

# Washington Update

for the CalHFA Board Meeting

**Peter Lawrence**

Director, Public Policy and Government Relations

Novogradac Consulting LLP

 @NovocoPolicy

# Agenda

Market conditions (including equity update)

Potential Federal Legislative Changes

Affordable Housing Credit Improvement Act

Reconciliation bill (formerly known as Build Back Better)

*LIHTC proposals*

*Housing spending proposals*

*Neighborhood Homes Tax Credit*

DASH Act and Middle Income Housing Tax Credit

JCHS 2022 Rental Housing Report

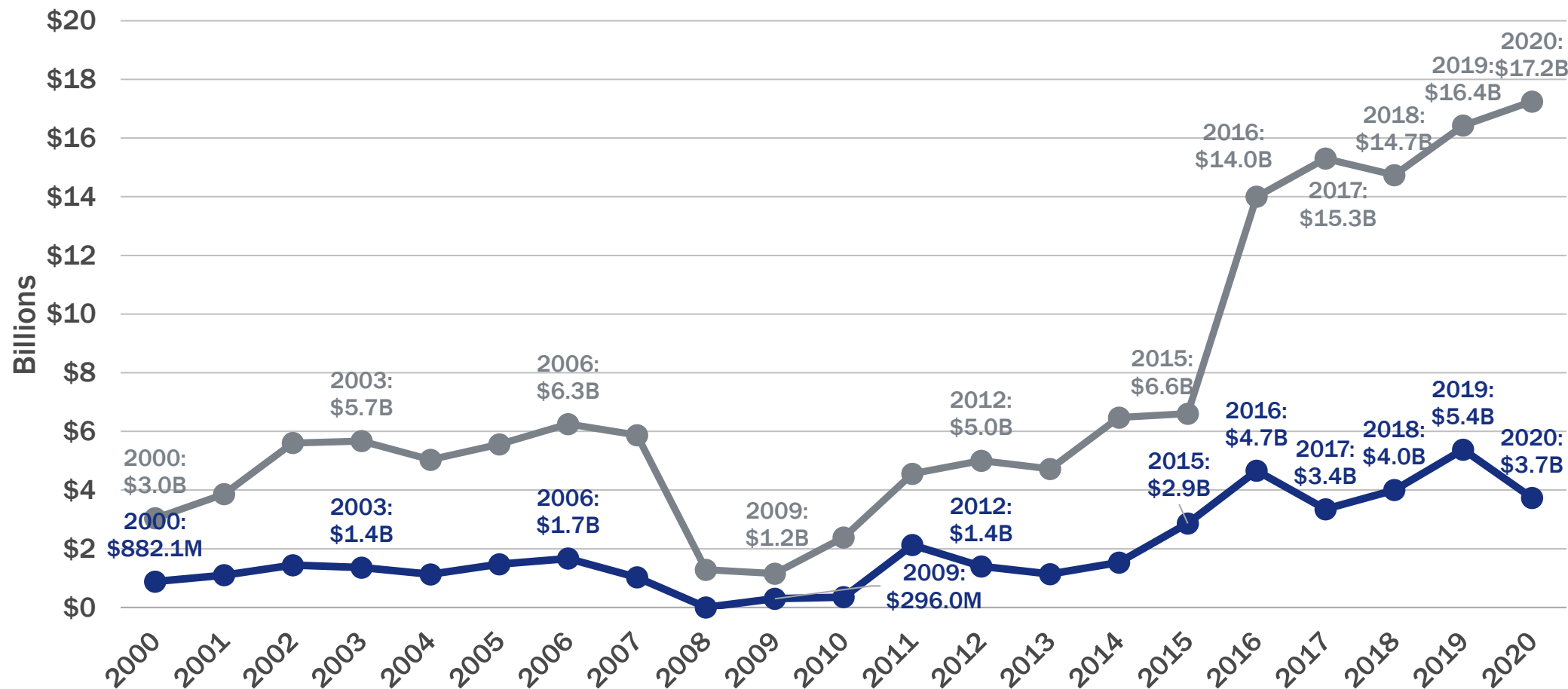
HUD funding update

Average Income Test

CalHFA MIP

# Rental Housing Bonds: *Over Double Since 2015*

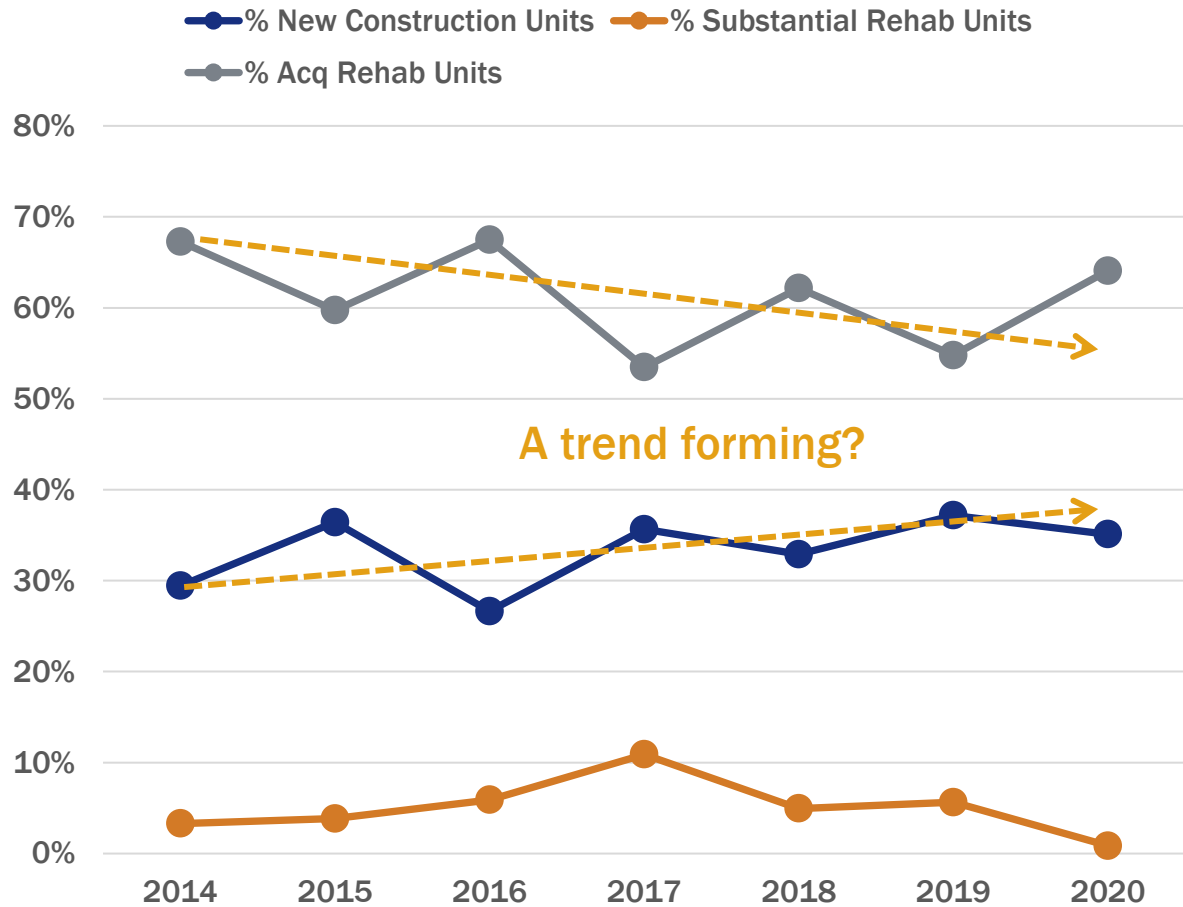
— U.S. — California



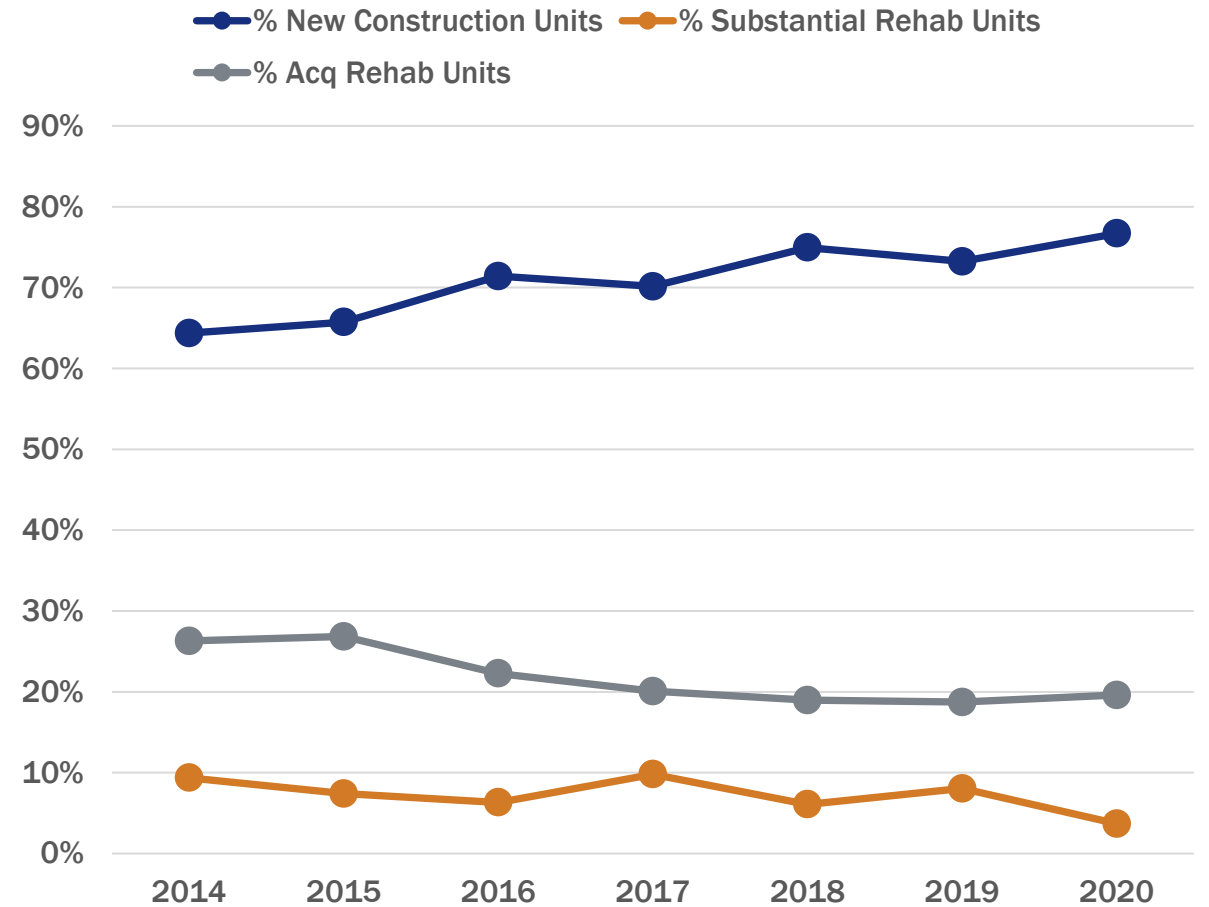


# LIHTC Use: New Construction vs. Rehabilitation

## Percentage of Tax-Exempt Bond Units



## Percentage of 9 Percent Units

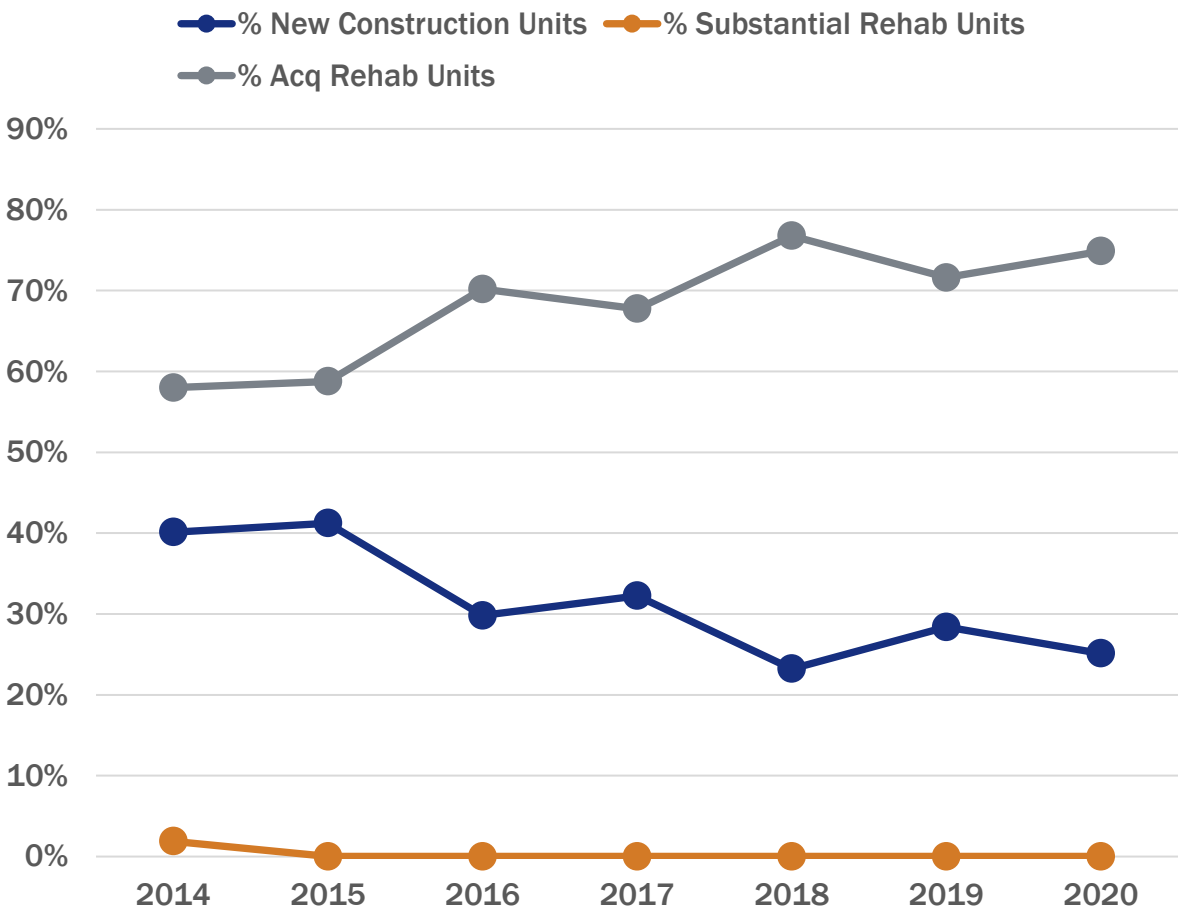




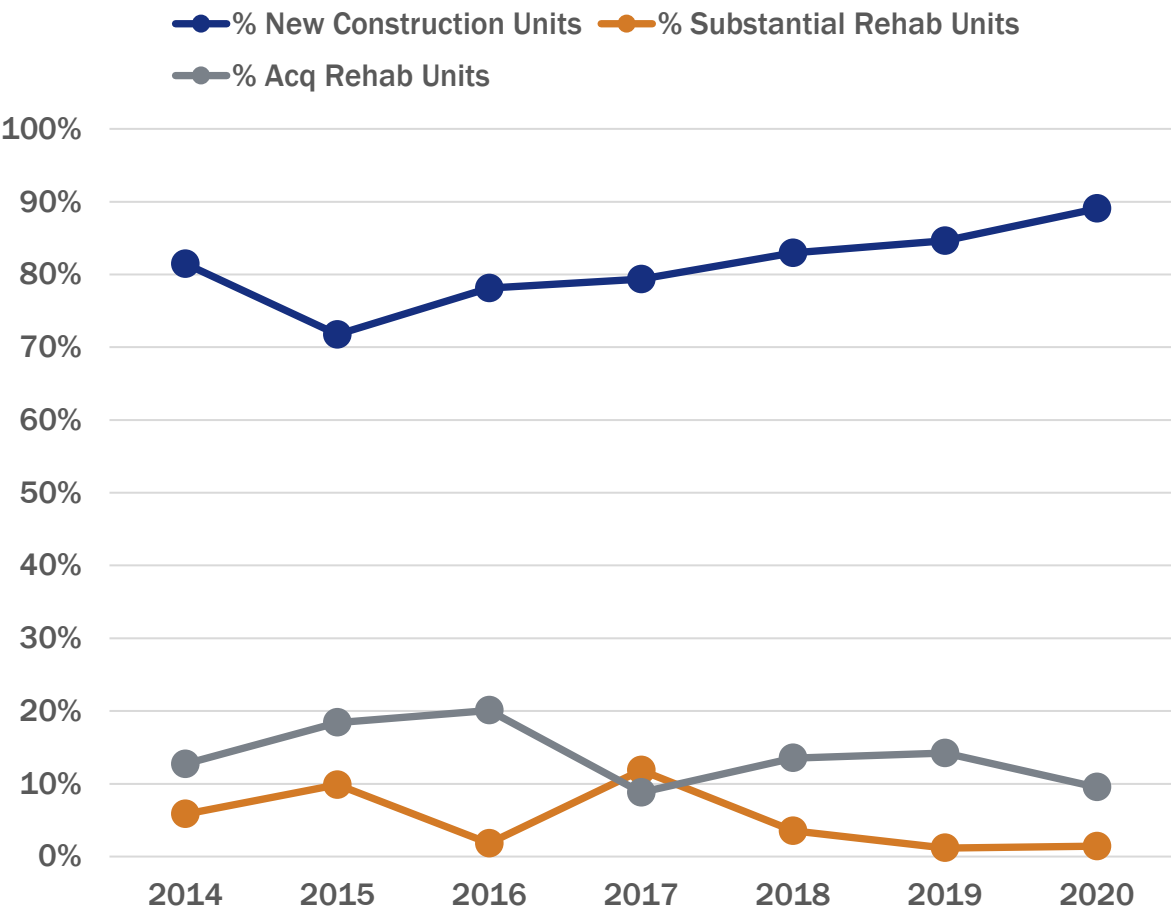
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# LIHTC Use: *New Construction vs. Rehabilitation*

### Percentage of Tax-Exempt Bond Units

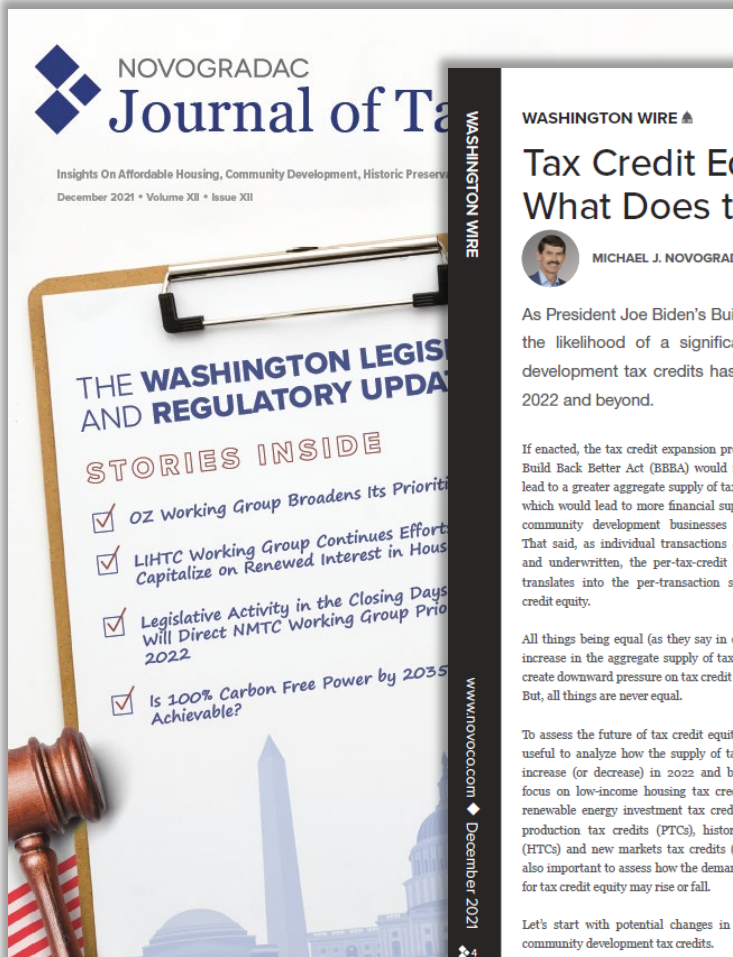


### Percentage of 9 Percent Units



# State of the Equity Market

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## WASHINGTON WIRE

### Tax Credit Equity Pricing—What Does the Future Hold?



MICHAEL J. NOVOGRADAC, CPA

As President Joe Biden's Build Back Better plan works its way toward enactment, the likelihood of a significant increase in the supply of federal community development tax credits has stakeholders pondering tax credit equity pricing in 2022 and beyond.

If enacted, the tax credit expansion provisions of the Build Back Better Act (BBBA) would most certainly lead to a greater aggregate supply of tax credit equity, which would lead to more financial support for more community development businesses and projects. That said, as individual transactions are structured and underwritten, the per-tax-credit equity pricing translates into the per-transaction sources of tax credit equity.

All things being equal (as they say in economics), an increase in the aggregate supply of tax credits would create downward pressure on tax credit equity pricing. But, all things are never equal.

To assess the future of tax credit equity pricing, it is useful to analyze how the supply of tax credits may increase (or decrease) in 2022 and beyond, with a focus on low-income housing tax credits (LIHTCs), renewable energy investment tax credits (ITCs) and production tax credits (PTCs), historic tax credits (HTCs) and new markets tax credits (NMTCs). It is also important to assess how the demand by investors for tax credit equity may rise or fall.

Let's start with potential changes in the supply of community development tax credits.

#### Direct Legislative Increases in the Supply of Community Development Tax Credits

As this column went to press, the House of Representatives had approved the BBBA, which includes provisions to increase many federal community development tax credits—particularly for housing and renewable energy—beginning in 2022. Should the Senate approve the measure and the BBBA become law, 2022 would see a major increase in the supply of credits.

#### Renewable Energy Tax Credits

The BBBA includes a proposed extension to 2032 of the phasedown period for the ITC and PTC along with an increase in the credit rates. That would increase the annual supply of these tax credits, although the direct-pay option (discussed later) would reduce the amount of these tax credits seeking equity investors.

The BBBA also contains new renewable energy tax credits, which would further add to the supply. They include tax credits for components of solar and wind projects, tax credits for hydrogen production, tax credits for electric transmission facilities and more.

#### Low-Income Housing Tax Credits

Provisions in the BBBA would increase the supply of both 9% and 4% LIHTCs.

#### 9% Allocated Credits

A four-year, 12.5% annual increase in 9% LIHTC allocation is scheduled to end this year, but the BBBA proposes to preserve that increase through 2024 along with an additional annual increase.

#### 4% Private Activity Bond Credits

Another significant provision in the BBBA would temporarily lower the 50% test for private activity bond (PAB)-financed homes to 25%, which would free bond cap. The result would be an increase in the use of PABs and 4% LIHTCs—particularly in states that are cap-constrained. In those locations, the use of PABs and 4% LIHTCs could eventually increase by 100% or more. In addition, the BBBA contains a proposal for a 50% basis boost for extremely low-income properties, which would make such housing eligible for additional credits.

#### Neighborhood Homes Tax Credits

A new housing tax incentive, the neighborhood homes tax credit (NHTC), is included in the BBBA. The NHTC would be used for the construction or rehabilitation of owner-occupied homes in distressed neighborhoods and would result in slightly more than \$1 billion in annual credit allocation for 2022, 2023 and 2024, going up to \$2.2 billion in 2025 before expiring.

#### New Markets Tax Credits

The BBBA includes a \$175 million addition to the existing \$5 billion annual pool for 2022-2025 in tribal statistical areas, a 35% increase in annual allocation authority. An early provision in proposed reconciliation legislation—which fell out of the legislative language, but could conceivably be part of year-end legislation—would make the NMTC permanent, index the annual amount for inflation, add a supplemental allocation for the next two years and add \$100 million in allocation for U.S. territories.

#### Historic Tax Credits

The Historic Tax Credit Growth and Opportunity (HTC-GO) Act was in BBBA draft legislation, including a temporary increase from 20% to 30% of

qualified rehabilitation expenditures and a permanent increase of that percentage for small projects. Although those HTC provisions fell out of the BBBA, they still could be attached to year-end legislation, paving the way for more credits in 2022.

#### Even Greater Potential Increases in Uncapped Tax Credits

For capped tax credits (LIHTC, NHTC, NMTC) initial or additional allocation authority provides a direct increase in the supply of tax credits. For uncapped community development tax credits—such as the HTC, ITC and PTC, as well as 4% LIHTCs—additional money for related government funding programs encourages additional use of these tax incentives, which indirectly leads to an increase in the supply of tax credits.

Among the renewable energy direct-funding provisions included in the BBBA are billions of dollars in grants and other funding that would be made available to various green energy properties. The use of those grants would make more properties financially feasible and more likely to use ITCs, PTCs or other renewable tax credits, thus increasing the supply.

The BBBA also included \$156 billion in additional funding for housing and community development spending—topped by \$65 billion for public housing. The bill also included \$15 billion for the national Housing Trust Fund and \$10 billion for the U.S. Department of Housing and Urban Development (HUD) HOME program. Both are huge jumps and provide gap funding to allow more affordable housing properties to be financed by tax credits.

Another gap funding source is the Community Development Financial Institution (CDFI) Fund's Capital Magnet Fund (CMF), which will soon announce the allocation of \$386 million in grants to CDFIs and nonprofit organizations for affordable housing and related economic development and community services. The BBBA would provide an additional \$750 million to the CMF for 2022, which

WASHINGTON WIRE

Novogradac Journal of Tax Credits • December 2021



Bond Volume  
Cap



Rents  
Post-COVID



Potential CRA  
Reform



4 Percent Floor  
Success



LIHTC Equity Pricing and  
Yield

March 17, 2022

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## Future Tax Legislation

- *More Tax Credits*
- *Expanded Carryback*
- *75% GBC Limit*
- *New Minimum Tax*



## Possible FASB Changes



## Overall Economy

# Supply & Demand Factors affecting **INVESTOR EQUITY PRICING**



## Interest Rates

*New notice of proposed rulemaking on  
CRA regulations coming soon?*



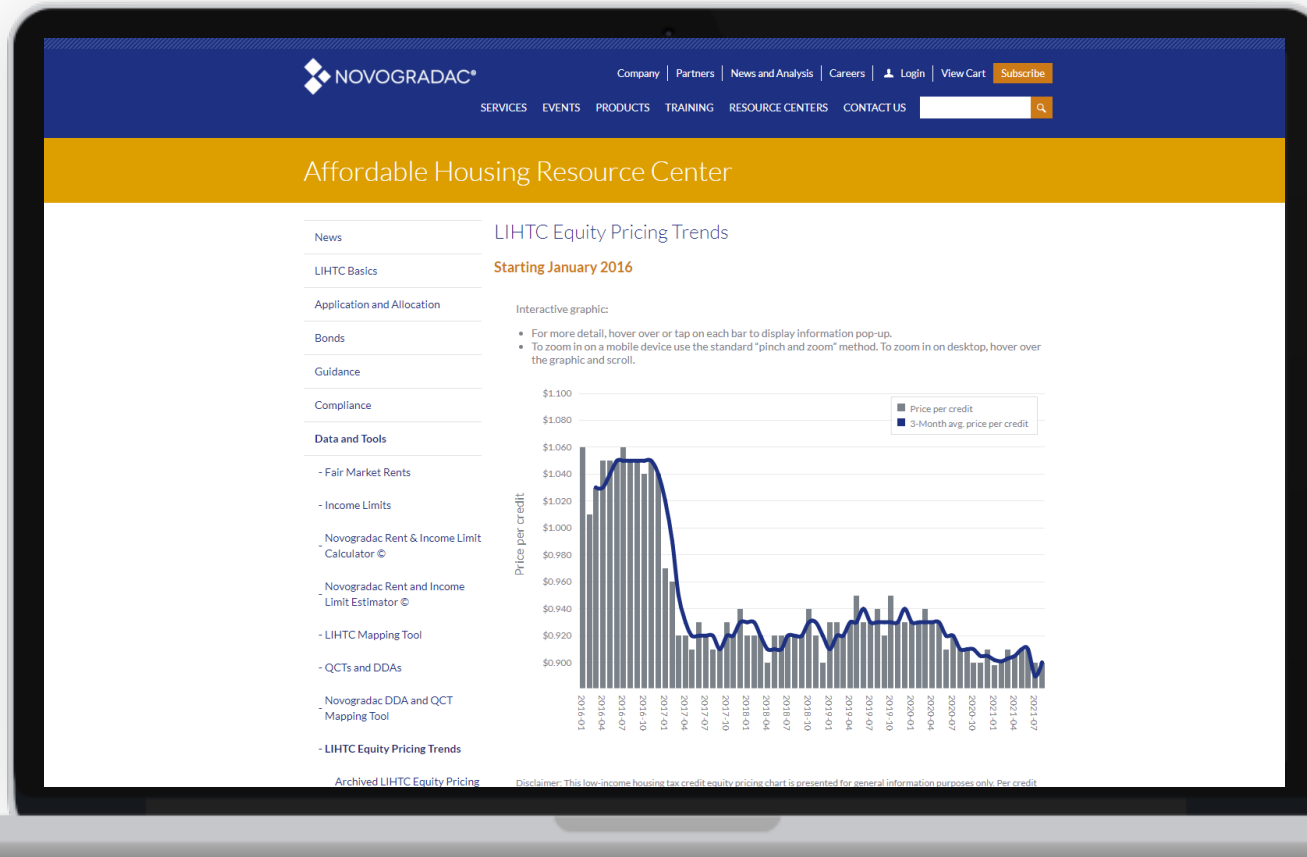
## Community Reinvestment Act Office of the Comptroller of the Currency officially rescinded CRA rule on Dec. 14, 2021



## Additional factors?

Coming soon...

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Improved equity  
price tracking



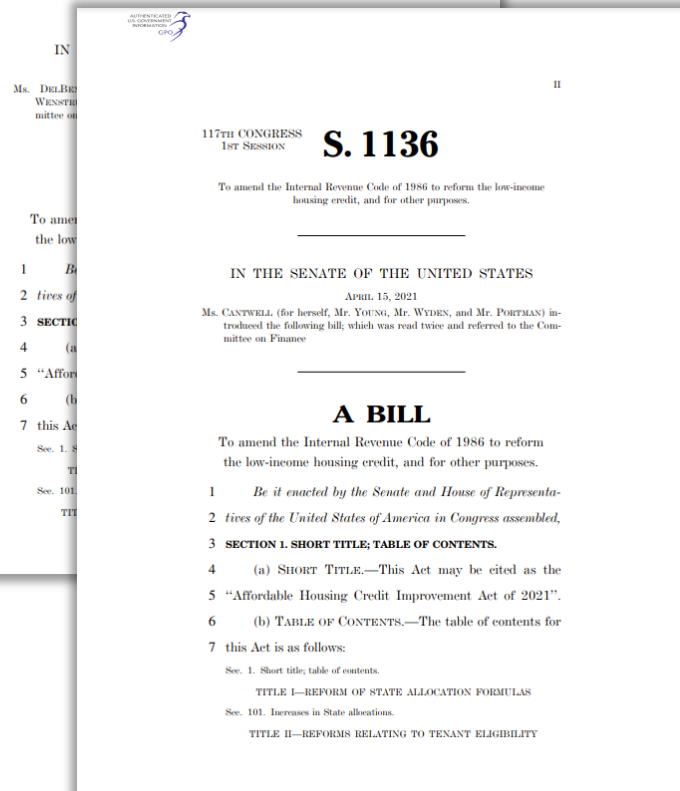
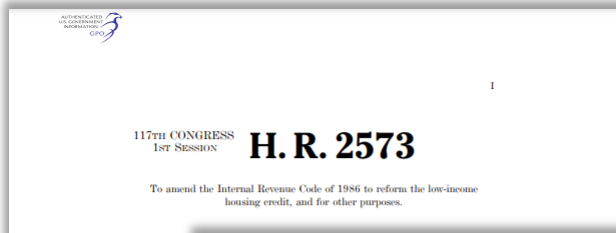
# Potential Federal Legislative Changes

# Affordable Housing Credit Improvement Act

REINTRODUCED APRIL 15, 2021

2019 bill cosponsors: S. 1703: 11R 28D 2I | H.R. 3077: 79R 154D

2021 bill cosponsors: S. 1136: 10R 22D | H.R. 2573: 56R 99D as of 3/10/2022



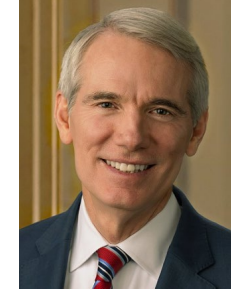
CANTWELL  
D-WA



YOUNG  
R-IN



WYDEN  
D-OR



PORTMAN  
R-OH



DELBENE  
D-WA



WALORSKI  
R-IN



BEYER  
D-VA



WENSTRUP  
R-OH

# Build Back Better Act – Senate Bill

## Volume Cap Scarcity

AS OF FEBRUARY 28, 2022

### EFFECT OF PRIMARY PROVISIONS

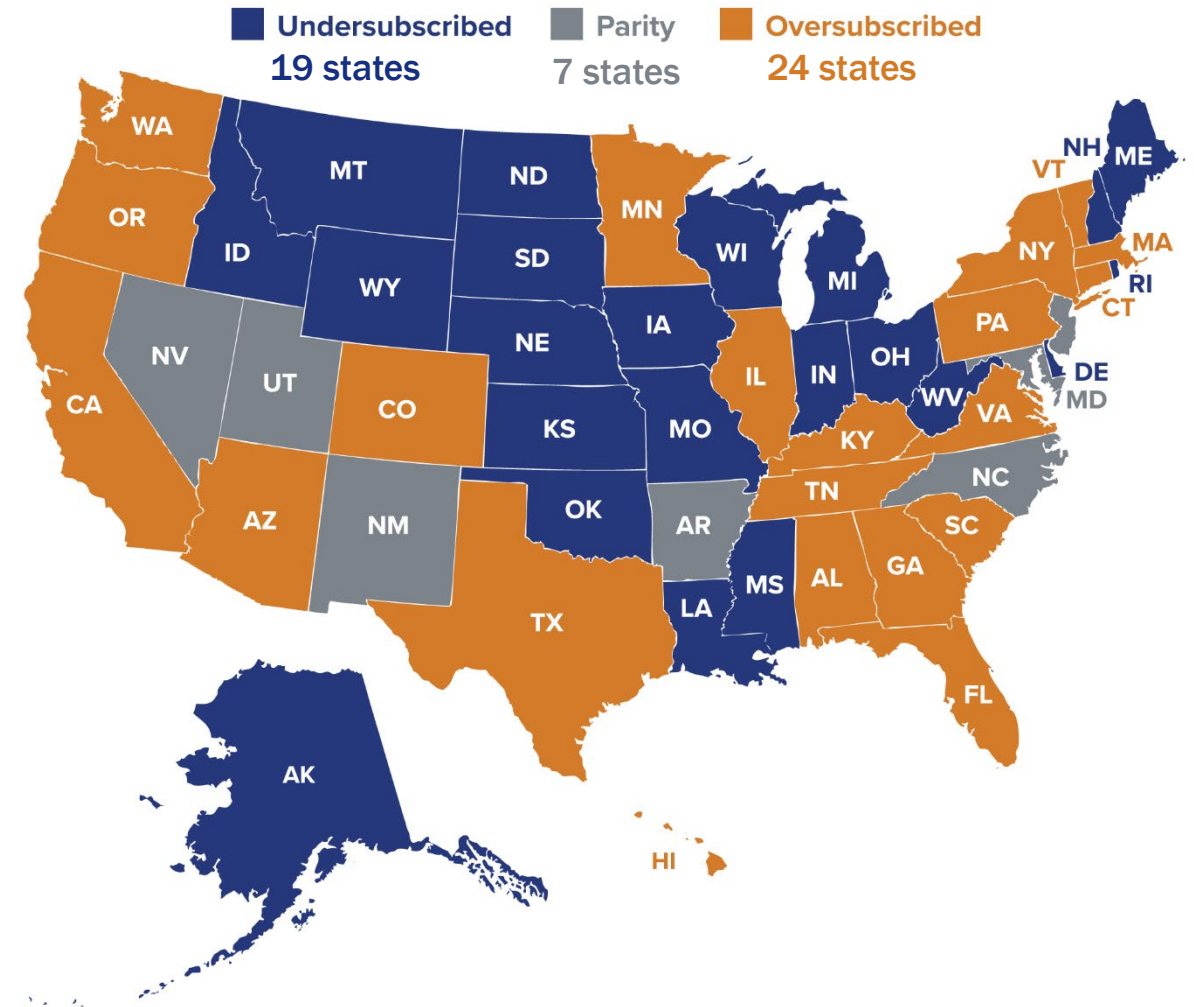
#### SECTION 125102

**Temporarily lowering the 50%  
Test to 25%, 2022 to 2026**

**735,500**

**additional rental homes over 10 years**

**Senate provision preliminary score:  
\$8.695b over 2022-31**



Source: Tiber Hudson; Novogradac

# Build Back Better Act – Senate Bill

## EFFECT OF PRIMARY PROVISIONS

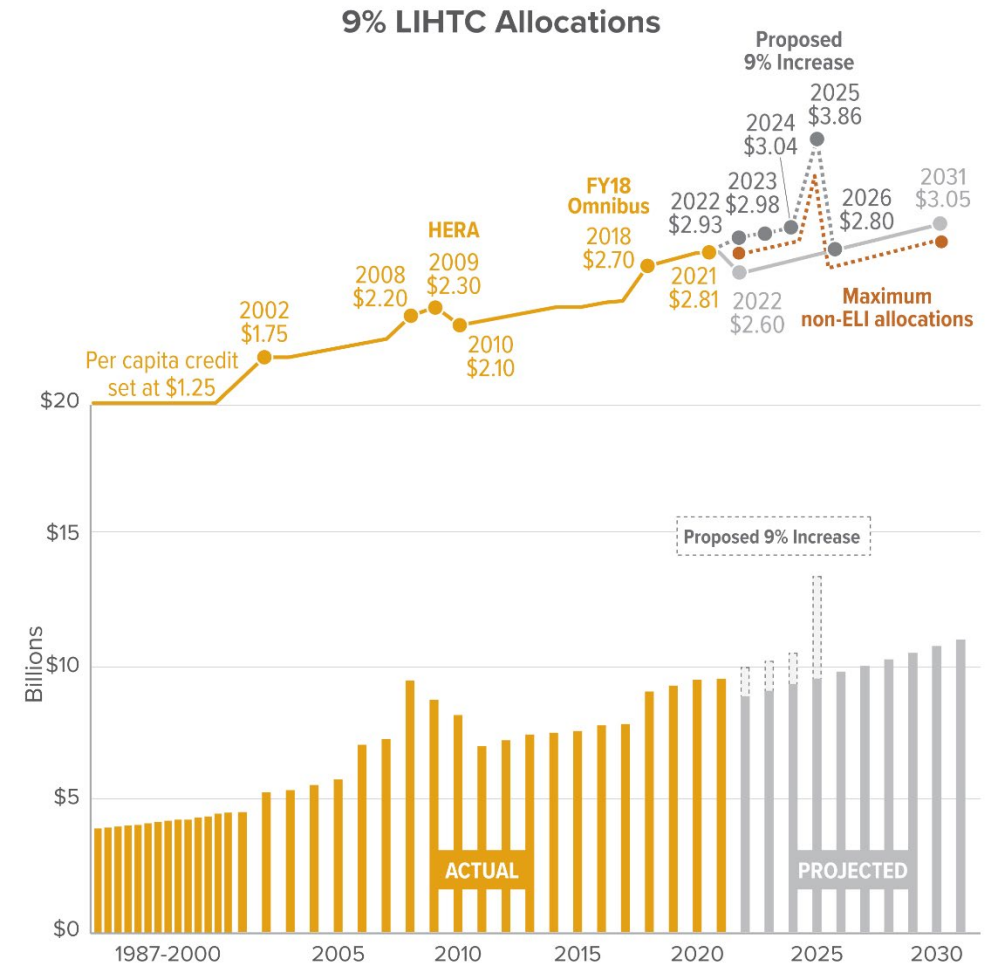
### SECTION 125101

**Maintain 12.5% increase with inflation adjustments in 2022-2025, further increase allocation by 25% in 2025**

**23,000**

**additional rental homes over 10 years**

**Senate provision preliminary score:  
\$2.129b over 2022-31**



Source: Senate Finance Committee; Novogradac

# Build Back Better Act – Senate Bill

## ADDITIONAL PROVISIONS

### SECTION 125303

**A permanent maximum 30% basis boost for properties in Native American areas**

### SECTION 125103

**Permanently provide a 50% basis boost\* for units serving extremely low-income (ELI) tenants in 9% and 4% properties and Set Aside 8% of 9% allocations**

### SECTION 125105

**Modify the existing statutory right of first refusal (ROFR) and clarify of rights relating to building purchase**

### SECTION 125104

**Would limit the use of qualified contracts by repealing option for future properties and retroactively changing statutory price formula for existing properties**

# Build Back Better Act (Senate Draft Bill)

## HOUSING AND COMMUNITY DEVELOPMENT SPENDING: MORE THAN \$156B WAS INCLUDED

### Highlights of most prominent spending proposals

- \$65 billion for Public Housing Recapitalization
  - \$2.25 billion for Choice Neighborhood Initiative
- \$25 billion for rental assistance
  - \$24 billion for Housing Choice Vouchers
  - \$1 billion for Project-Based Rental Assistance
- \$15 billion for Housing Trust Fund
- \$10 billion for HOME Investment Partnership Program
- \$10 billion for a new HUD-administered program for first-generation downpayment assistance and housing counseling

## Housing Trust Fund Update:

### Estimated Build Back Better Top 20 State Allocations

*Based on a national total of \$15 billion*

	2021	BBB Est.	% Change		2021	BBB Est.	% Change
1. California	\$126,579,067	\$2,693,200,000	2028%	11. Michigan	\$17,158,160	\$382,900,000	2132%
2. New York	\$73,383,641	\$1,658,500,000	2160%	12. Massachusetts	\$16,987,942	\$380,100,000	2137%
3. Texas	\$41,750,738	\$946,600,000	2167%	13. Washington	\$15,685,029	\$338,400,000	2057%
4. Florida	\$35,072,600	\$754,400,000	2051%	14. Virginia	\$14,340,031	\$321,000,000	2138%
5. Illinois	\$30,702,615	\$694,100,000	2161%	15. Wisconsin	\$11,159,627	\$252,500,000	2163%
6. Pennsylvania	\$24,134,348	\$548,900,000	2174%	16. Arizona	\$11,477,467	\$247,200,000	2054%
7. New Jersey	\$24,354,671	\$545,300,000	2139%	17. Missouri	\$10,536,095	\$242,700,000	2204%
8. Ohio	\$21,186,076	\$485,300,000	2191%	18. Indiana	\$10,674,428	\$242,300,000	2170%
9. North Carolina	\$17,493,694	\$396,900,000	2169%	19. Maryland	\$9,975,009	\$225,700,000	2163%
10. Georgia	\$17,459,897	\$385,200,000	2106%	20. Tennessee	\$9,736,855	\$219,600,000	2155%

Source: NLIHC

# Build Back Better Act (Senate Draft Bill)

## HOUSING AND COMMUNITY DEVELOPMENT SPENDING: MORE THAN \$156B WAS INCLUDED

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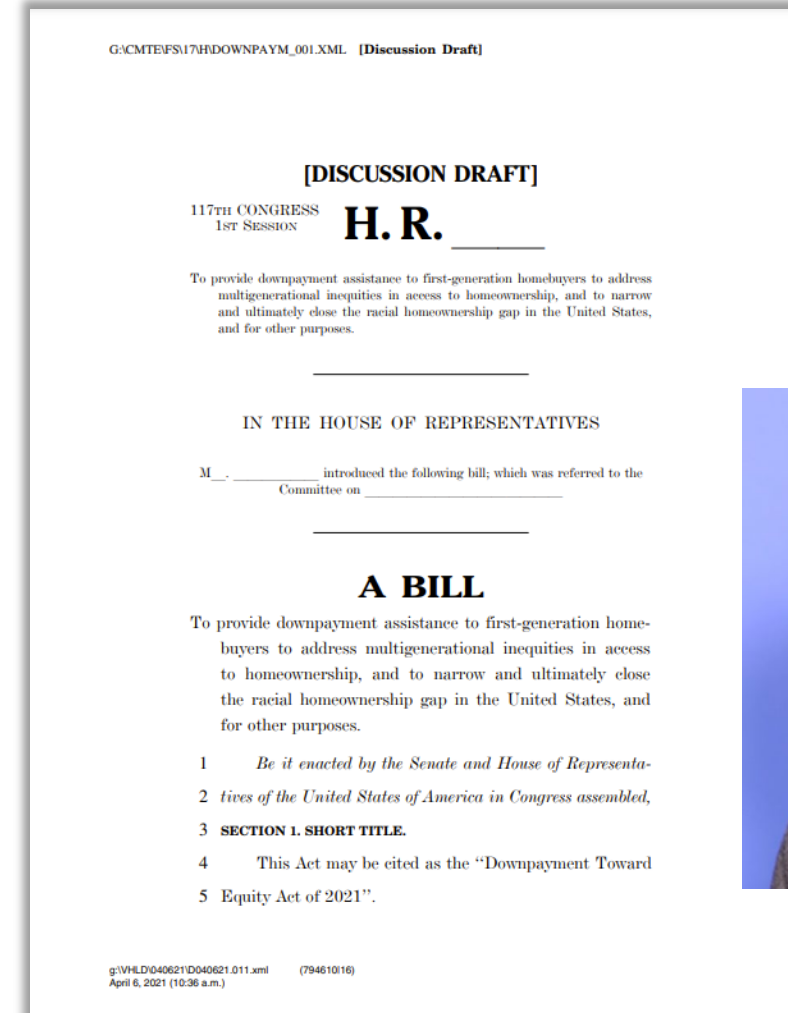
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# First-Time Homebuyer Assistance

## Down Payment Toward Equity Act of 2021

- Home buyers may receive up to **\$20,000** in assistance, or **\$25,000** in assistance if the home buyer qualifies as a “**socially and economically disadvantaged individual**.”
- The act defines “socially disadvantaged individuals” as “those who have been subjected to **racial or ethnic prejudice or cultural bias** because of their identity as a member of a group without regard to their individual qualities.” An “economically disadvantaged individual” is one who meets the **bill’s income requirements**.
- Income must be below **120% AMI** or **180% AMI** in high-cost area.



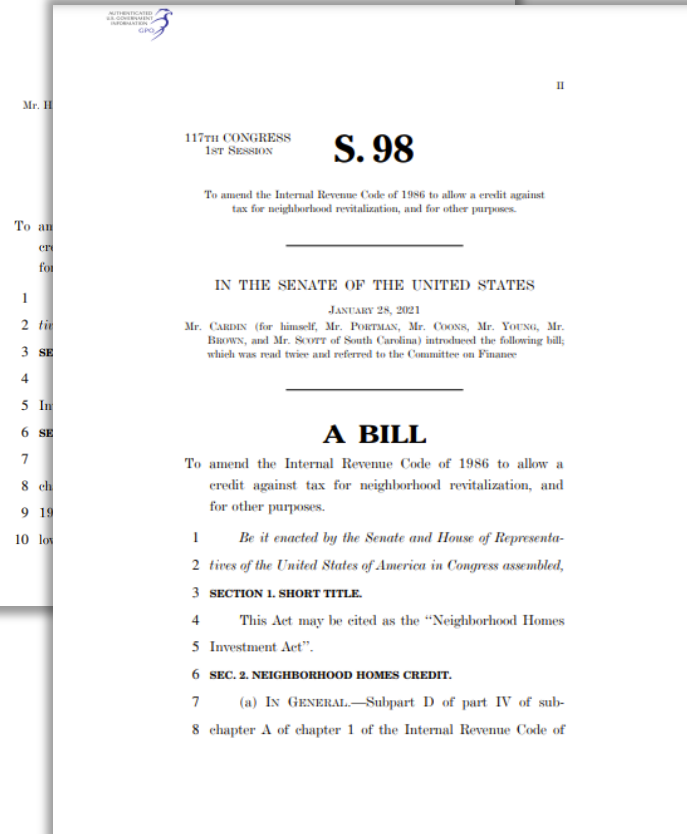
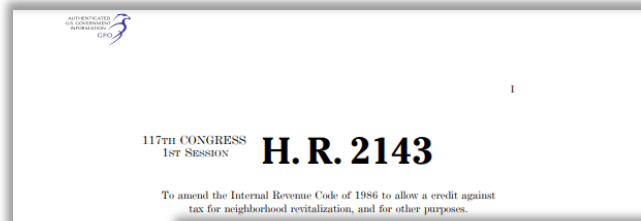
Maxine Waters  
D-CA

# Neighborhood Homes Investment Act

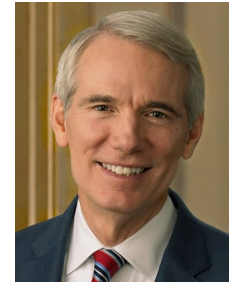
**S.98 INTRODUCED JANUARY 28, 2021 | H.R.2134 INTRODUCED MARCH 23, 2021**

**117<sup>th</sup> Cosponsors:** S. 98: 6R 12D  
H.R. 2134: 22R 41D  
*as of 3/9/2022*

**116<sup>th</sup> Cosponsors:** S. 4073: 4R 3D  
H.R. 3316: 13R 20D



**CARDIN**  
D-MD



**PORTMAN**  
R-OH



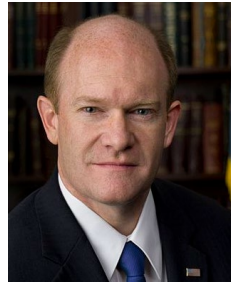
**BROWN**  
D-OH



**YOUNG**  
R-IN



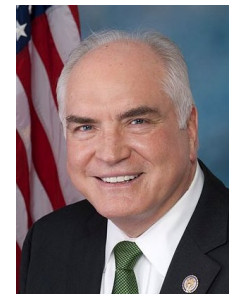
**SCOTT**  
R-SC



**COONS**  
D-DE



**HIGGINS**  
D-NY



**KELLY**  
R-PA



**SEWELL**  
D-AL



**LAHOOD**  
R-IL



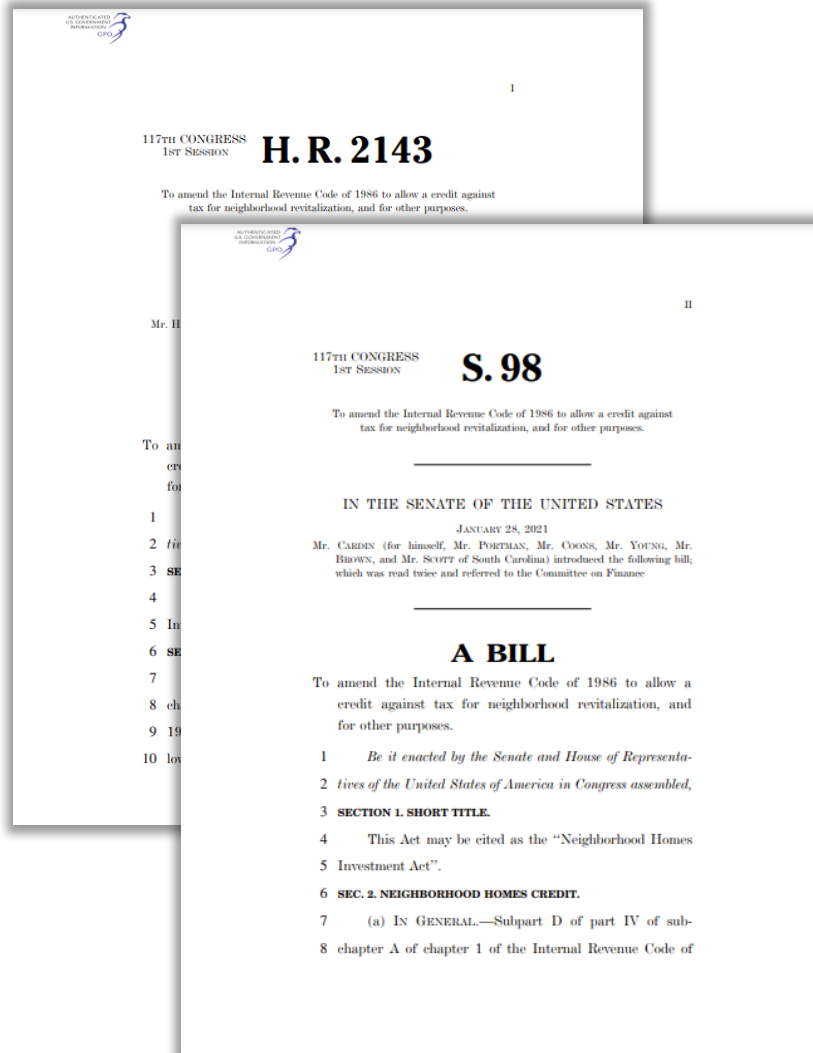
**LARSON**  
D-CT



**WALORSKI**  
R-IN

# Neighborhood Homes Investment Act

**S.98 INTRODUCED JANUARY 28, 2021 | H.R.2134 INTRODUCED MARCH 23, 2021**



- A new federal tax credit to attract capital to build and rehabilitate 500,000 owner-occupied homes in distressed urban, suburban and rural neighborhoods over the next decade
- No other federal tax incentive addresses a key problem: development costs exceed market values for owner-occupied homes in distressed neighborhoods. NHTC complements but does not duplicate:
  - Tax-exempt mortgage bonds: reduce monthly payments, not development cost gaps
  - Low Income Housing Tax Credits: for rentals, not homeownership
  - Opportunity Zones: primarily commercial real estate and businesses, not homeownership
- States allocated NHTC credits based on population
  - \$6 per capita annually
  - Minimum for small states: \$8 million annually
  - Nationwide total: ~\$2 billion annually
- State Housing Finance Agencies likely to be the program administrators.

# Build Back Better Act – Senate Bill

## NEIGHBORHOOD HOMES TAX CREDIT (temporary version)

### SECTION 125106

The bill would create a **neighborhood homes tax credit (NHTC)** very similar to the tax credit proposed in the **Neighborhood Homes Investment Act (H.R. 2413, S.98)**, and the **DASH Act**.

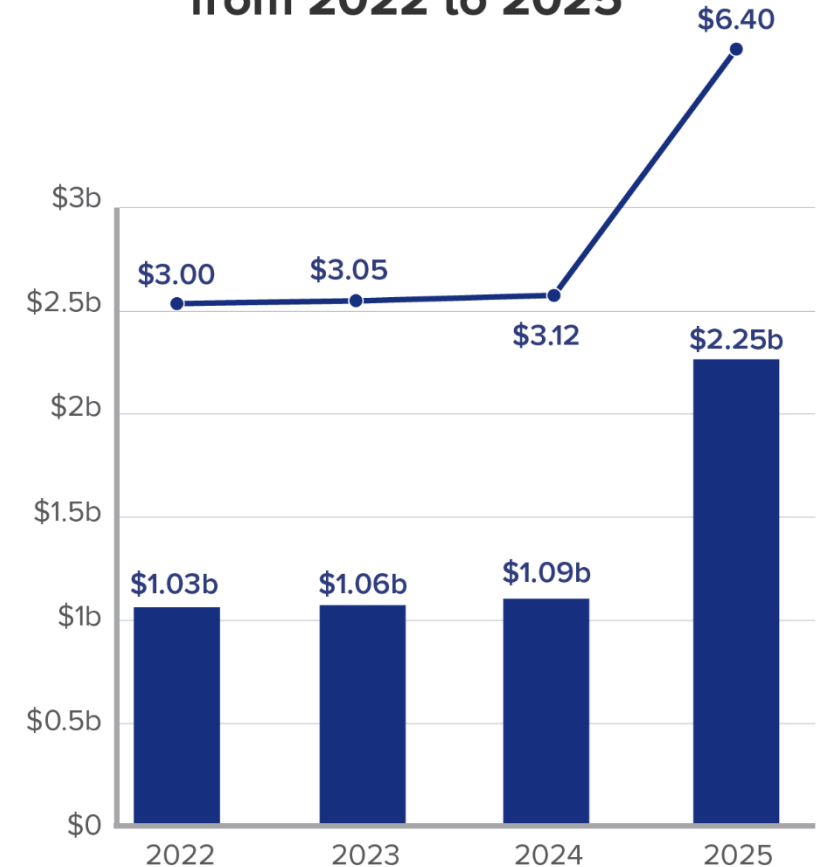
**125,000**

additional owner-occupied homes over 10 years

Senate provision preliminary score:

**\$5.859b over 2022-31**

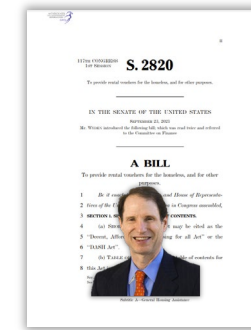
Projected NHTC Allocation  
from 2022 to 2025



Source: House Rules Committee; Novogradac



# Decent, Affordable Safe Housing for All Act (DASH) and What Tax Proposals Are Included

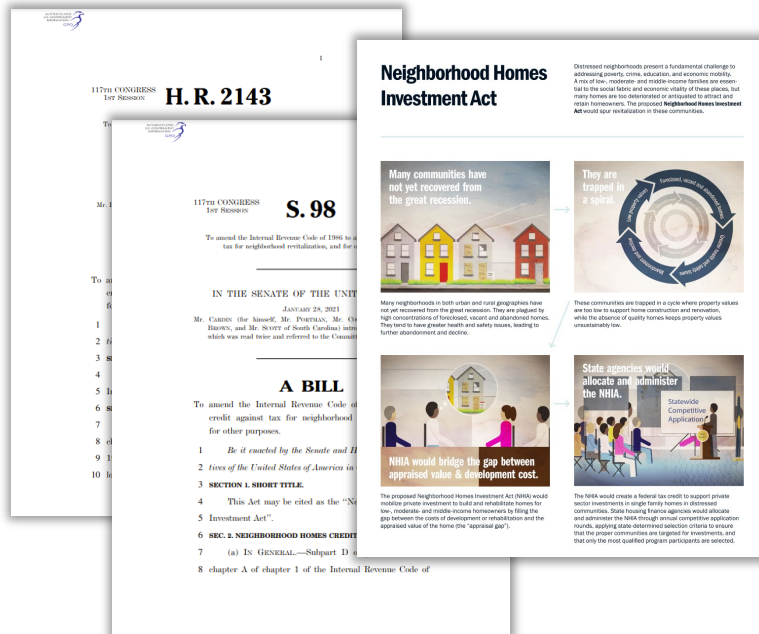


117<sup>th</sup> Congress

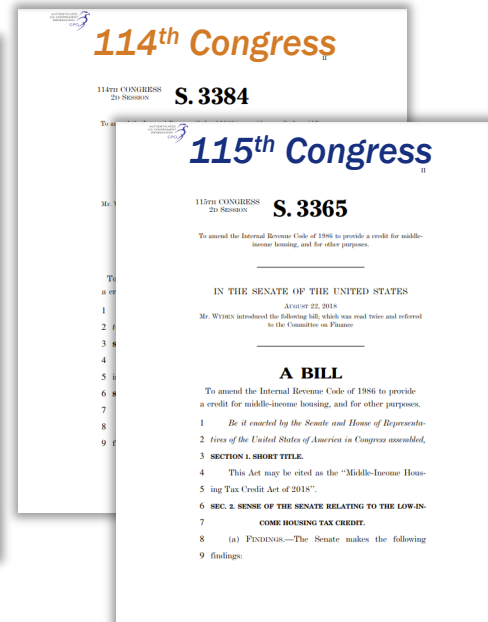
Introduced  
Sept. 23, 2021

**DASH Act**

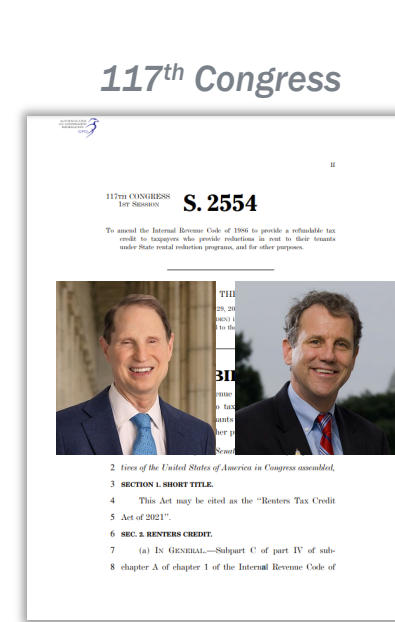
117<sup>th</sup> Congress



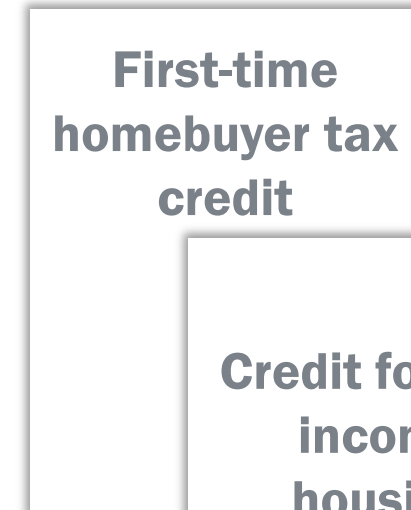
**Neighborhood Homes  
Investment Credit**



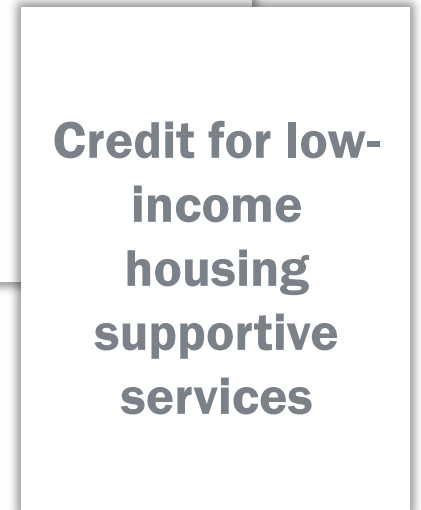
**Middle-Income  
Housing Tax Credit**



**Renter Tax Credit  
Act of 2021**



**First-time  
homebuyer tax  
credit**



**Credit for low-  
income  
housing  
supportive  
services**



# Middle-Income Housing Tax Credit

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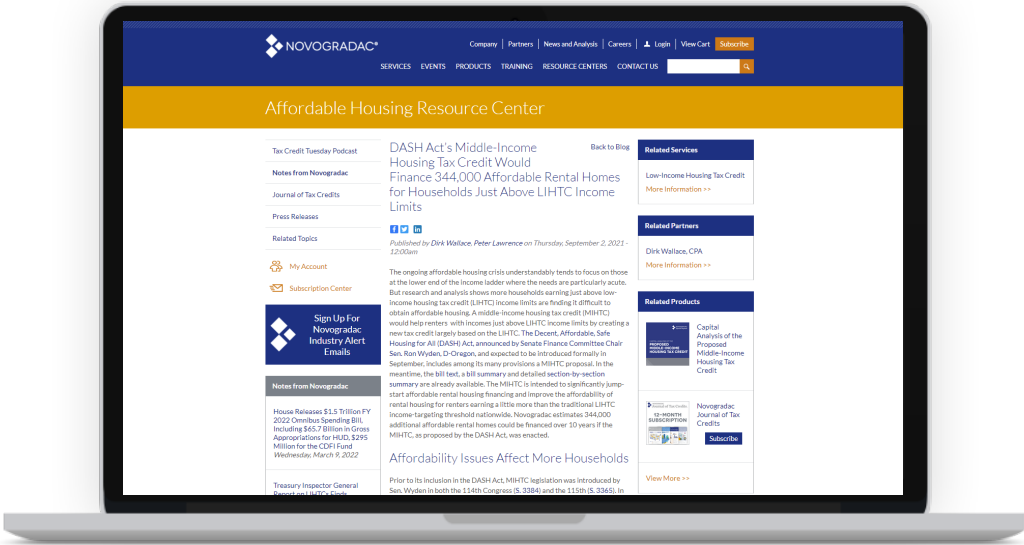
- The allocation would be \$1 per capita with a \$1.14 million small-state minimum.
- At least 60% of the property's units must be reserved for individuals with incomes of 100% or less of AMI
- Tenants' rents must not exceed 30% of 100% of AMI
- 5% MIHTC allocated like 9% LIHTCs and 2% MIHTC, similar to 4% credits/private activity bonds

March 17, 2022

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# Middle-Income Housing Tax Credit

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## Proposed Increase in Rental Homes Financed and Overall Economic Impact Due to DASH Act Provisions Over 10 Years

OVER 10 YEARS

DASH/MIHTC Rental Homes

Economic Impact

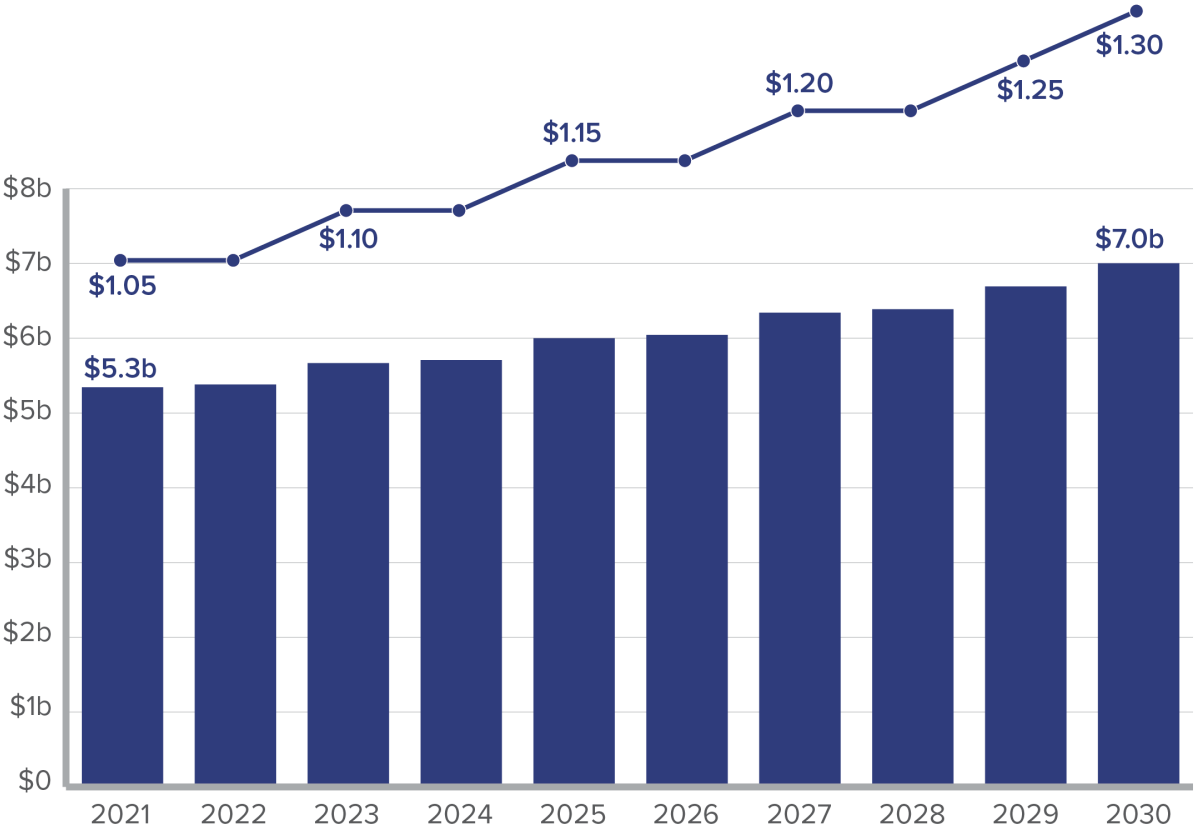
2% Units	5% Units	TOTAL RENTAL HOMES	Jobs	Wages & Business Income	Taxes
127,900*	216,100	344,100	560,400	\$63,473,156,600	\$22,030,191,800

\*Estimate assumes at least 15% of multifamily private activity bond issuance includes MIHTC assistance.

Source: Novogradac



## Projected 5% MIHTC Allocation from 2021 to 2030



Source: Novogradac



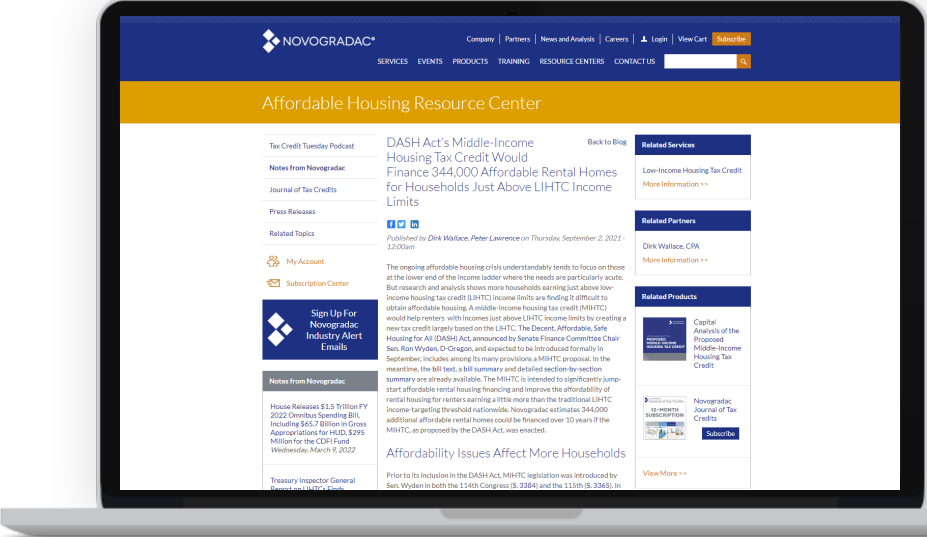
March 17, 2022

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# Middle-Income Housing Tax Credit

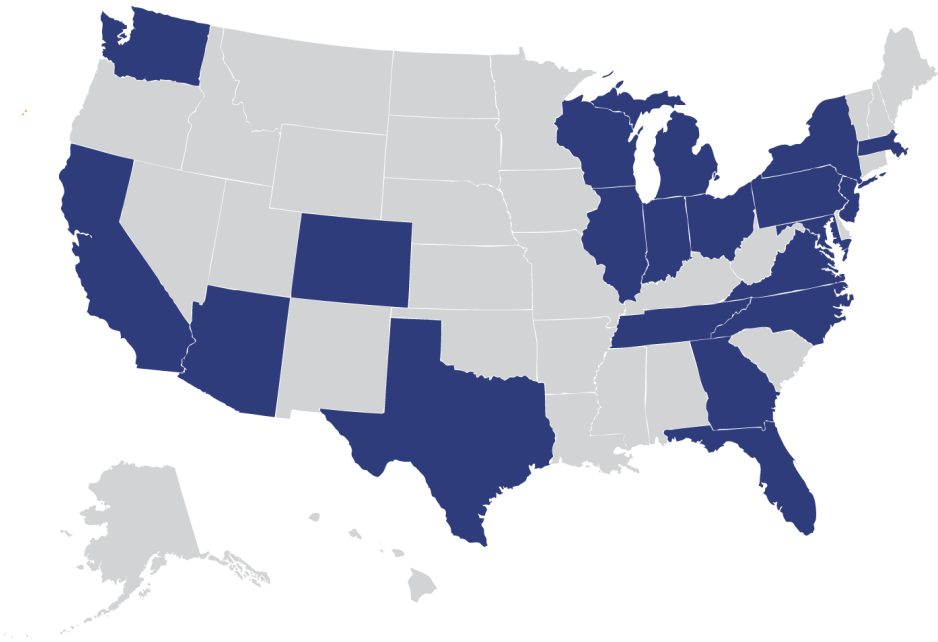
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## States Seeing the Largest Increase in Affordable Rental Homes Due to DASH Act MIHTC Provisions



### Additional Homes Over 10 Years

1	California	46,800
2	Texas	26,800
3	Florida	23,700
4	New York State	19,600
5	Georgia	16,900
6	Illinois	13,200
7	Pennsylvania	11,400
8	Virginia	10,200
9	Michigan	10,100
10	Ohio	9,800
11	Washington	9,200
12	Tennessee	9,100
13	Maryland	8,700
14	North Carolina	8,700
15	Massachusetts	7,800
16	New Jersey	7,400
17	Indiana	6,800
18	Arizona	6,600
19	Colorado	6,300
20	Wisconsin	6,000



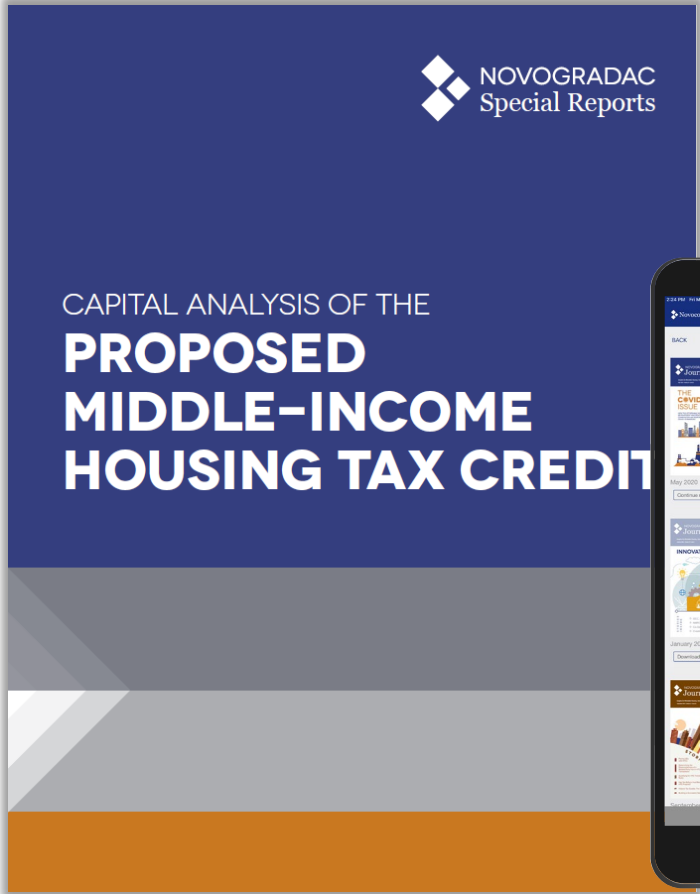
Source: Novogradac





# Middle-Income Housing Tax Credit

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Available on our mobile app:  
**NovocoKnows**



Note: amounts in thousands

# Middle-Income Housing Tax Credit

Market	Sources (Thousands)	Scenario 1		Scenario 2		Scenario 3		Scenario 4		Scenario 5		Scenario 6	
		Previous Law - Bonds Issued Prior to Dec. 31, 2020 <sup>1</sup>		Current Law - Bonds Issued After Dec. 31, 2020 - 4% Floor <sup>1</sup>		5% MIHTC, With Taxable Debt Financing <sup>4</sup>		5% MIHTC + ELI Basis Boost <sup>5,9</sup>		4% LIHTC + 2% MIHTC + PABs <sup>10</sup>		4% LIHTC + 2% MIHTC + PABs + ELI Basis Boost <sup>9,11</sup>	
		w/o Basis Boost	30% Basis Boost	w/o Basis Boost	30% Basis Boost	w/o Basis Boost	30% Basis Boost	with Basis Boost	w/o Basis Boost	30% Basis Boost	with Basis Boost		
San Francisco, CA	Debt												
	Permanent Financing	\$24,482 <sup>2</sup>	\$24,482 <sup>2</sup>	\$24,482 <sup>2</sup>	\$24,482 <sup>2</sup>	\$31,199 <sup>8</sup>	\$31,199 <sup>8</sup>	\$25,743 <sup>8</sup>	\$33,192 <sup>2</sup>	\$33,192 <sup>2</sup>		\$29,275 <sup>2</sup>	
	Soft Loan Needed	\$15,716	\$13,663	\$11,834	\$9,177	-	-	-	\$6,538	\$4,412		\$7,975	
	Equity												
	Tax Credit Equity	\$13,182 <sup>3,6</sup>	\$15,235 <sup>3,6</sup>	\$17,064 <sup>3,7</sup>	\$19,721 <sup>3,7</sup>	\$28,440 <sup>12</sup>	\$32,868 <sup>12</sup>	\$33,458 <sup>12</sup>	\$13,650 <sup>13</sup>	\$15,776 <sup>13</sup>		\$16,130 <sup>13</sup>	
	Financial Feasibility Adj.	-	-	-	-	(\$6,259)	(\$10,687)	(\$5,821)	-	-		-	
	Total Sources	\$53,380	\$53,380	\$53,380	\$53,380	\$53,380	\$53,380	\$53,380	\$53,380	\$53,380	\$53,380		\$53,380

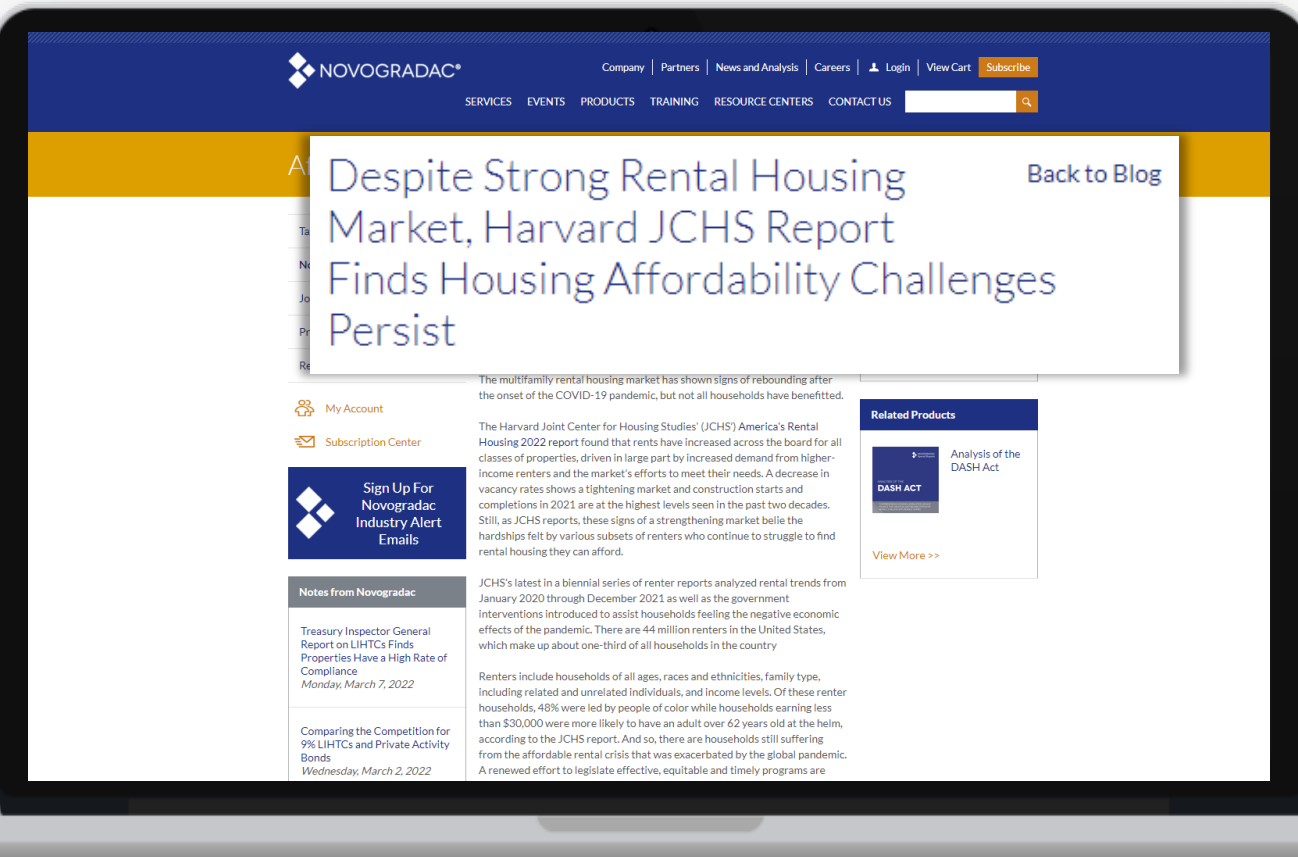
Market Data: Year - 2020; State - California; County - San Francisco County; MSA - San Francisco, CA HUD Metro FMR Area  
 Four-Person AMI: @80% - \$139,200; @60% - \$104,400; @30% - \$52,200  
 Two-Bedroom Rent: @80% - \$3,132; @60% - \$2,349; @30% - \$1,174; Achievable two-bedroom market rent - \$4,000  
 Utility Allowance - \$379

\* A survey of 6 market rate properties was conducted to calculate achievable market rents in MSA.

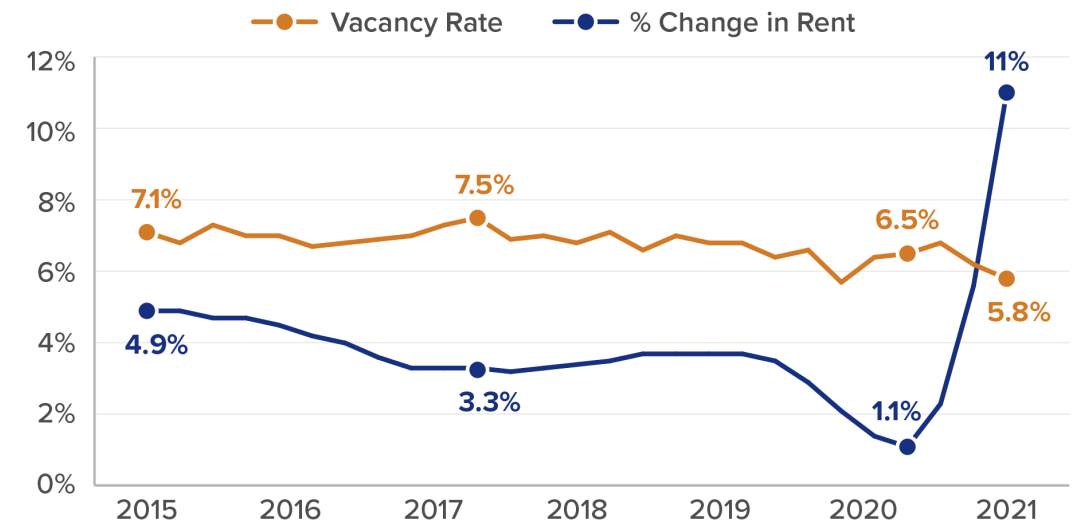
Source: Novogradac

# JCHS 2022 Rental Housing Report

[www.novoco.com/Blog](http://www.novoco.com/Blog)



## Low Vacancy Rates, Significant Changes in Rents Point to a Strong Rental Market



Source: Harvard Joint Center for Housing Studies; Novogradac



March 17, 2022

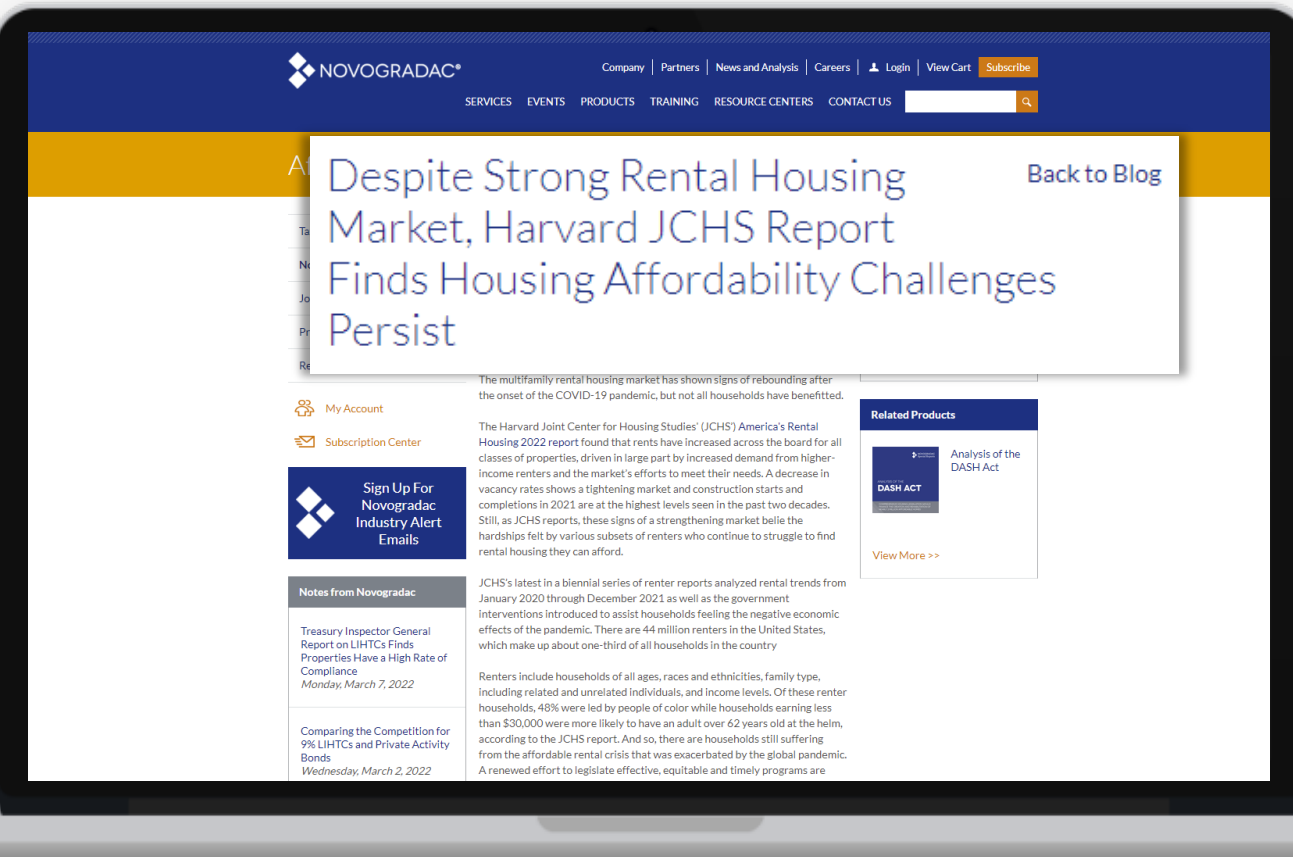
[www.novoco.com](http://www.novoco.com)

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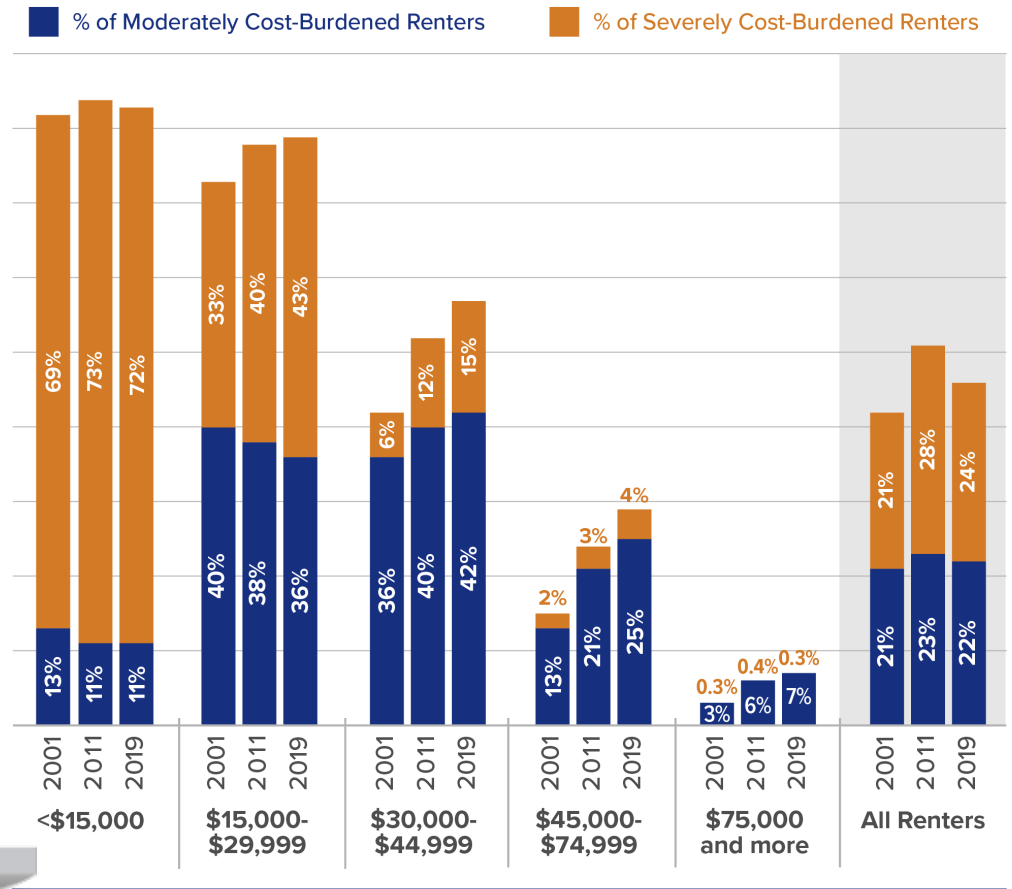


# JCHS 2022 Rental Housing Report

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## As in Years Past, the Percentage of Cost-Burdened Middle-Income Renter Households has Increased



Source: Harvard Joint Center for Housing Studies; Novogradac



March 17, 2022

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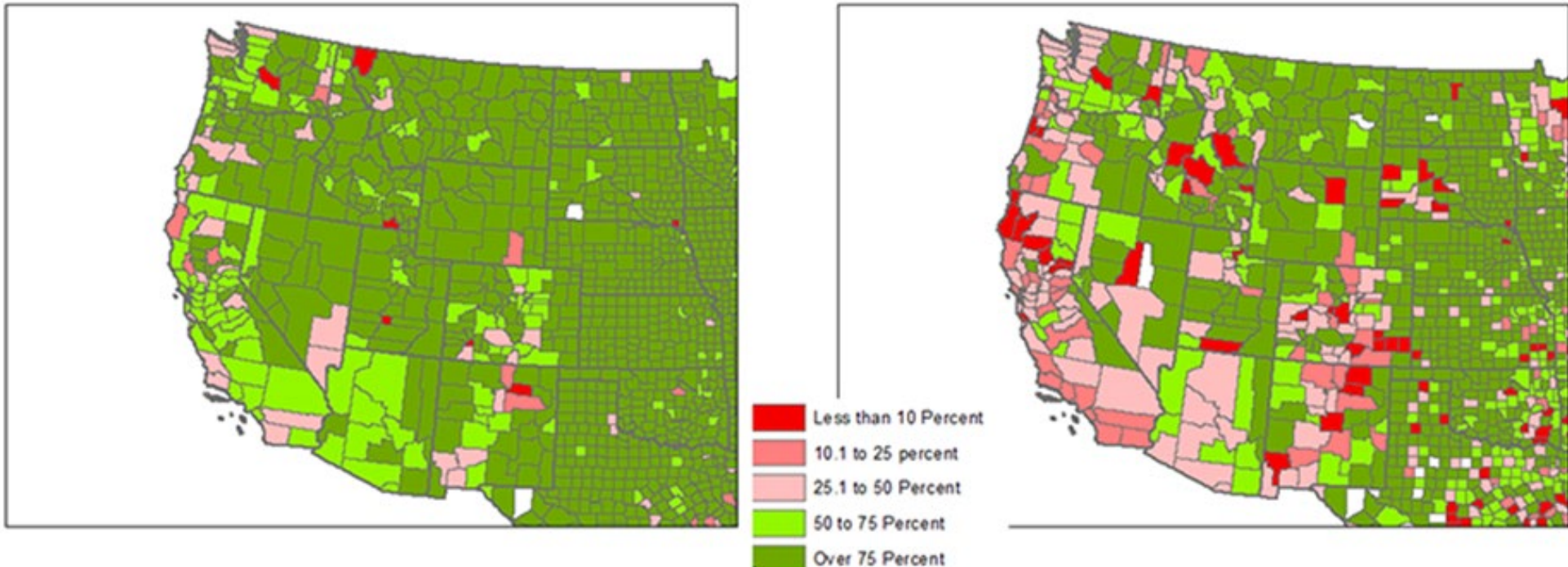
# HOUSING PERSPECTIVES

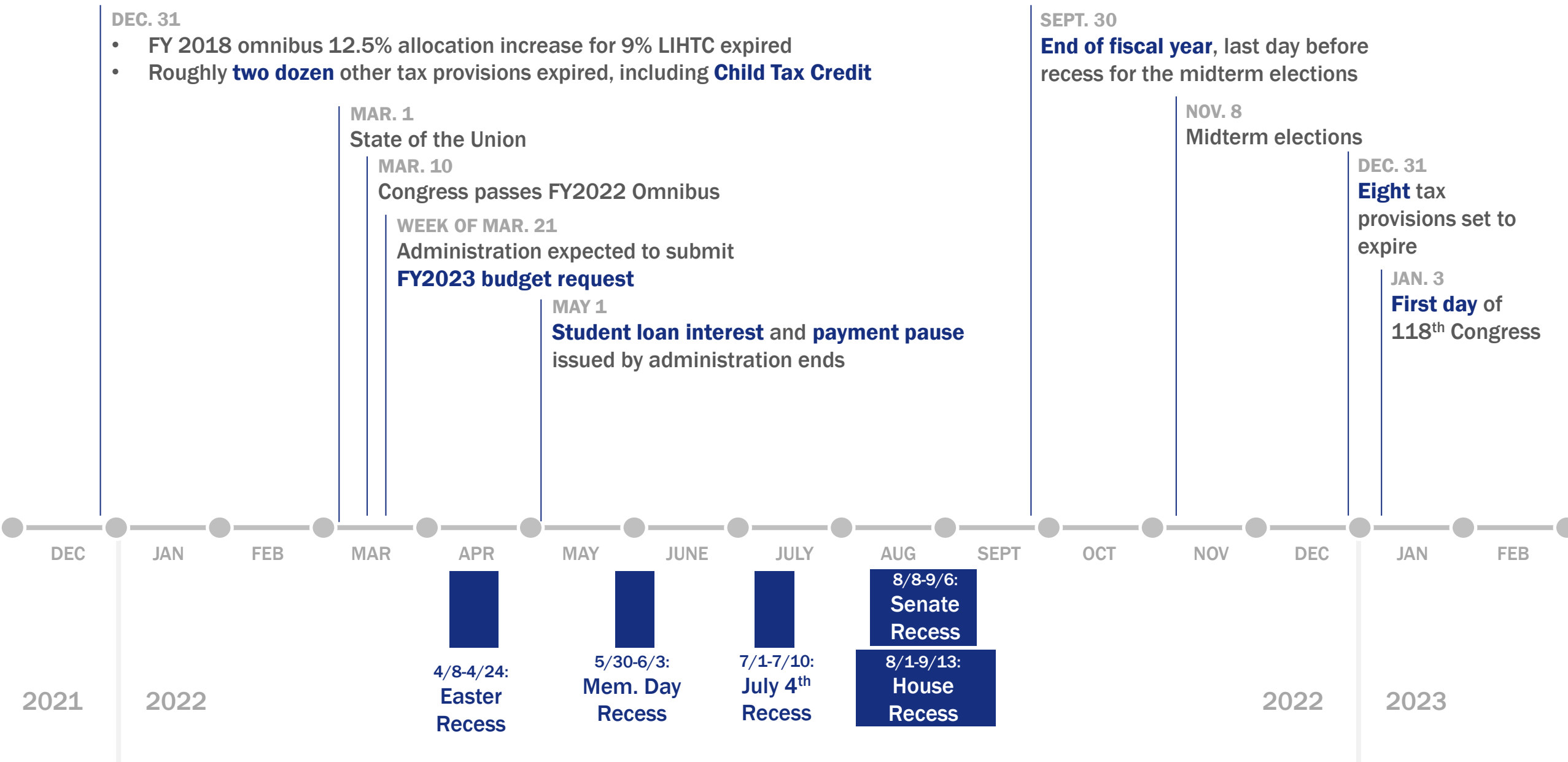
Research, trends, and perspective from the Harvard Joint Center for Housing Studies

## [As Low-Cost Units Become Increasingly Scarce, Low- and Moderate-Income Renters Are Losing Access to Many Neighborhoods](#)

*By Daniel McCue on Feb 22, 2022 07:00 am*

### Share of Tracts within County Affordable to Median Renter – Western US 2000 2019





# HUD Budget

Note: amounts in millions

	FY2021 Enacted	FY2022 Request	House FY2022 Bill	Senate FY2022 Bill	Omnibus FY2022	% Change Omnibus – FY21 Enacted
Housing Choice Vouchers	\$25,777	\$30,442	\$29,216	\$27,719	\$27,370	6.2%
Project Based Section 8	\$13,465	\$14,060	\$14,010	\$13,970	\$13,985	3.9%
Public Housing Fund Total	\$7,806	\$8,575	\$8,640	\$8,838	\$8,451	8.3%
Operating Subsidies	\$4,839	\$4,887	\$4,897	\$5,019	\$5,039	4.1%
Capital Subsidies	\$2,765	\$3,200	\$3,400	\$3,616	\$3,200	15.7%
Section 202	\$855	\$928	\$1,033	\$956	\$1,033	20.8%
Section 811	\$227	\$272	\$352	\$227	\$352	55.1%
HOPWA	\$430	\$450	\$600	\$450	\$450	4.7%
CDBG	\$3,450	\$3,745	\$3,765	\$3,550	\$3,300	-4.3%
HOME	\$1,350	\$1,850	\$1,850	\$1,450	\$1,500	11.1%
Homeless Assistance	\$3,000	\$3,500	\$3,420	\$3,260	\$3,213	4.7%
Choice Neighborhoods Initiative	\$200	\$250	\$400	\$200	\$350	75.0%
HUD Gross Appropriations	\$60,357	\$68,694	\$68,444	\$65,397	\$65,702	8.9%

Visit [www.HUDresourcecenter.com](http://www.HUDresourcecenter.com) for additional HUD budget resources

# Average Income Test

IRC 42(g)(1)  
provides  
three  
choices for  
income set-  
aside  
elections:

---

**40-60 Test**, where at **least 40 percent of the units** are rent restricted and occupied by households with **income less than 60 percent of area median gross income (AMGI)**

---

**20-50 Test**, where **at least 20 percent of the units** are rent restricted and occupied by households with **income less than 50 percent of AMGI**

---

**Average Income Test**, where **at least 40 percent of the units** are rent restricted and occupied by individuals whose income does not exceed the imputed income limitation designated by the taxpayer with respect to the respective unit. **The designated percentage may be 20, 30, 40, 50, 60, 70, or 80 percent.** Further, the **average of the designated income limits** of the respective units **cannot be greater than 60 percent**

---



# Average Income Test

## OCT. 2020

- The Internal Revenue Service (IRS) published proposed guidance on the application of the average income test (AIT) under Internal Revenue Code §42(g)(1)(C).
- The proposed guidance...
  - Amends Treasury Regulation §1.42-15 on the next available unit rule
  - Creates new guidance in the form of a draft Treasury Regulation §1.42-19

## MAR. 2021

Public hearing on the regulations was held

NOW – JUNE 2022  
**Final Rule expected**

OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEPT OCT NOV DEC JAN FEB MAR APR MAY JUN

2020

2021

2021

2022

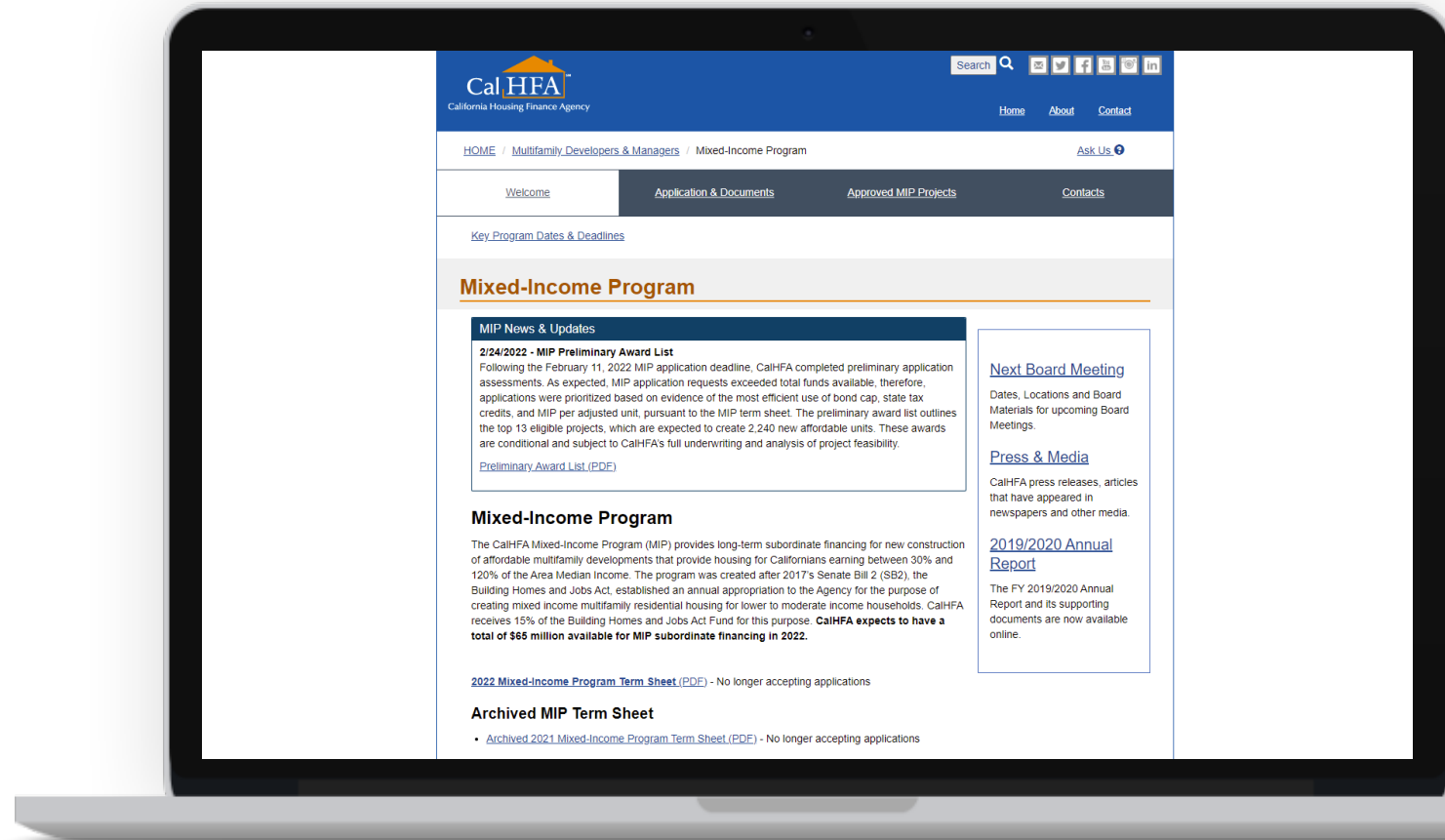


## **Mixed Income Program**

*California's response for needs beyond 60% AMI*

## Example of 2022 MIP Project

- Total development costs:
  - \$89.8m total
  - \$374k/unit
- ~240 units, average of 55% AMI
- 4% LIHTC fed credit equity: \$38m
  - Average income test election
- State credit equity: \$4.9m
- CalHFA loan: \$33.2m
- CalHFA MIP loan: \$8m
- Deferred developer fee: \$5.7m



# Questions?

# Washington Update

for the CalHFA Board Meeting

**Peter Lawrence**

Director, Public Policy and Government Relations

Novogradac Consulting LLP

 @NovocoPolicy