

HOUSING DEVELOPMENT AND FINANCE COMMITTEE

651 Bannan Street
Sacramento, CA 95811
www.hdfc.ca.gov



Notice of Proposed Action

Housing Development and Finance Committee (HDFC) Regulations

NOTICE IS HEREBY GIVEN that the Housing Development and Finance Committee (HDFC) proposes to adopt regulations pursuant to AB 179 (Chapter 69, Statutes of 2026) and the provisions of Part 18 of the Health and Safety Code (HSC) (commencing with §54920), which establish the HDFC and its Executive Committee and authorize the consolidated statewide administration of multifamily affordable housing programs. Pursuant to HSC § 54946(a)(2), this Notice of Proposed Action is issued at least 21 days prior to the close of the public comment period.

WRITTEN COMMENT PERIOD

Any interested person, or their authorized representative, may submit written comments relevant to the proposed action to HDFC. The comment period begins **October 26, 2026**, and closes at **5:00 p.m. on November 17, 2026**. HDFC will consider all comments received during this timeframe. Please submit comments to HDFCRegComments@hdfc.ca.gov and include **HDFC Regulations Public Comments** in the subject line. Written comments can also be sent via mail to:

Housing Development and Finance Committee
ATTENTION: HDFC Regulations Public Comments
651 Bannan Street, Suite 400
Sacramento, CA 95811

PUBLIC HEARING

A public hearing on the proposed regulations is scheduled on the following:

Date: November 9, 2026

Time: 10:00am – noon

Location: California Bank and Trust 520 Capitol Mall

Lower-Level Conference Room Sacramento, CA 95814

Available via Zoom. [HDFC Second Draft Regulations Public Hearing](#)

At the hearing, any person may present statements or arguments orally or in writing relevant to this proposed action. HDFC requests, but does not require, that persons who provide oral comments at the hearing also submit a written copy of their testimony at the hearing. HDFC further requests, but does not require, that you **reference the section of the proposed regulations on which you are commenting in both your oral and written comments.**

AUTHORITY AND REFERENCE

This action is taken pursuant to HSC § 54946(a), which authorizes the executive committee to adopt regulations without complying with the procedural requirements of Chapter 3.5 (commencing with §11340) of Part 1 of Division 3 of Title 2 of the Government Code except for certain notice, comment period duration, public hearing, and final statement of reasons requirements specified in HSC § 54946(a)(2).

Pursuant to HSC § 54946(c), these regulations will become effective immediately upon adoption by the executive committee.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Assembly Bill 179 (Chapter 68, Statutes of 2026) restructured state oversight of housing-related bond allocations and established the Housing Development and Finance Committee. AB 179 provides the statutory framework under which HDFC administers program requirements, reviews project applications, and facilitates the allocation of certain private activity bonds and related resources for multifamily affordable housing statewide.

The proposed regulations implement HDFC's statutory responsibilities by establishing clear program definitions, administrative procedures, evaluation standards, and compliance requirements necessary to administer the transferred multifamily housing programs and operationalize certain bond and tax credit reservation process described in AB 179.

The proposed regulations are intended to enhance statewide consistency in certain multifamily program administration and improve transparency in allocation and award processes. These regulations support coordinated procedures across reviewing entities and provide the structural clarity needed to carry out HDFC's statutory mandate under AB 179.

IMPACT OF PROPOSED REGULATIONS

The proposed regulations are expected to strengthen and streamline the administration of programs overseen by the HDFC. By clarifying program requirements, defining terms and procedures, and aligning regulatory language with the statutory framework established under AB 179, these regulations will streamline internal review processes, reduce administrative redundancies, and improve coordination across participating entities.

The changes are anticipated to enhance predictability for applicants, promote greater transparency in the interpretation and application of program rules, and promote consistent statewide implementation of HDFC-administered programs.

EVALUATION OF WHETHER THESE REGULATIONS ARE INCONSISTENT OR INCOMPATIBLE WITH EXISTING STATE REGULATIONS

HDFC's review has not identified any conflicts or duplications with existing state regulations.

COMPATIBILITY WITH FEDERAL LAW

HDFC's review has not identified any comparable federal regulations that directly govern its statutory responsibilities and therefore has not identified any inconsistencies.

LOCAL MANDATE

HDFC's review has not identified any basis to conclude that the proposed regulations impose a mandate on local agencies or school districts requiring state reimbursement under Gov. Code § 17500 et seq.

FISCAL IMPACT

Cost or savings to any state agency: None anticipated.

Cost to local agencies or school districts: None anticipated.

Other nondiscretionary costs or savings imposed on local agencies: None anticipated.

Cost or savings in federal funding to the state: None anticipated.

EFFECT ON SMALL BUSINESS

Based on the Committee's review, it has not identified any meaningful impact on small businesses. The proposed regulations do not impose mandatory obligations or compliance requirements on small businesses. Participation in the program is voluntary, and businesses engage only if they choose to apply for and receive funding.

EFFECT ON HOUSING COSTS

Implementation of these regulations and the consolidation of multifamily affordable housing loan and grant programs combined with other resources administered by the State Treasurer's Office, is projected to reduce total housing development costs in the state.

INITIAL DETERMINATION OF STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESSES

The proposed regulations do not impose mandatory obligations or compliance requirements on businesses. Participation in the program is voluntary, and businesses engage only if they choose to apply for and receive funding. Based on HDFC's initial review, it has not identified any significant statewide adverse economic impact directly affecting businesses, including California businesses' ability to compete with those in other states.

COST IMPACTS ON PRIVATE PERSONS OR BUSINESSES DIRECTLY AFFECTED

The proposed regulations do not impose mandatory obligations or compliance

requirements on private persons or businesses. Participation in the program is voluntary, and private persons or businesses engage only if they choose to apply for and receive funding. HDFC is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

CONSIDERATION OF ALTERNATIVES

HDFC has considered alternatives to the proposed regulations and has determined no other reasonable alternatives would be more effective or less burdensome while achieving the regulatory objectives. HDFC invites interested persons to submit alternatives for consideration during the comment period.

AVAILABILITY OF TEXT OF PROPOSED GUIDELINES AND INITIAL STATEMENT OF REASONS

The proposed regulatory text is available on the HDFC website at: [HDFC Regulations – Housing Development and Finance Committee](#). Copies may also be requested from the contact person listed below.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

If changes or modifications are made to the proposed regulations, the modified text will be made available prior to adoption.

AVAILABILITY OF RULEMAKING DOCUMENTS

A rulemaking file will be maintained, consistent with Gov. Code § 11347.3, including the proposed regulatory text, final statement of reasons, public comments (if any), and any modifications. The rulemaking file will be available upon request to the contact person listed below.

AVAILABILITY OF FINAL STATEMENT OF REASONS

Following adoption, the Final Statement of Reasons (FSOR) will be prepared and made available to the public upon request to the contact person listed below as required under Gov. Code § 11346.9(a).

CONTACT

HDFC address: Housing Development and Finance Committee
651 Bannon Street, Suite 400
Sacramento, CA 95811

HDFC website: The Notice of Proposed Action and the text of the proposed HDFC Regulations may be accessed on the HDFC website at: [HDFC Regulations – Housing Development and](#)

Finance Committee

HDFC invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period. Inquiries concerning the substance of the proposed action should be directed to:

Housing Development and Finance Committee
Attention: HDFC Regulations Public Comments.
651 Bannon Street, Suite 400,
Sacramento, CA 95811

E-mail: HDFCRegComments@hdfc.ca.gov