

CTCAC ALLOCATION PROCESS FOR SET ASIDES AND GEOGRAPHIC REGIONS

Estimated for Calendar Year 2026

Step 1 - Calculate Total Federal Credit Ceiling (1)

	<i>Per Capita</i>	<i>Population*</i>	
New Population Based Credits	\$3,416	39,355,309	\$134,437,736
Forward Committed 2026 Credit			\$0
Available Returned Credit/Surplus Credits			<u>\$1,943,714</u>
Total Federal Credit Ceiling			\$136,381,450

Step 2 - Determine Set Asides (2)

Set Asides	%	Annual Set Aside Amount	Round 1 Set Aside Amount
Nonprofit	10%	\$13,638,145	\$6,819,073
Rural	20%	\$27,276,290	\$13,638,145
<i>RHS, HOME, and CDBG-DR Apportionment</i>	14%	\$3,818,681	\$1,909,341
<i>Native American Apportionment</i>	10%	\$2,727,629	\$1,363,815
<i>Other</i>		\$20,729,980	\$10,364,989
Second Supplemental Set Aside		\$2,000,000	\$0
At-Risk	5%	\$6,719,073	\$3,359,537
Special Needs	4%	\$5,375,258	\$2,687,629
Supplemental Set Aside**	3%	\$4,031,444	\$0
Total Set Asides		\$59,040,210	\$26,504,384

Step 3 - Determine Geographic Apportionments (3)

	Federal Annual	State Total
Total Credit Ceiling	\$136,381,450	\$67,256,563
<i>Less Set-Asides (not including Returned Credits)</i>	<i>(\$59,040,210)</i>	
<i>Less State Credits for 4% Projects</i>		<i>(\$10,088,484)</i>
<i>Remaining Balance</i>	\$77,341,240	\$57,168,079
<i>State Credit Adjuster</i>		80%
Credit Ceiling Balance to Geographic Regions	\$77,341,240	\$45,734,463

Apportionments by Region	%	Annual Federal Credit	Total State Credit	Annual Adjusted Credit (a)	Adjusted Surplus/Deficit From 2025 (b)	Estimated Adjusted Credit for Round 1 (c)
City of Los Angeles	17.6%	\$13,612,058	\$8,049,265	\$14,416,985	<i>(\$1,741,360)</i>	\$8,994,407 ***
Balance of Los Angeles County	17.2%	\$13,302,693	\$7,866,328	\$14,089,326	<i>(\$3,710,530)</i>	\$3,334,133
Central Valley Region	8.6%	\$6,651,347	\$3,933,164	\$7,044,663	<i>(\$2,072,797)</i>	\$1,449,535
San Diego County	8.6%	\$6,651,347	\$3,933,164	\$7,044,663	<i>(\$412,503)</i>	\$3,109,829
Inland Empire Region	8.3%	\$6,419,323	\$3,795,960	\$6,798,919	<i>(\$2,369,196)</i>	\$1,030,264
East Bay Region	7.4%	\$5,723,252	\$3,384,350	\$6,061,687	\$2,111,253	\$5,142,097
Orange County	7.3%	\$5,645,911	\$3,338,616	\$5,979,773	<i>(\$220,644)</i>	\$2,769,243
South and West Bay Region	6.0%	\$4,640,474	\$2,744,068	\$4,914,881	<i>(\$1,779,768)</i>	\$677,673
Capital Region	5.7%	\$4,408,451	\$2,606,864	\$4,669,137	<i>(\$872,319)</i>	\$1,462,250
Central Coast Region	5.2%	\$4,021,744	\$2,378,192	\$4,259,563	<i>(\$2,413,353)</i>	\$0 ****
Northern Region	4.4%	\$3,403,015	\$2,012,316	\$3,604,247	<i>(\$1,841,990)</i>	\$0 ****
San Francisco County	3.7%	\$2,861,626	\$1,692,175	\$3,030,844	\$1,922,064	\$3,437,486
	100%	\$77,341,241	\$45,734,462	\$81,914,688		\$31,406,917

Note: All numbers in *(italics bracketed with parens)* are negative numbers.

* Population estimate from 2025

** Supplemental Set-Aside does not reflect federal credits returned after February 1, 2026

*** Includes a full credit return from a 2025 Round 2 project. In the City of Los Angeles, \$3,527,274 in combined federal and state tax credits were returned.

**** The credits available in Round 1 is \$0 because 2025 Waiting List Awards were made in the region. The remaining deficit will be accounted for in Round 2.

(a) The Adjusted Credit amounts are calculated as follows: (Annual Federal Credit x 10 + Total State Credit)/10.

(b) The Adjusted Surplus or Deficit: the full adjusted credit balance from 2025

(c) Estimated Adjusted Credit totals were calculated as follows: (the adjusted annual credit x 50%) + surplus or deficit from 2025

(1) "Credit Ceiling" is defined in CTCAC Regulation Section 10302(t) to include all elements shown below, following Ceiling definition in IRS

(2) Health and Safety Code part 50199.2 establishes Rural Set Aside at "...20 percent of the federal ceiling." CTCAC Regulations Section 10315 also defines Set-Asides with reference to a given percentage of the "Federal Credit Ceiling".

(3) Similar language applies to Geographic Apportionments in CTCAC Regulations Section 10315.

CALCULATION OF STATE TAX CREDIT CEILING AND HOUSING TYPE GOALS

Step 4 - Calculate State Credit Ceiling

Statutory Base State Credit Number	\$70,000,000
Plus State Credit CPI Adjustment	\$59,574,757
2026 Calculated State Tax Credits Available	\$129,574,757
Less Advance Allocations in Prior Year	(\$62,318,194)
Plus Returned Credits	\$0
Total State Tax Credit Available for 2026	\$67,256,563

Step 5 - Calculate Tax Exempt Bond Financed Project (4% Project) Set Aside

	<u>Set Aside Percentage</u>	<u>Set Aside Amount</u>
4% Projects	15%	\$10,088,484
9% Projects	Balance of Total	\$57,168,079
Total		\$67,256,563

Step 6 - Calculate Housing Type Goals, Federal & State Tax Credits

Total Federal Tax Credit Ceiling (Annual Amount Multiplied By Ten)	\$1,363,814,500
State Credit Ceiling After Set Aside for Bond Projects	\$57,168,079
State Credit Ceiling After Set Aside for Bond Projects with 80% Adjustment	\$45,734,463
Total Stated As Annual	\$140,954,896

Housing Type Goals	<u>Type</u>	<u>Percentage</u>	<u>Annual</u>	<u>Round 1</u>
	Large Family	65%	\$91,620,682	\$45,810,341
	Large Family New Construction ¹	30%	\$42,286,469	\$21,143,235
	Special Needs	40%	\$56,381,958	\$28,190,979
	Seniors	20%	\$28,190,979	\$14,095,490
	SRO	15%	\$21,143,234	\$10,571,617
	At-Risk	15%	\$21,143,234	\$10,571,617

Total Federal Tax Credit Available in <u>Rural Set Aside</u> (Stated As Annual)	\$27,276,290
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Housing Type Goals in <u>Rural Set Aside</u>	<u>Type</u>	<u>Percentage</u>	<u>Annual</u>	<u>Round 1</u>
	Acquisition and/or Rehabilitation	30%	\$8,182,887	\$4,091,444
	Large Family New Construction ¹	30%	\$8,182,887	\$4,091,444
	Seniors	20%	\$5,455,258	\$2,727,629

¹Large Family New Construction receiving the tiebreaker increase for being located in census tracts or census block groups designated on the CTCAC/HCD Opportunity Area Map as Highest or High Resource (CTCAC Regulations Section 10315(h)).

STATE TAX CREDITS - NEW CONSTRUCTION 4% PROJECTS

State Tax Credits Available in 2026	\$500,000,000
Returned Credits/Carry Forward of Prior Year's Credits	<u>\$15,531,071</u>
Total State Tax Credit Available in 2026	\$515,531,071

	Annual	Round 1	Round 2	Round 3
General Allocation	\$390,531,071	\$195,365,629	TBD *	TBD *
General Allocation for Farmworker Housing	\$25,000,000	\$25,000,000	TBD *	TBD *
California Housing Finance Agency (CalHFA) - Mixed-Income Program	\$100,000,000	\$0	\$100,000,000	\$0

*Total State Tax Credits remaining after prior round

STATE FARMWORKER TAX CREDITS

State Farmworker Tax Credits Available in 2026	\$500,000
Plus Annual Allocation Amount	<u>\$500,000</u>
Total State Farmworker Tax Credits Available in 2026	\$1,000,000