



California State Treasurer Fiona Ma, CPA

Press Release

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California Rebuilds Housing in Wake of Wildfires

SACRAMENTO –Treasurer Fiona Ma today announced that the California Tax Credit Allocation Committee (CTCAC), which she chairs, has approved a plan to allocate \$100 million in annual federal fire recovery tax credits to the 13 counties that were ravaged by wildfires.¹

Rep. Mike Thompson, D-Napa, who chairs the House Select Revenue Measures Subcommittee, secured the \$100 million in federal fire recovery tax credits late last year, to help finance new construction and the reconstruction of multifamily housing projects in counties struck by wildfires in 2017 and 2018, including the Camp Fire, the Tubbs Fire, the Thomas Fire and the Mendocino Complex. The 13 counties are Butte, Lake, Los Angeles, Mendocino, Napa, Nevada, Orange, San Diego, Santa Barbara, Shasta, Sonoma, Ventura, and Yuba.

The CTCAC plan allocates an initial amount of \$2.5 million to each county and the rest of the \$100 million of credits are awarded based on the percentage of housing units lost in each county. The plan is intended to give each county the potential to build at least one affordable multifamily housing project. Butte County, which suffered the highest percentage of housing units lost, 59 percent, will receive \$40 million. Sonoma County, which suffered the second highest percentage lost, will receive \$16.3 million. (See chart below). Any credits leftover after the second round will be combined into one pool and allocated to the counties most impacted by the fires and awarded to applicants based on shovel-readiness. The three application rounds are as follows: July 1, 2020 (award date of September 30, 2020), March 1, 2021 (tentative) and July 1, 2021 (tentative). Under federal regulations, the credits must be used within two years or they are lost.

“I’m so proud that CTCAC staff has risen to the occasion and created a fair, efficient program that will help finance critical housing in areas that suffered huge losses,” said Treasurer Ma. “And the program does it in a way that provides the most help to those who need it most.” Treasurer Ma also praised the CTCAC staff for establishing another new program this year to award \$500 million in state low income housing tax credits for a new construction and mixed income housing program allocated by Governor Gavin Newsom in the 2019-2020 budget.

“It is critically important that our communities that have been hit hard by wildfires have all of the resources they need to rebuild and recover, which is why I carried legislation to provide \$100 million in new federal tax credits to help create much needed affordable housing in disaster-stricken counties,” said Rep. Thompson. “I greatly appreciate Treasurer Ma’s commitment to ensuring that this assistance is allocated as Congress intended so that those displaced by wildfires can have access to affordable housing.”

¹ Project owners can take the annual \$100 million credit each year for ten years, thus CTCAC effectively can award \$1 billion in additional 9% tax credits for the 13 counties affected by wildfires. Rep. Mike Thompson’s bill was passed by the U.S. House of Representatives on December 17, 2019 then passed by the U.S. Senate on December 19, 2019 and finally signed into law on December 20, 2019.

State Senator Mike McGuire, D-Santa Rosa, thanked the Treasurer for her efforts. “This \$100 million in tax credits will be a huge shot in the arm for the rebuilding of our communities and desperately needed affordable housing. I’m happy the CTCAC staff moved heaven and earth to ensure we meet our first July application deadline is met.”

“I want to thank Congressman Thompson and his staff for delivering these critical federal resources to help our mutual constituents, victims of the devastating wildfires of 2017 and 2018, get the housing they badly need,” said Assemblymember Cecilia Aguiar-Curry (D-Winters). “And, to Treasurer Ma and her CTCAC team, who have been so incredibly responsive in crafting a program that considers the unique circumstances in each county, I express my deepest appreciation and respect.”

“I’m very grateful to Treasurer Ma and the CTCAC staff for ensuring that these funds will be allocated in the most effective way to help the communities that have been devastated by one disaster after another over the past three years, said Assemblymember Jim Wood (D-Santa Rosa). “This funding will expedite our recovery efforts and the desperate need for affordable housing.”

CTCAC also worked hard to align with HCD’s program, thereby ensuring that these housing projects will be able to access other federal financing provided for the disaster areas, including CDBG-DR funding through HCD. If the applications for these federal tax credits exceed the annual \$100 million available, the applicants will also have the ability to apply for CTCAC’s existing 9% federal tax credit program.

BASE FEDERAL CREDIT PER COUNTY	ANNUAL FEDERAL TAX CREDIT BASE + LOST UNIT ALLOCATION	COUNTY	PERCENTAGE OF LOST UNITS
\$2,500,000	\$40,087,453	BUTTE	58.62%
\$2,500,000	\$16,365,940	SONOMA	21.62%
\$2,500,000	\$5,630,499	LOS ANGELES	4.88%
\$2,500,000	\$5,421,263	SHASTA	4.56%
\$2,500,000	\$4,975,965	VENTURA	3.86%
\$2,500,000	\$4,109,511	NAPA	2.51%
\$2,500,000	\$3,342,311	MENDOCINO	1.31%
\$2,500,000	\$3,259,153	LAKE	1.18%
\$2,500,000	\$2,886,283	YUBA	0.60%
\$2,500,000	\$2,816,537	SAN DIEGO	0.49%
\$2,500,000	\$2,583,158	SANTA BARBARA	0.13%
\$2,500,000	\$2,580,476	NEVADA	0.13%
\$2,500,000	\$2,561,698	ORANGE	0.10%
	\$2,000,000	SUPPLEMENTAL	

	\$98,620,247	100.00%
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Fiona Ma is California's 34th State Treasurer. She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state's history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker. Her office processes more than \$2 trillion in transactions within a typical year. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio of about \$99 billion, more than \$31.4 billion of which are local government funds. She serves as agent of sale for all State bonds, and is trustee on outstanding debt of \$94 billion.

Fiona Ma is also Chair of the 5 member CTCAC Board made up of the State Treasurer, the State Controller, the Director of the Finance, Executive Director of California Housing and Finance Agency (CalHFA) and the Director of California Department of Housing and Community Development (HCD) .