Affordable Housing Finance Workgroup
July 1, 2026 Report to the Legislature Pursuant to Health and Safety Code Section 50300(d)

This report, prepared jointly by the **California Department of Housing and Community Development**, the **California Housing Finance Agency**, the **California Tax Credit Allocation Committee**, and the **California Debt Limit Allocation Committee**, provides recommendations for implementing a single consolidated application and coordinated review process for multifamily affordable rental housing programs administered by the State of California. These recommendations build upon the work of the Affordable Housing Finance Workgroup convened under Assembly Bill 519 (2023) and inform the implementation of the **Housing Development and Finance Committee** established through the Governor's Reorganization Plan of 2025.

Prepared by the Affordable Housing Finance Workgroup Reviewing Entities
California Department of Housing and Community Development (HCD)
California Housing Finance Agency (CalHFA)
California Tax Credit Allocation Committee (CTCAC)
California Debt Limit Allocation Committee (CDLAC)

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1. Introduction - Overview of the Affordable Housing Finance Workgroup

This report fulfills the requirements of Health and Safety Code Section 50300(d) and Assembly Bill 519, 2023 (AB 519) by presenting the recommendations of the Affordable Housing Finance Workgroup for implementing a single consolidated application and a coordinated review process for multifamily affordable rental housing financing programs administered by the State of California.

AB 519 convened the Affordable Housing Finance Workgroup (AHFW or Workgroup) to develop recommendations and an implementation timeline to streamline access to grants, soft loans, low-income housing tax credits (LIHTCs), tax-exempt private activity bonds (PABs), and other subsidies by reducing duplication, improving administrative efficiency, and aligning timelines across reviewing entities. The Affordable Housing Finance Workgroup, as well as additional stakeholder engagement and feedback, has also informed the Governor's Reorganization Plan and the continued development of the Housing Development and Finance Committee (HDFC).

The resulting recommended framework is to develop regulations for an application-through-award process containing program requirements and scoring criteria that simplify and align the requirements of state-administered multifamily affordable housing funds, eliminating duplication between programs wherever possible. These regulations will inform the application and coordinated review process across agencies, departments and programs, allowing for a single, simultaneous award encompassing the full breadth of competitive multifamily funding sources available statewide. This framework is intended to reduce duplication, time and costs, increase predictability and state agency coordination, improve customer service, and maximize the cumulative impact of affordable housing resources. As discussed below, at this stage, the framework recommends preserving a path for applicants that are not seeking state subsidy to continue to apply directly to the State Treasurer's Office through the California Debt Limit Allocation Committee and the Tax Credit Allocation Committee.

These initial recommendations reflect extensive deliberation and are informed by the substantial engagement of AHFW, a broad coalition of affordable housing developers, local governments, Tribal governments, lenders, and industry partners. In the spirit of ongoing transparency and collaboration, the draft regulations to implement these recommendations will also go through a public review and engagement process before being adopted. The recommended structure of a one-stop shop, including bond allocation, under HDFC has been recently adopted in the 2026-2027 state budget and is positioned for implementation in 2027.

The development of the regulations covering the consolidated application, coordinated review, and award process will guide the next level of implementation as well as inform the January 1, 2027, AB 519 report.

2. Recommendations for Implementing a Consolidated Application, Coordinated Review and Award Process (HSC §50300(d))

Recommendation: The reviewing entities should jointly develop and implement HDFC regulations, a consolidated application, and a coordinated review and concurrent award process for eligible multifamily funding sources, while preserving a direct CDLAC/CTCAC pathway for projects not seeking state subsidy at this stage.

Regulations and Application Development

Under the recommended approach, the reviewing entities (HCD, CalHFA, CTCAC, CDLAC) will coordinate on HDFC regulations that are inclusive of the requirements for state-administered competitive multifamily funding sources. The consolidated regulations will establish universal threshold requirements applicable to all reviewing entities' competitive multifamily funding sources while still reflecting unique program-specific statutory and regulatory requirements and align under a unified scoring criteria. Prior to adoption of HDFC regulations, funding will continue to flow out through existing guidelines, regulations, and award processes.

The HDFC regulations would enable a consolidated application, coordinated review, and award process that would result in a single approval through which multiple funding sources, including state multifamily subsidies, PABs, and LIHTCs, could be concurrently awarded within one application cycle. In drafting these regulations, each reviewing entity agrees to the following critical elements:

- Share a jointly established unified scoring rubric for the competitive multifamily funding sources identified in section 3 below
- Minimize duplication by collaborating on universal threshold requirements and limiting program differentiation
- Maximize funding flexibility to ensure efficient and expeditious use of available funding sources
- Develop a coordinated application, review and award process that prioritizes transparency and consistency for applicants
- Review drafts and revisions to ensure that they are inclusive of each program's specific requirements, with the goal of reducing program complexity by identifying and limiting program-specific threshold requirements to only the unique statutory and regulatory compliance requirements for those funding sources

The HDFC regulations would be released for two rounds of public comment and then adopted through a public HDFC Executive Committee meeting.

The HDFC regulations will inform the consolidated application with a shared list of application documentation requirements and shared application workbook, which will enable coordinated review with one award decision across agencies, departments, and programs.

Similar to the HDFC regulation drafting, each reviewing entity agrees to minimize application duplication by collaborating on universal content requirements and limiting program differentiation, so that program-specific content is minimized as much as possible.

To enhance access to the application, HDFC will develop a single application portal for ease of application, processing, coordinated review, and tracking amongst the reviewing entities.

Coordinated Review and Concurrent Award Process

Following adoption of the HDFC regulations and consolidated application, likely completed by the end of 2026, the consolidated application materials and a coordinated funding calendar would be publicly available to allow affordable housing developers seeking state subsidies to apply for their full capital stack, including state multifamily subsidies, PABs, and LIHTCs. Applicants seeking only PABs and LIHTCs would continue to apply directly to CDLAC and CTCAC without interacting with HDFC.

In parallel to the development of regulations, the reviewing entities will establish interagency review and post-award procedures. The consolidated application, coordinated review and award process is designed to be inclusive of CTCAC and CDLAC requirements to facilitate effective collaboration now and into the future. By establishing common requirements, uniform standards, and cross-agency training for the staff evaluating applications, the reviewing entities will coordinate workflows and assignments to reduce duplication and support a consistent, collaborative review.

Applicants will submit a single application and reviewing entities will coordinate the review process based on established protocols. Affordable multifamily housing developments would be able to apply through the consolidated application for any of the state-administered funding sources named below, as well as HDFC’s set-aside of PABs. For projects selected through this process, HDFC would award its competitive multifamily state-administered program funds. The PABs and LIHTCs would be awarded over-the-counter by CDLAC and CTCAC, respectively, provided that they meet threshold requirements, and these entities would retain the bond and credit processing responsibilities.

This concurrent award provides a single, complete financing package, eliminating the need to win multiple competitive rounds for the same project to move forward. It gives sponsors far more predictability and increases the state’s ability to fairly compare projects and evaluate their true readiness. It reduces the cost and time from concept to construction and prevents projects from becoming stalled or ‘stuck’ as they wait for remaining funds.

Future potential collaborations:

Given that the consolidated application is being designed in coordination with CTCAC and CDLAC to meet their program requirements, this facilitates potential expanded collaboration, including future collaborations between CTCAC, CDLAC, and HDFC on a consolidated application and unified scoring rubric. The entities also continue to collaborate on post award processes and asset management to look for additional ways to reduce duplication and increase alignment in monitoring and reporting requirements.

3. Eligible Programs: Identify the state-administered programs that may utilize the consolidated application, coordinated review, and award process (HSC §50300(c)(6))

Recommendation: The consolidated application, coordinated review, and award process should include HDFC-administered competitive multifamily programs and be coordinated with applicable CTCAC, CDLAC, HCD, and CalHFA-administered multifamily programs.

The state-administered competitive multifamily funding sources accessible under this HDFC consolidated application, review, and award process would include the following:

HDFC-administered funding sources (appropriations following July 1, 2026 to these programs will be administered by HDFC, and their relevant authorities, regulations, statutes, and guidelines will be administered by HDFC going forward):

- Multifamily Finance Super NOFA programs
  - Multifamily Housing Program (MHP)
  - Joe Serna, Jr. Farmworker Housing Grant Program (FWHG)
  - Infill Infrastructure Grant Program (IIG)
  - Transit-Oriented Development Housing Program (TOD)
  - Veterans Housing and Homelessness Prevention Program (VHHP)
- Housing for a Healthy California (HHC)
- Mixed Income Program (MIP) – Subsidy Component
- Affordable Housing Sustainable Communities (AHSC) – Housing Allocation[1]

HDFC regulations will also coordinate with the following programs to facilitate a single application, regulations compliant with all these programs, and concurrent awards:

- CTCAC and CDLAC for LIHTCs and PABs[2]
- Developer-facing components of competitive multifamily programs that will continue to be administered by HCD:

[1] The 2026-27 Governor's budget proposes moving the affordable housing component of AHSC to HDFC for the 2027 and beyond rounds of AHSC.
[2] The 2026-27 Governor's budget proposes a dedicated share of private activity bonds to be reserved for HDFC and ministerially allocated by CDLAC. HDFC will also coordinate with CTCAC for the 9% low-income housing tax credit program to promote additional streamlining.

  - Permanent Local Housing Allocation (PLHA) Competitive
  - Home Investment Partnerships Program (HOME)
  - National Housing Trust Fund (NHTF)
  - Community Development Block Grant – Disaster Recovery (CDBG-DR) Multifamily: HDFC regulations may be updated to coordinate with CDBG-DR Multifamily to the degree funding becomes available
- CalHFA multifamily lending and potential construction financing products

4. Analysis of Common and Unique Elements (HSC §50300(c)(2))

Identify common and unique data required by reviewing entities for application assessment, recommended universal threshold and unified scoring requirements across programs, recognize unique program-specific requirements

Recommendation: HDFC regulations should establish universal threshold requirements, shared application materials, and unified scoring criteria across participating programs while retaining only those program-specific requirements necessary to satisfy distinct statutory, regulatory, or federal obligations.

To advance a streamlined, transparent, and coordinated review process across State multifamily housing programs, the reviewing entities have identified the foundational elements that will be aligned through the HDFC regulations, including universal threshold requirements, unified scoring criteria, and built-in flexibility to support developers of all capacity while adhering to program-specific statutory and regulatory obligations. These components will be detailed in forthcoming draft HDFC regulations released for public comment and will establish the framework for a consolidated application and coordinated review process that reduces duplication, improves predictability, and supports consistent cross-agency evaluation of multifamily affordable housing proposals.

Universal threshold and scoring factors identified for alignment through HDFC regulations include:

- Affordability and accessibility
- Cost efficiency, efficient use of funds
- Readiness to begin construction
- Efficient location and other climate and environmental benefits
- Design, land use entitlements, site control
- Financial feasibility and underwriting standards
- Development and operating budgets, financing sources and commitments
- Environmental, market study, appraisal, and related reports
- Developer experience and capacity
- Defined terms and other documentation requirements

Unique program-specific requirements that will be reflected in HDFC regulations include:

- Program-specific minimum affordability levels and populations served

- Most of the programs must serve lower income residents, but:
  - MHP funded under the supportive housing program requires at least 40 percent of the units in each development serve homeless households. (HSC §50675.14)
  - FWHG funds must specifically serve agricultural employees. (HSC §50517.5)
  - MIP subsidy component can serve up to moderate income households. (HSC §50897.3)
  - A portion of AHSC Housing Allocation expenditures must benefit disadvantaged communities. (PRC §75214)
  - NHTF requires targeting extremely low- and very low-income households and prioritizes deeply affordable units. (HSC §50676)
  - CDBG-DR multifamily funds, to the degree funds are available, will address specific disasters and must serve those low-income disaster-impacted households.

- Eligible applicants
  - PLHA competitive funds are only available if the sponsor's co-applicant is a non-entitlement local government consistent with HSC §50470.5(b) and 42 U.S.C. § 5306 with a compliant housing element and housing element annual progress reports.
- Program-specific eligible uses of funds
  - IIG must fund capital improvement projects that support housing development. (HSC §53559)
  - TOD may fund location-efficient infill housing or infrastructure that supports housing development. (HSC §53560–53568)
- Climate and transit considerations: while all state multifamily housing programs advance the state's climate priorities, some have specific requirements
  - MHP must fund projects within reasonable proximity to public transportation and services. (HSC §50675.7(b)(1))
  - TOD must be linked to transit stations or vehicle miles traveled (VMT)-efficient zones, meet minimum density requirements and prioritize VMT reduction, and be consistent with the region's sustainable community strategy. (HSC §53559 & §53560)
  - IIG must be used in infill areas meeting statutory definitions and developments must meet minimum density requirements. (HSC §53559(g))
  - AHSC (Housing Allocation) is statutorily tied to greenhouse gas reduction, sustainable communities strategies, and VMT reductions. (PRC §75210–75218.2)
- Federal environmental, timeline, wage rate, and compliance requirements
  - Activities funded by federal programs are required to comply with National Environmental Policy Act (NEPA) & HUD Environmental Review Requirements (42 U.S.C. §§ 4321-4347, 24 C.F.R. Part 58). NHTF is subject to its own environmental regulations at 93.301(f).

- Federal prevailing wages must be paid on projects involving site development, construction, and/or rehabilitation with 12 or more HOME-assisted units (NHTF not subject to Davis Bacon).
- Relocation assistance must be provided if individuals and/or businesses will be temporarily relocated or permanently displaced.
- Federal programs also have commitment and expenditure deadlines for each annual appropriation.
- Compliance with Section 3 is required for federal programs when HUD assistance to a project exceeds $300,000 (adjusted every 5 years). 24 CFR part 75 implements section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).
- Build America, Buy America applies to federal infrastructure (including housing) projects whose total cost is equal to or less than the current Simplified Acquisition Threshold (SAT), currently $350,000. The "Buy America Preference" (BAP) is detailed in Public Law 117-58-Infrastructure Investment and Jobs Act – Content Details and 2 CFR 184.
- HOME regulations at 24 CFR 92.351(b) and 24 CFR 92.508(a)(7)(ii) and HTF regulations at 24 CFR 93.407(a)(5)(ix) require compliance with 2 CFR 200.321, which states that the recipient or subrecipient should ensure that small businesses, minority businesses (MBE), women's business enterprises (WBE), veteran-owned businesses, and labor surplus area firms are considered for contracting opportunities.

5. Timeline for developing a single consolidated application and coordinated review process (HSC §50300(c)(7))

Recommendation: The reviewing entities should complete regulation development, public engagement, portal preparation, and interagency coordination on a phased timeline that supports initial implementation in 2027 and aligns state award cycles with federal requirements and CDLAC and CTCAC workflows.

2026 Planning and Regulation, Application and Portal Development:

- August 2026: Draft HDFC regulations released for first round of public comment. Regulations will include unified application requirements and scoring. In parallel, a process for coordinated review will be drafted amongst reviewing entities, including HDFC, CalHFA, HCD, and CTCAC/CDLAC as applicable.
- October 2026: Second draft regulations issued, second round of public comment.
- November 2026: Pilot for new portal (including applicant organization registration) released.
- December 2026 – January 2027: HDFC Executive Committee adopts final regulations and timeline for 2027 funding rounds

2027 Draft Implementation Timeline:

Timelines for funding will take into consideration the existing pipeline of relevant funding and projects that already or will receive HCD funding prior to the end of 2026, with 2027 as the year of transition for the development pipeline. The inaugural first funding round in 2027 is expected to comprise largely of projects that have received past HCD awards but still need full financing through state subsidy, PABs, and LIHTCs to move toward construction, whereas round 2 in 2027 and future rounds will focus on the new and ongoing model for timing and scoring projects to receive first and last state subsidy awards in one stop.

The reviewing entities will be seeking additional input on the timeline through the draft regulations and public comment phases throughout 2026.

- January 2027: HDFC Round 1 opens, online portal begins accepting consolidated applications
- April 2027: Round 1 applications due to HDFC as the coordinating reviewing entity
- June-September 2027: Draft amendments to HDFC regulations for 2028 funding rounds released (if any changes proposed)
- July 2027: Potential Round 2 opens, online portal begins accepting additional applications
- August 2027: HDFC Executive Committee makes Round 1 awards, CTCAC, CDLAC make concurrent awards of PABs, LIHTCs
- October 2027: HDFC Round 2 applications due
- December 2027-January 2028: If applicable, HDFC Executive Committee adopts final regulations for 2028 and makes Round 2 awards which would pair with the 2028 HDFC set-aside of PABs

Timeline constraints and optimized alignment of application review timelines (HSC §50300(c)(3))

As outlined above, HDFC application and award cycles would be coordinated and aligned for a concurrent awarding process that could work with existing or updated CDLAC and CTCAC schedules. To enable meeting federal program timeline requirements for HCD-administered multifamily components of HOME, NHTF, and CDBG-DR, the recommended framework will align HDFC's regulation updates and funding award timelines with federal schedules determined by the U.S. Department of Housing and Urban Development.

HDFC will structure the annual timeline to provide sufficient time for projects receiving HUD-funded sources and tax-exempt bond allocations to meet federal issuance requirements. By sequencing the consolidated application, review, and award process so that State decisions incorporate and anticipate federal program timing, the framework ensures that the reviewing entities are reliably planning federal fund award, disbursement, and bond issuance and avoid jeopardizing federal compliance. This alignment also reduces administrative burden by minimizing the need for repeated underwriting or resubmission when federal timelines do not align with state processes. Collectively, these strategies create a more stable, synchronized system that accommodates federal constraints while supporting greater efficiency and predictability for applicants and agencies.

6. Summary of Stakeholder Feedback to Date

Recommendation: The reviewing entities should continue to incorporate stakeholder feedback into implementation of the consolidated system, with emphasis on transparency, usability, predictable timelines, streamlined compliance, and responsiveness to tribal, rural, and underserved communities.

Stakeholder engagement has been foundational to the development of the AB 519 recommendations and the design of California's new consolidated application and coordinated review framework that will be implemented via HDFC. Through a robust process involving developers, local governments, lenders, Tribal governments and staff, and other industry partners, the Affordable Housing Finance Workgroup and reviewing entities systematically gathered, categorized, and incorporated feedback into both operational reforms and statutory alignment.

This engagement process surfaced not only broad support for a single, coordinated system to access multiple programs, but also illuminated specific operational and policy refinements that have been integrated into the updated recommendations. Stakeholder input directly shaped improvements in transparency, predictability, readiness standards, application tools, scoring and allocation methodologies, and the recognition of unique needs for Tribal and rural communities.

The following table summarizes key feedback and resulting actions, organized by the major subgroups of the Workgroup and additional cross-cutting themes.

Stakeholder Feedback and Actions by Subgroup and Theme

Subgroup/Theme	Key Stakeholder Feedback	Adopted/Planned Response
General Feedback and Cross Cutting Themes	- Need for greater transparency, predictable timelines, and clear readiness standards. - Desire for modernized tools and consistent definitions across agencies. - Emphasis on ongoing engagement and adaptability. - Need for streamlined closing and standardized loan documents. - Frustration with duplicative paperwork	- Annual calendar of program cycles. - Public review and adoption of guidelines/regulations and regular updates. - Commitment to a single web-based portal and document management system. - Enhanced data systems and public dashboards.

Subgroup/Theme	Key Stakeholder Feedback	Adopted/Planned Response
	and inconsistent requirements. - Calls for improved asset management and compliance processes. - Desire for a culture shift toward customer service and partnership.	- Ongoing stakeholder engagement and feedback loops. - Moving toward standardized loan documents and closing processes. - Streamlined compliance and asset management. - Staff training initiatives. - Commitment to customer service and partnership.
Subgroup 1: Programs to Include	- Broad support for including all multifamily programs and strong support for a single front door and unified application for state subsidy paired with bonds and credits, but feedback stressed need to maintain a CTCAC/CDLAC only path when not seeking state subsidy - Need for transparency on which programs are active each year. - System should allow onboarding of additional programs over time and continued alignment collaboration. -Significant discussion and feedback reflecting a range of views on how to best coordinate 9%/state credits/4%: • 9% credits: Agreement they are essential for smaller, deeply targeted, rural/tribal projects, but disagreement on method of integration into HDFC. • State credits: Discussion and debate on integrating as a soft source for full funding vs. keeping as a distinct tool, with some citing unique advantages (e.g., local fit, prevailing wage). • 4% credits/bonds: General agreement on including in HDFC	- Initial consolidated application will cover all major multifamily programs, with flexibility to add more. - Maintains CTCAC/CDLAC only pathway for projects not seeking state subsidy - HDFC Bond reserve proposed, and program designed to allow flexible program pairings beyond that reserve - Annual publication of program availability and cycles. - Continued discussion amongst convening agencies to pursue coordination and refinement of 9% approach once 4% structure implementation is stabilized

Subgroup/Theme	Key Stakeholder Feedback	Adopted/Planned Response
	allocation and the benefits of setting up more projects to use this more greatly available resource to take pressure off of more competitive 9% and state credit resources	
Subgroup 2: Timelines	- Misaligned timelines across agencies cause delays and repeated underwriting. - Readiness scores often don't reflect actual readiness. - Need for predictable, staggered cycles and a transition plan for backlog projects. - Many Tribal housing departments and Tribally Designated Housing Entities (TDHEs) may be excluded from the initial round initial round of HDFC funding as it will be difficult for Tribes and TDHEs to demonstrate project readiness by the initial application due date in April 2027.	- Coordinated, published funding calendar. - Shared definitions of construction readiness. - Transition plan for pipeline projects with some state subsidy but remaining need. - Staggered cycles aligned with tax credit rounds. - Provide technical assistance to support the transition to new HDFC regulations and application process for housing partners, local jurisdictions, and Tribal governments.
Subgroup 3: Application Content & Format	- Strong desire for a modern, unified application portal. - Preference for hybrid web portal (intake/document management/review workflow/status updates) and Excel (financial workbook). - Calls for automated error checks, missing document alerts, and built-in guidance. - Need for a public library including, forms, templates, sample apps, checklists, training materials, FAQs, process guidance, etc.	- Commitment to a unified web portal that maintains Excel-based financial modeling workbook. - Will integrate automated error checks and guidance. - Transparent view of review status. - Centralized portal for all reviewing entities to review, collaborate, and post findings

Subgroup/Theme	Key Stakeholder Feedback	Adopted/Planned Response
	- Modern review tools and less reliance on email for document submission and management	
Subgroups 4 & 5: Scoring & Allocation	- Scoring system is too complex; many categories max out. - Desire to shift some categories from points to threshold. - Scoring should reflect impact (deep affordability, homelessness, rural, etc.). - Tiebreakers can be distortive, especially for rural/farmworker/rehab projects. - Mixed views on geographic allocations; support for metrics-based allocations and dedicated supports for small/rural/underserved/Tribal communities. - Current amenity scoring does not reflect realities in rural/Tribal communities. - While current scoring is effective in promoting affirmatively furthering fair housing via increasing housing mobility to higher resources areas, there is a need to strengthen place-based AFFH criteria.	- Uniform thresholds across multiple programs - Unified scoring criteria - Maintaining unique program-specific threshold criteria - Creation of multiple pathways that recognize project types rather than encouraging all projects to meet all priorities at once
Subgroup 6: Statutory & Regulatory Alignment	- Need for uniform definitions across agencies (special needs, rents, readiness, experience). - Distinguish what belongs in regulation vs. guidelines. - Simplify and align reporting and monitoring requirements. - Reduce reliance on NOFA-based rule changes; use committee processes. - Avoid program conflicts due to historical silos.	- Aligned definitions and reporting requirements. -HDFC regulation process will mirror CTCAC regulation process, and HDFC regs will replace and sunset the UMRs - Move toward public committee-based rule changes. - Systematic review to eliminate conflicting requirements.

Subgroup/Theme	Key Stakeholder Feedback	Adopted/Planned Response
Subgroup 7: Tribal Access to State Financing	- Emphasis on recognizing and respecting sovereignty, including tribal building codes, environmental review, and wage rates. - Importance of predevelopment; additional and early technical assistance to tribal partners - Need simplified pathways that accept comparable documentation such as what is completed for NAHASDA, IHBG - Current experience requirements exclude tribes; need recognition of equivalent tribal experience. - Environmental reviews from the state are often duplicative and conflict with federal policies and practice. - Remove distinction of trust vs fee land since that is not applicable - Tribal housing faces structural operating deficits; need for COSR/operating subsidy and supports. -Consistent requirements across programs, such as market study and required documentation, and alignment with NAHASDA[3] to utilize materials tribes already provide to HUD like Indian Housing Plans. - Desire for tribal-specific lanes in scoring, readiness, and allocations, accounting for relevancy of specific components like amenities or infill. - Recognition that tribal housing needs differ from mainstream models.	-No requirements for tribes to waive sovereign immunity. - HDFC statute includes parallel language providing the same tribal flexibility afforded to HCD through AB 1010 and the successor bills AB 1878 and SB 1187, and HDFC regulations will continue to provide flexibility for program requirements that present barriers or burdens to tribes without the need for tribes to submit AB 1010 waiver requests. -More automatic program accommodations for tribes included directly in guidelines and regulations rather than requiring a program modification waiver. -Account for prior round waivers and modifications in the guidelines and regulation drafting process to prevent need for future requests. - Application that accounts for how requirements might vary for tribal applicants and potential alternatives. - Early coordination between HDFC, HCD, and CTCAC/CDLAC on environmental review and clarity on when review is necessary. - Additional set aside of funds available through Tribal Housing Trust Fund Grant Program and Tribal Homelessness Housing, Assistance, and Prevention program as non-competitive funds

[3] Native American Housing Assistance Self-Determination Act of 1996

Subgroup/Theme	Key Stakeholder Feedback	Adopted/Planned Response
	- Desire for tribal set-aside through HDFC in addition to Tribal Housing Trust Fund Grant Program.	exclusively for tribal governments and with broader range of eligible uses beyond multifamily development so the tribal government can determine what type of resources their community needs (e.g., predevelopment, rental assistance, operating support, culturally specific supportive services, interim housing, downpayment assistance, housing rehabilitation, etc.)

Look ahead to the January 1, 2027 (HSC §50300(e)) Report Requirements

In order to meet the requested information for the January 1, 2027 statutory deadline of AB 519, the reviewing entities have developed a workplan that includes a timeline and milestones to meet requirements of Health and Safety Code Section 50300(e). The interagency work to date and stakeholder input has already begun to inform the January 1, 2027, report requirements, but only by moving further into implementation to create the draft materials needed to support a consolidated application, review, and award process will the reviewing entities be able to fully articulate what is possible and what barriers remain.

The implementation workplan for Section 50300(e) will include development of the core materials and procedures necessary to operationalize the consolidated application and coordinated review process contemplated by AB 519. Consistent with statutory intent and stakeholder feedback, the reviewing entities will prioritize completion of the foundational elements in parallel with and informed by the development of the HDFC regulations. As these components are finalized, the reviewing entities will also identify any remaining barriers to full alignment, as directed by Section 50300(e).

The plan will include:

- Draft HDFC regulations incorporating universal thresholds, shared scoring, regulatory flexibility, and limited program-specific requirements, with placeholders for elements that require further development or statutory alignment. Throughout development and feedback, the team will build a catalog of integration barriers and potential solutions.

- Public feedback and engagement on the Draft HDFC Regulations.
- A defined list of application documentation requirements to support consistent, cross-agency review
- A shared application workbook; once documentation and regulations elements are finalized.
- Interagency review procedures that reflect the coordinated, cross-entity evaluation structure envisioned in the recommended framework.
- Application portal progress and summary of its functions to provide more transparency into the review process, such as status notifications to applicants and reviewers.
- Appeal procedures aligned with HDFC governance and consistent with agency roles.
- Award procedures and HDFC governance protocols, including delineation of responsibilities among reviewing entities.
- Post-award procedures supporting implementation of a coordinated system beyond the award decision.

Conclusion

The recommendations presented in this report represent a significant advance toward a more integrated, transparent, and efficient statewide system for financing multifamily affordable housing. Through the development of universal thresholds, a unified scoring rubric, coordinated review protocols, and the foundation for a single consolidated application, the reviewing entities have established the structural elements necessary to reduce duplication, improve predictability, and align program administration across agencies. These efforts reflect extensive collaboration among HCD, CalHFA, CTCAC, CDLAC, and the broad coalition of AHFW whose input has informed and strengthened this framework.

As the reviewing entities transition from planning to implementation, the next phase of work will focus on operationalizing the consolidated system through regulations development, application and portal design, cross-agency training, and refinement of coordinated award procedures. This includes aligning award cycles across entities, addressing funding source timeline interactions, and establishing the interagency procedures needed to support a seamless applicant experience. The work completed to date, along with 2026-27 budget's consolidation of sources under HDFC, positions the State to meaningfully streamline processes from application through award, while preserving the statutory integrity and program-specific requirements essential to each funding source.

Looking ahead, the January 1, 2027 report will build upon this foundation by detailing plans to align and modernize post-award functions, including contracting, loan closing, and long-term asset management to ensure that the efficiencies introduced at the application and award phases extend throughout the entire lifecycle of affordable housing development. Together, these coordinated efforts mark a transformative step toward a system that is clearer, more predictable, and better equipped to deliver the affordable housing California needs.

Appendices

Appendix 1: Statutory Reference to Affordable Housing Workgroup (AB 519, 2023)

Appendix 2: Affordable Housing Workgroup Engagement

Appendix 3: Affordable Housing Workgroup Invitee and Participant List

Appendix 1: Statutory Reference to Affordable Housing Workgroup (AB 519, 2023)

Health and Safety Code 50300.

(a) The reviewing entities, as defined in paragraph (3) of subdivision (f), shall jointly convene an Affordable Housing Finance Workgroup for the purposes of developing recommendations for state-administered programs to utilize both of the following:

(1) A consolidated application for multifamily affordable rental housing developers to use to obtain grants, soft loans, low-income housing tax credits allocated from the California Tax Credit Allocation Committee, tax-exempt bonds allocated from the California Debt Limit Allocation Committee, federal funds, as applicable, and other types of subsidies provided by the reviewing entities for building multifamily affordable housing.

(2) A coordinated review process for the application described in paragraph (1) that minimizes duplication of information and maximizes administrative efficiency.

(b) The workgroup shall include, but not be limited to, representatives of all of the following:

(1) The reviewing entities.

(2) Nonprofit affordable housing developers.

(3) For-profit affordable housing developers.

(4) Local governments.

(5) Tribal governments.

(c) On or before January 1, 2026, the workgroup shall identify at least all of the following:

(1) Technical changes required to allow applicant data sharing between reviewing entities.

(2) Common and unique data required by the reviewing entities for assessment of the application described in paragraph (1) of subdivision (a).

(3) Timeline constraints and optimized alignment of application review timelines for the reviewing entities.

(4) Optimal means of application completion by affordable housing developers.

(5) Ongoing efforts and best practices in application consolidation by the reviewing entities.

(6) Any state-administered program that may utilize the consolidated application and coordinated review process described in subdivision (a).

(7) A timeline for developing a single consolidated application and coordinated review process between the reviewing entities.

(d) On or before July 1, 2026, the workgroup shall report, in compliance with Section 9795 of the Government Code, recommendations on implementing a single consolidated application and coordinated review process between the reviewing entities within the timeline described in paragraph (7) of subdivision (c) to all of the following:

(1) The reviewing entities.

(2) The Legislature.

(3) The Assembly Housing and Community Development Committee and Assembly Revenue and Taxation Committee.

(4) The Senate Housing Committee and Senate Governance and Finance Committee.

(e) On or before January 1, 2027, each reviewing entity shall develop and report to the Legislature, in compliance with Section 9795 of the Government Code, a plan to update any state-administered program, as described in subdivision (a), based on the recommendations of the workgroup developed pursuant to this chapter, taking into account at least all of the following:

(1) Whether a single application review team is able to capture the unique requirements for grants, soft loans, low-income housing tax credits allocated from the California Tax Credit Allocation Committee, tax-exempt bonds allocated from the California Debt Limit Allocation Committee, federal funds, as applicable, or other types of subsidies provided by the reviewing entities for building multifamily affordable rental housing.

(2) Whether a unified scoring rubric is possible to maximize financial support for applicants eligible for multiple funding sources from the reviewing entities.

(3) Methods of notification that need to be implemented by the reviewing entities to provide updates on an application.

(4) Ideal means for applicants to receive updates on their applications and selection for grants, soft loans, low-income housing tax credits allocated from the California Debt Limit Allocation Committee, tax-exempt bonds allocated from the California Debt Limit Allocation Committee, federal funds, as applicable, or other types of subsidies from the reviewing entities for building multifamily affordable rental housing.

(5) Whether joint agreements are required to implement the coordinated review process.

(6) Whether a federal program administered by the department may be integrated into the single consolidated application and coordinated review process.

(7) Whether the single consolidated application and coordinated review process conflicts with a statutory or regulatory requirement, financing timeline, or market expectation for grants, soft loans,

low-income housing tax credits allocated from the California Tax Credit Allocation Committee, tax-exempt bonds allocated from the California Debt Limit Allocation Committee, federal funds, as applicable, or other types of subsidies from the reviewing entities for building multifamily affordable rental housing.

(f) For purposes of this section, the following terms have the following meanings:

(1) “Department” means the Department of Housing and Community Development.

(2) “Nonamortized loan” means a loan without a fixed-payment schedule.

(3) “Reviewing entity” means any of the following entities:

(A) The department.

(B) The California Housing Finance Agency.

(C) The California Tax Credit Allocation Committee.

(D) The California Debt Limit Allocation Committee.

(4) “Soft loan” means a nonamortized loan that pays a percentage of net cashflow after the payment of operating expenses and amortizing debt.

(5) “Workgroup” means the Affordable Housing Finance Workgroup established pursuant to subdivision (a).

Appendix 2: Affordable Housing Workgroup Engagement Summary

Affordable Housing Finance Workgroup (AHFW)
Convened by HCD, CalHFA, CTCAC, and CDLAC as required by AB 519.
Comprised of state agencies, nonprofit and for-profit developers, local governments, tribal governments, lenders, and other industry partners.
Beginning June 2025, over 35 all-member and subgroup AHFW meetings convened to date.

Interagency reviewing entity partners met weekly June 2025 – Ongoing.
All member meetings held at least bi-monthly from June 2025 – Ongoing.
Tribal subgroup and tribal-specific sessions held monthly December 2025 – Ongoing.
Most other subgroup meetings held at least bi-monthly from July 2025 through December 2025.

Additional public presentations at regional housing partnership meetings and coalition events (e.g., Quarterly Tribal Working Group Meetings (periodically beginning August 2025), SCANPH Conference (September 2025), California Coalition for Rural Housing conference (October 2025), Tribal and State Leadership Roundtable at the Pala Band of Mission Indians Reservation (February 2026), Housing California Conference (March 2026)).

Subgroup Topics:

- Programs to Include
- Timelines for Development, Review, and Funding Cycles
- Application Content, Format, and Method
- Scoring Rubric
- Allocation Process
- Statutory and Regulatory Alignment
- Tribal Access to State Financing

Appendix 3: AB 519 Affordable Housing Workgroup Invitees and Participants

In addition to public outreach at various events, these organizations were invited to participate in at least one subgroup and/or general outreach and engagement session.

EXTERNAL	
Developers, Development Partners	
Organization	**Name**
*Coachella Valley Housing Coalition	Pedro Rodriguez, Carmen Jhaye
*Community Housing Improvement Program	Seana O'Shaughnessy
*Community Housing Works	Sean Spear, Kevin Leichner, Jeanne Blanke
*The Danco Group	Chris Dart, Tessa Scothorn
*East Bay Asian Local Development Corporation	Capri Roth
*Eden Housing	Linda Mandolini, Louise Liss
*Laing Companies	Alexis Laing
*Linc Housing	Ben Winter, Tiphaine Abarca-Lefevre
*Little Tokyo Service Center	Debbie Chen, Stephanie Park
*McCormack Baron Salazar	Adhi Nagraj
*Meta Housing	Kasey Burke
*MidPen Housing	Abby Goldware, Nevada Merriman
*People's Self-Help Housing	Veronica Garcia, Alex Rogala
*Related California	Ann Silverberg
*East Bay Neighborhood Housing Services	Nikki Beasley
*Self-Help Enterprises	Betsy McGovern
*Tenderloin Neighborhood Development Corporation	Shreya Shah
*The Pacific Companies	Caleb Roope, Tony Crowder
*Upholdings	Jessica Hoff Berzac
*USA Properties Fund	Darren Bobrowsky
*Kingdom Development	William Leach
*California Housing Partnership	Paul Beesemyer, Justin Llata
*Community Economics	Elissa Dennis, Diana Downton
*Alice Talcott	Alice Talcott
*Mosaic Urban Development	Lihbin Shiao
*Hardly Strictly Housing, LLC	Doug Shoemaker

Local Government Entities	
Organization	**Name**
*Capital Area Development Authority	Danielle Foster
*City and County of San Francisco	William Wilcox
*Fresno Housing	Michael Duarte
*Housing Authority Santa Clara County	Andrew Bielak, Flaherty Ward
*Regional Housing Authority	Gus Becerra
*Housing Authority of the City of Los Angeles (HACLA)	Jenny Scanlin, Trixie Aquino

*City of Los Angeles	Elizabeth Selby, Georgina Tamayo
*Los Angeles County Development Authority	Lynn Katano, Anne Sewill, Matt Lust
*San Diego Housing Commission	Colin Miller

Lenders, Tax Credit Investors, Syndicators, Bond Counsel	
Organization	**Name**
*Chase Bank	Cecile Chalifour
*Bank of America	Sindy Spivak
*Century Housing	Josh Hamilton
*Merritt Capital Corporation	Ari Beliak, Darne' Lang
*Redstone Equity Partners	Matt Grosz, Kevin Welsh
National Equity Fund	Todd Fabian
Orrick	Justin Cooper
*KMP Partners, LLP	Karen Michail Shah

Tribal Stakeholders**	
Tribal Entity or Government	**Name**
All Mission Indian Housing Authority	Debra Skallerude, Yvette Yazzie
Bear River Band of the Rohnerville Rancheria	Thomas Wallace
Big Pine Paiute Tribe	Garrett Bryan
Big Valley Band of Pomo Indians	Ben Ray
Bridgepoint Indian Colony	Jerrett Mendez
*Cahto Tribe of the Laytonville Rancheria	Alice Langston-Sloan
Cher-Ae Heights Indian Community of the Trinidad Rancheria	Rachel Viega
*Chicken Ranch Rancheria of Me-Wuk Indians of California	Monica Fox, Kelsey Stone
Cloverdale Rancheria of Pomo Indians	Marie Hankins, Tina Roope
Cold Springs Rancheria	Izaya Lee
Coyote Valley Band of Pomo Indians	Rachel Whetstone
*Dry Creek Rancheria Band of Pomo Indians	Dave Cade, Kendra Campbell, Lisa Lellis, Tawny Macedo, Sally Peterson
Elem Indian Colony	Lena Dale
Enterprise Rancheria Estom Yumkeka Maidu Tribe	Shari Goodwin
Federated Indians of Graton Rancheria	Brian Lowden
Habematolel Pomo of Upper Lake	Sherry Treppa
*Hoopa Valley Housing Authority	Darcy Padilla
*La Jolla Band of Luiseno Indians	Mark Webb
*Manchester Point Arena Band of Pomo Indians	Tisha Jones, Stella Borrego
Mesa Grande Band of Diegueno Mission Indians	Danielle LaChusa
Middle Town Rancheria	Malia Aldrich
Nevada/California Indian Housing Association	Phil Bush

*Northern Circle Indian Housing Authority	Christine De Los Santos, Moriah McGill, Priest Martinez
*Pala Tribe (Pala Band of Mission Indians	Annalee Trujillo
Pinoleville Pomo Nation	Alicia Tieto
Pit River Tribe	Wa-Kara Wilson
Quartz Valley Indian Reservation	Harold Bennett
*Robinson Rancheria of Pomo Indians	Keith Pike
Round Valley Indian Housing Authority	Lewis Whipple
*Santa Rosa Band of Cahuilla Indians	Vanessa Minott
Scotts Valley Band of Pomo Indians	Thomas Jordan
Susanville Indian Rancheria	Mary Dazey
*The Karuk Tribe	Emma Lee Perez
The Kashia Band of Pomo Indians	Kyra Worthy
*The Kletsel Dehe Wintun Nation	Nicole Carl
The Sanasqual Tribe (San Pasqual Band of Mission Indians)	Lisa Starr
*Tolowa Dee-Ni' Nation	Jeri Robertson
Torres Martinez Desert Cahuilla Indians	Katherine Gladish
Tuolumne Economic Development Authority, Inc	Darryl Tinkle
Two Feathers Native American Family Services	Brittany Johnson
*Viejas Tribal Government	Ray Teran
Yurok Indian Housing Authority	Nicole Sager

Other Stakeholders

Organization	Name
*Nor Cal Carpenters Union	Scott Littlehale, Anthony Carroll
*Disability Rights California	Dara Schur
*Public Counsel	Jonathan Jager
Enterprise Community Partners	Evelyn Immonen
*California Coalition for Rural Housing	Iliana Chevez, Liz Hernandez, Rob Wiener, Galen Dobbins, Gina Gradias

*Indicates that the organization attended workgroup meetings
**HCD was able to extend invitations to 43 Federally Recognized Tribes and only a subset of those invited were able to participate. HCD recognizes and acknowledges that this limited engagement does not represent the realities of all Tribes (Federally Recognized and Non-Federally Recognized).

Additional public comment letters that informed these recommendations were received from:
California Housing Consortium
Housing California