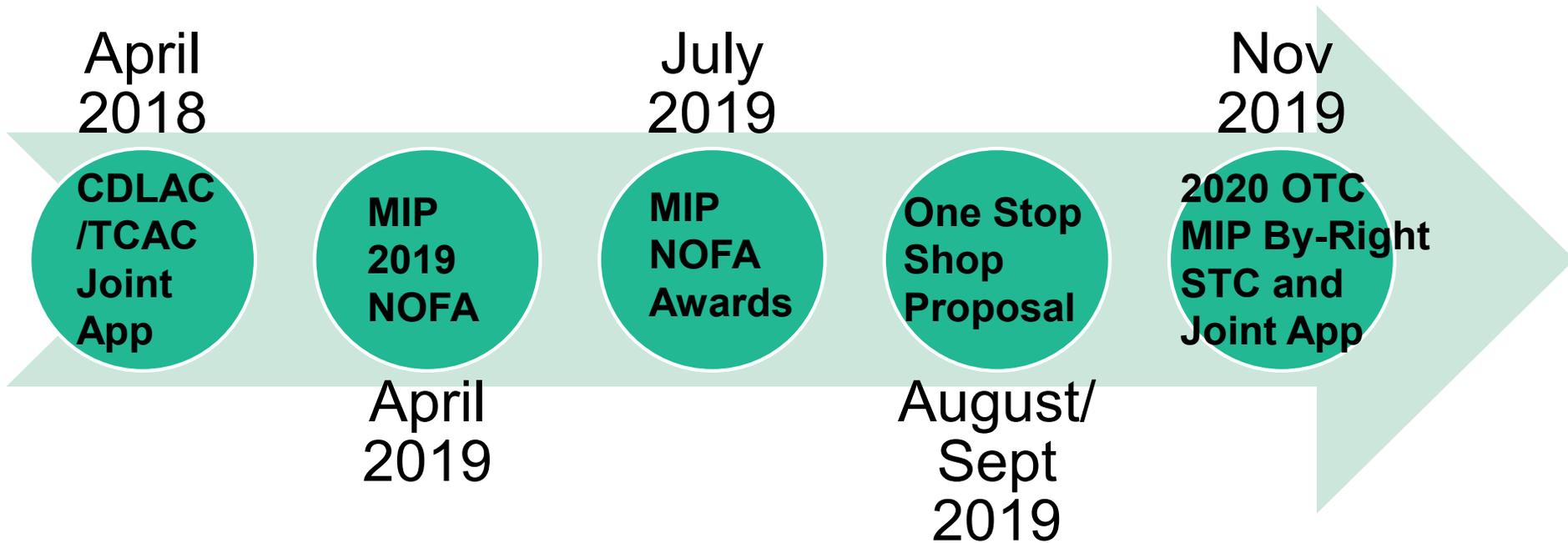

CalHFA/CDLAC/TCAC Collaboration and Outcomes

Collaboration Timeline



2020 Proposed Process - “One Stop Shop”

- Proposed Process – “One Stop Shop”
 - August 2019: CalHFA requested and CTCAC agreed to reserve \$200 million in State Tax Credits to pair with MIP
 - September 2019: CalHFA request allocation of \$1B of 2020 Bond Cap from CDLAC with CalHFA making direct allocations to projects
 - November 2019: CalHFA launches OTC MIP utilizing CDLAC/TCAC joint application

Partnership to Develop Final Process

- Established via Collaboration with CDLAC and CTCAC
 - CalHFA Utilization of CDLAC/CTCAC Application with a CalHFA specific Addendum for additional information
 - CTCAC reservation of \$200 million in State Tax Credits to be available in any established funding round
 - CDLAC Board apportionment of \$622,317,512 (15% of total Bond Cap) to the Multifamily Mixed Income Pool at January/2020 board meeting.
 - MIP loans designated to compete in the CDLAC Mixed Income Pool.
 - Intent to ensure CalHFA submissions for allocation of MIP related bond cap compete only with other MIP Projects.

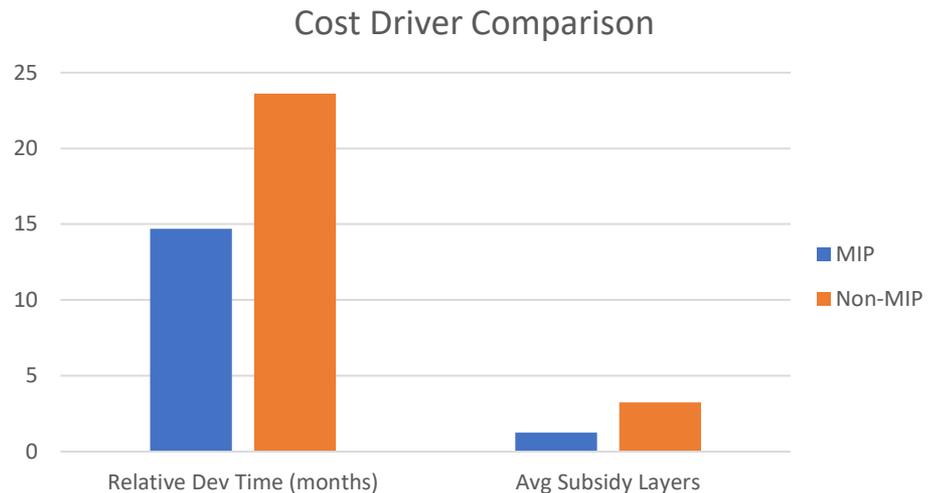
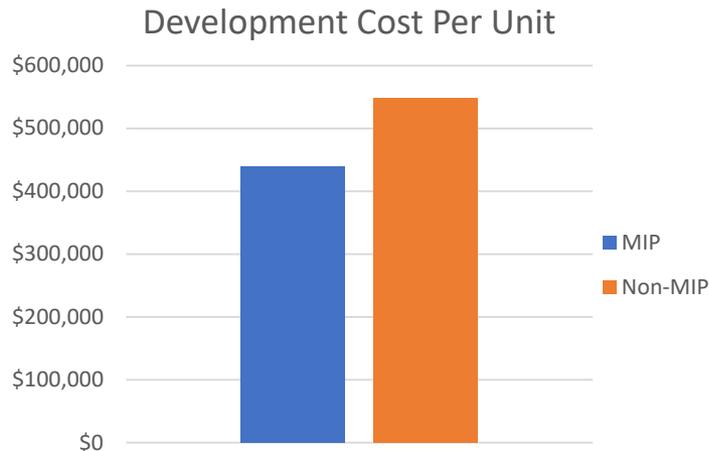
An Added Resource to Fund the Missing Middle

- ❑ Beginning in Fiscal Year 16/17 the National housing crisis, which historically has affected households below 50% AMI, is now extended to both ends of the affordability spectrum necessitating unit development for households representing the Missing Middle.
- ❑ Fiscal Year 17/18 CalHFA begins researching loan products which are not intended to compete with development programs and resources targeting 50% AMI and Below.
- ❑ FY 18/19 MIP specifically designed to take advantage of changes to the 2018 Federal Tax Code to allow income averaging facilitating unit development from 60-80% AMI.
- ❑ FY 18/19 & 19/20 MIP development design continues with intention of incentivizing development at higher AMI levels where resources have been scarce in the past.

Primary Changes 2020 OTC MIP

- ❑ New Readiness and Construction Start Requirements in line with CDLAC/TCAC expectations
- ❑ New Project, Sponsor, and County Cap amounts
- ❑ New Const Containment Analysis
- ❑ New Subsidy Efficiency Analysis
- ❑ Expansion of Development Team Qualifications
- ❑ Increases to DSCR Requirements

Outcomes



- ❑ Reduced development timeline and carry costs from application to construction;
- ❑ Timing efficiencies in deployment of resources with MIP OTC vs. MIP NOFA;
- ❑ Increased collaboration and communication → better outcomes and greater alignment of CalHFA programmatic structure & CDLAC/TCAC regulations.