



California State Treasurer Fiona Ma, CPA

News Release

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Contact: [Mark DeSio](#)
(916) 926-1167

Treasurer Fiona Ma Announces New Regulations to Streamline Financing of Low-Income Housing, Allocation of Additional Bonds

Sacramento – State Treasurer Fiona Ma announced that two committees she chairs, the California Debt Limit Allocation Committee (CDLAC) and the California Tax Credit Allocation Committee, have each adopted regulations to streamline the process for financing low-income housing and create greater alignment with the Newsom Administration’s housing goals in the process for financing low-income housing with the use of tax credits and tax-exempt bonds.

The new CDLAC regulations will include sections for geographic sectors as well as improved regulations to address housing for the homeless.

In addition, CDLAC allocated about \$563 million of tax-exempt bonds to 20 housing projects for low-income people. The \$563 million in bond allocation was available because an earlier allocation awarded to the Fortress Investment Group, which has proposed building a high-speed rail project from Victorville to Las Vegas, was returned to CDLAC because the market for those bonds was insufficient.

The bonds will help finance 17 housing projects for new construction and 3 projects to preserve current projects that are aging. The housing, located throughout California, will serve seniors, large families, and those with disabilities. A list of the projects receiving funding can be found here:

https://www.treasurer.ca.gov/cdlac/programyear/2020/09_December_21_Allocation_Meeting/08_Final_Recommendations/01_Qualified_Residential_Rental_Projects_-_Option_2.pdf.

“This is a big step forward for financing low-income housing,” said Treasurer Ma. “A more efficient, streamlined process is just what we need to help alleviate the low-income housing shortage.”

Ma also praised the CDLAC committee and the working group that launched a robust stakeholder engagement process and the partnership with the Governor and the Business, Consumer Services, and Housing Agency.

“I am grateful to Treasurer Ma and CDLAC for their partnership over the last several months as they engaged many stakeholders to craft new regulations that will align funding for affordable housing projects in California,” said Business, Consumer Services and Housing Agency Secretary Lourdes Castro Ramírez. “These regulations coupled with the adopted funding priorities will allow the state to produce to the greatest degree possible the types of housing not being produced by the market---housing for individuals experiencing homelessness and housing for low-income households---while furthering fair housing, fostering inclusion, and reversing historic segregation.”

The new regulations focus on cost containment and public benefit through the prioritization of homeless and Extremely Low-Income/Very Low-Income housing policy objectives; create a new scoring model that prioritizes housing projects that affirmatively further fair housing – taking meaningful actions that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity; remove barriers of entry and create a new pool for developers who are Black, Indigenous or People of Color; and prioritize financing for affordable, shovel-ready new construction and preservation projects.

The Treasurer and CDLAC staff launched a working group and a stakeholder engagement process in collaboration with the Controller’s Office, the Governor’s Office, the Business, Consumer Services and Housing Agency, the Department of Housing and Community Development, the California Housing Finance Agency and other stakeholders in the public, private and non-profit sectors.

At the same meeting, CTCAC board allocated nearly \$43 million in annual four percent federal tax credits to 21 projects totaling 2,300 housing units.

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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 \$103 billion, \$32.2 billion of which are local government funds. She serves as agent of sale for all State bonds, and is trustee on outstanding debt of \$93 billion.

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