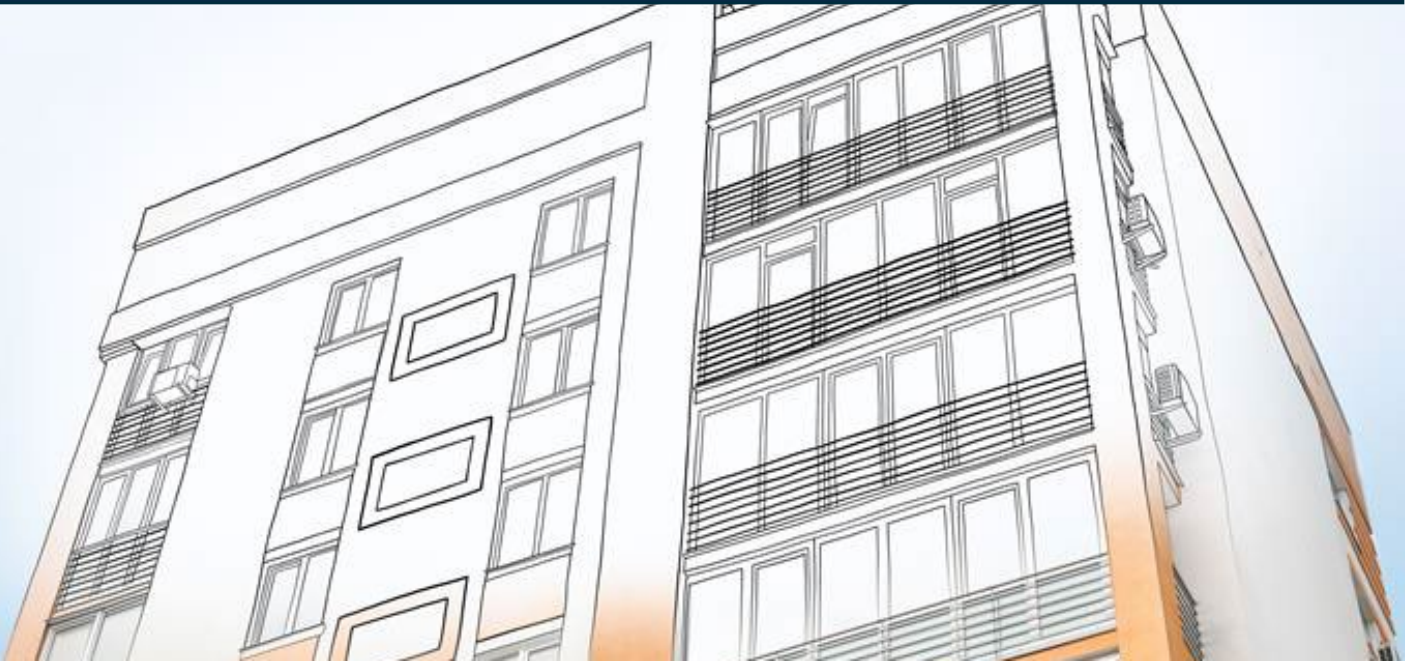


HDFC

Housing Development and
Finance Committee

EXECUTIVE COMMITTEE PACKAGE

MAY 26, 2026



Public Meeting Information



Meeting Details

HDFC Executive Committee Meeting

Date: Tuesday, May 26, 2026

Time: 10:00 a.m.

Location: California Bank & Trust
520 Capitol Mall
Lower Level Conference Room
Sacramento, CA 95814



Agenda

1. Roll Call
2. Chairperson comments
3. [Discussion, recommendation, and possible action to approve and adopt the proposed Housing Development and Finance Committee Charter \(Christina Mun\)](#)
 - [Attachment 1A - Resolution No. 26-01](#)
 - [Attachment 1B – Proposed Charter](#)
4. [First read of proposed 2026 meeting calendar \(Christina Mun\)](#)
5. [Discussion of draft recommendations on timeline for consolidated application and aligned compliance monitoring \(Christina Mun, Katherine McFadden, and Megan Kirkeby\)](#)
6. [Discussion of policy areas for 2026 agendas \(Christina Mun\)](#)
7. Public comment: Opportunity for members of the public to address the Executive Committee on matters within the Executive Committee’s authority
8. Other Committee matters
9. Adjournment



Public Engagement Information

This meeting will be open to the public pursuant to Government Code Sections 11120-11132.

The meeting is available in person, on Zoom and on YouTube.

Virtual Attendance

- ◆ Visit the [YouTube channel](#) and click on the Live meeting.
- ◆ This option is for viewing only, for virtual attendance with public comment, see below.

Virtual Attendance with Public Comment

Public comments may be made in person or via the Zoom link below.

- ◆ [Click here to register on Zoom](#)
- ◆ A confirmation email will be sent after registration with the Zoom link for attendance and public comment.

Public Comment Guide

All comments will become part of the meeting’s official record.

In-person Comments

Comments will be taken during the public comment portions of the meeting.

If you are attending the meeting in-person and would like to make a comment, please follow these guidelines:

- ◆ Fill out a speaker’s card located on the meeting materials table.
- ◆ Speaker cards will be collected by staff prior to the public comment portion of the meeting.
- ◆ The committee will call your name when it is your time to speak.

Email Comments

Email written comments no later than 5:00p.m., May 25, 2026 to info@hdfc.ca.gov

Emails should include:

- ◆ Your first and last name (optional and not required for comment submission).
- ◆ The agenda item you are commenting on.

Virtual Comments

During the public comment portion of the meeting, click on the “raise hand” icon located in the “React” icon.

This will alert the meeting organizer that you have a question and you will be called upon when it is your turn to speak.

The Committee may act on any item listed on the attached agenda. Agenda items may be taken out of order to accommodate speakers and to maintain a quorum.

For additional information, contact:

Courtney Pond, Executive Committee Administrator

500 Capitol Mall, Suite 1400, CA 95814

916.206.3127

ADA Information

The Housing Development and Finance Committee complies with the Americans with Disabilities Act by ensuring that the meeting facilities are accessible to people with disabilities and providing this notice and information in appropriate alternative formats when requested.

If you need further assistance to access and participate in a Housing Development and Finance Executive Committee meeting, including disability-related modifications or accommodations, you may contact the Housing Development and Finance Committee no later than five calendar days before the meeting at 916.206.3127 or email Courtney Pond at cpond@calhfa.ca.gov.



Additional Information

Parking: Public parking is available at the 520 Capitol Mall parking structure, with the entrance located on N Street.

Parking is managed via the Metropolis Parking App:

1. Go to metropolis.io or download the Metropolis Parking app.
2. Create an account.
3. Add your license plate number and payment method.

Cameras will automatically read your license plate upon entry and exit — no tickets or kiosks needed. Your payment will be processed automatically.

Refreshments: Available nearby, at Panera and Old Soul Coffee

MEMORANDUM

TO: Executive Committee of the Housing Development and Finance Committee
FROM: Christina Mun, Deputy Secretary of Housing Finance, Business, Consumer Services and Housing Agency
DATE: May 26, 2026

AGENDA ITEM 3

Discussion, recommendation, and possible action to approve and adopt the proposed Housing Development and Finance Committee Charter

Action Requested

Requesting Board approval and adoption of the proposed Housing Development and Finance Committee (HDFC) Charter.

Summary

The HDFC Charter establishes the Executive Committee's purpose, scope of authority, roles and responsibilities, membership, and expectations. Adoption will formalize governance and provide a clear operating framework to support consistent oversight and accountability. This item requests Executive Committee's review, approval, and adoption of the HDFC Charter.

Supporting Documents

- Attachment 1A – Resolution No. 26-01
- Attachment 1B – HDFC Charter

HOUSING DEVELOPMENT AND FINANCE COMMITTEE

RESOLUTION NO. 26-01

RESOLUTION TO APPROVE AND ADOPT THE HOUSING DEVELOPMENT AND FINANCE
COMMITTEE CHARTER

WHEREAS, state law establishes a Housing Development and Finance Executive Committee to centralize affordable housing finance policymaking across state government and to coordinate a cohesive, integrated housing finance system; and

WHEREAS, the Executive Committee is composed of the Secretary of California Housing and Homelessness serving as chair, the Director of Housing and Community Development, and the Executive Director of the California Housing Finance Agency (or designee); and

WHEREAS, the Executive Committee desires to adopt and implement a charter governing the Executive Committee;

NOW, THEREFORE, BE IT RESOLVED by the Executive Committee as follows:

1. The attached “Charter of the Housing Development and Finance Executive Committee” is hereby approved and adopted.

AYES:

NOES:

ABSTENTIONS:

ABSENT:

I hereby certify that this is a true and correct copy of Resolution No. 26-01 adopted at a duly constituted meeting of the Executive Committee of the Housing Development and Finance Committee held on the 26th day of May, 2026.

ATTEST: _____

Secretary

Housing Development and Finance Committee (HDFC) Governance Charter and Operating Guidelines (Draft)

I. Purpose and Authority

The Housing Development and Finance Committee (HDFC) is established pursuant to the Governor’s Reorganization Plan of 2025 (GRP-1), which created the HDFC Executive Committee within the California Business, Consumer Services and Housing Agency (BCSH). When the California Housing and Homelessness Agency (CHHA) is established effective July 1, 2026, HDFC will be established within CHHA as an independent business unit.

HDFC serves as the State’s central coordinating and decision-making body for California’s multifamily affordable housing finance system. HDFC is responsible for administering multifamily housing finance programs assigned to it by statute and coordinating the delivery of housing finance resources across participating state entities.

Through these responsibilities, HDFC seeks to streamline program administration, align funding decisions, and improve the efficiency and coordination of California’s affordable housing finance system.

This Charter establishes the governance framework and operating guidelines for HDFC.

II. Mission, Vision, Goals and Guiding Principles:

Vision

Homes that Californians can afford, communities where they can thrive.

Mission

To alleviate California’s affordable housing crisis, HDFC creates affordable homes by making California’s housing finance system simpler, faster, and more transparent.

Goals

To guide HDFC’s work, HDFC shall pursue the following goals:

- Streamline access to state housing resources by reducing fragmented and duplicative application and award processes.
- Align housing finance programs and requirements across agencies to improve consistency, transparency, and predictability for applicants.
- Improve accountability and stewardship of state housing investments through coordinated oversight and monitoring.
- Support the State’s housing and climate goals by prioritizing investments that advance affordability, sustainability, and equitable access to housing.
- Promote collaboration among state agencies, local governments, developers, lenders, and other partners involved in housing finance and development.

Guiding Principles

HDFC's guiding principles support sound governance and oversight of housing finance programs by providing:

- Alignment – Operate housing finance programs as a cohesive system
- Transparency – Make funding processes and decisions predictable and transparent
- Efficiency – Streamline administrative processes to minimize duplication and unnecessary delays
- Accountability – Administer public resources responsibly with appropriate oversight
- Collaboration – Partner to achieve statewide housing goals

III. Organization and Structure

HDFC will be part of the California Housing and Homelessness Agency (CHHA) effective July 1, 2026. CHHA provides cabinet-level leadership for statewide housing policy and program administration.

Entities within CHHA include:

- Department of Housing and Community Development (HCD)
- California Housing Finance Agency (CalHFA)
- Civil Rights Department (CRD)
- California Interagency Council on Homelessness (Cal ICH)
- Housing Development and Finance Committee (HDFC)

Within this structure, HDFC is responsible for coordinating multifamily housing finance programs and aligning program administration across state entities participating in the housing finance system.

IV. Core Responsibilities

Along with any duties listed in Chapter 3 of Part 18 of the California Health and Safety Code, HDFC performs the following functions in support of the State's housing finance system.

1. Oversee Administration and Allocation of Housing Finance Programs

HDFC administers multifamily housing programs (new construction and preservation) assigned to it by statute, including:

- Multifamily Super NOFA programs:
 - Multifamily Housing Program (MHP)
 - Joe Serna, Jr. Farmworker Housing Grant Program (FWHG)
 - Infill Infrastructure Grant Program (IIG)
 - Veterans Housing and Homelessness Prevention Program (VHHP)
 - Transit-Oriented Development Housing Program (TOD)
 - Housing for a Healthy California

- Affordable Housing Sustainable Communities (AHSC)¹
- Mixed Income Program (MIP) – Subsidy Component

HDFC may coordinate with the CA Tax Credit Allocation Committee (CTCAC) and CA Debt Limit Allocation Committee (CDLAC)² and developer-facing components of other State-administered multifamily subsidy programs to improve access to state housing resources.

2. Coordination and Alignment of Housing Finance Resources

HDFC is responsible for coordinating the State’s multifamily housing finance system by:

- Streamlining access to state housing resources by aligning program requirements, processes, and timelines
- Improving coordination across housing finance programs
- Supporting integrated funding decisions to deliver complete awards
- Reducing fragmentation in the housing finance system

3. Consolidated Application and Coordinated Review

HDFC may administer consolidated application processes and tools allowing housing developers to request multiple state housing finance resources through a coordinated review process. This may include updates to program guidelines, funding award processes, and calendars.

This approach is intended to provide developers with a clearer pathway to secure complete financing for affordable housing developments and align funding sources for effectiveness.

4. Streamlined Compliance Monitoring

HDFC will work to streamline compliance monitoring of projects that are subject to regulatory agreements with multiple state entities.

5. System Oversight and Continuous Improvement

HDFC monitors the performance of the State’s housing finance system and identifies opportunities to improve program coordination and efficiency by:

- Monitoring the administration of affordable housing finance programs and making recommendations to improve alignment and administration of those programs.
- Collecting and analyzing data related to funding awards, development timelines, and housing outcomes.

¹ Under the Governor’s Reorganization Plan, HDFC coordinates implementation of the AHSC Program with the Strategic Growth Council (SGC), which currently serves as the program administrator. The 2026–27 Governor’s Budget Proposal would bifurcate the program and shift administration of AHSC’s affordable housing component to HDFC.

² The 2026-27 Governor’s Budget Proposal would dedicate a share of private activity bonds to be allocated by HDFC and awarded by CDLAC.

- Improving transparency regarding funding availability, program requirements, and award decisions.

V. Executive Committee Structure

The HDFC Executive Committee consists of leadership from state entities responsible for administering the State's housing finance programs. The Committee establishes policy direction and oversight for HDFC. Day-to-day operations are delegated to the HDFC Executive Director and staff.

Committee members include:

- Until July 1, 2026, the Secretary of BCSH (Chair).
- Beginning July 1, 2026, the Secretary of CHHA or their designee (Chair).
- Director of HCD or their designee.
- Executive Director of CalHFA or their designee.

Additional members or advisory participants may be designated as appropriate to support HDFC's work. Members may designate senior staff to participate in meetings when necessary. Where a majority of Committee members communicate outside of a public meeting in compliance with Government code section 54941 et seq, there shall be no violation of the Bagley-Keene Open Meeting act.

Members are responsible for:

- Participating in Committee meetings and decision-making.
- Coordinating implementation within their respective departments.
- Supporting alignment of programs and processes consistent with HDFC decisions.
- Establish strategic priorities for California's housing finance system.

Chair

The Chair plays a central role in guiding the Committee's work and ensuring its effective operation by carrying out the following responsibilities:

- Presiding over meetings
- Establishing meeting agendas
- Supporting coordination among participating agencies
- Ensuring implementation of Committee decisions

VI. Administrative Leadership and Staff

HDFC is supported by dedicated staff responsible for implementing Committee policies and administering housing finance programs.

Executive Director

HDFC shall be led by an Executive Director appointed pursuant to statute. The Executive Director reports to the Executive Committee and is responsible for:

- Implementing policies and decisions adopted by the Committee

- Providing recommendations and analysis to the Committee
- Overseeing HDFC staff and program administration
- Coordinating with partner agencies and stakeholders
- Ensuring compliance with this Charter

Staff

1. HDFC Staff: HDFC is staffed with dedicated program staff. HDFC staff work closely with key staff members at each of the Committee members' respective departments. HDFC staff shall support the Committee's work by:
 - Administering programs transferred to HDFC.
 - Coordinating application review and funding recommendations.
 - Providing analysis and policy recommendations.
 - Supporting data reporting, monitoring, and stakeholder engagement.
2. Key Staff: Key staff represent each of the members of the Committee. Key staff serve as primary liaisons between HDFC staff and Committee members. Key staff meet with HDFC executive leadership at least monthly and provide guidance and strategic support for HDFC programs and policy initiatives.
3. HCD and CalHFA provide administrative and program support to Committee and Committee staff.

VII. Subcommittees and Working Groups

The Committee may establish working groups or subcommittees as necessary to support implementation of its responsibilities. Such groups may include representatives from state agencies and departments and other subject-matter experts. Workgroups or subcommittees gather information, conduct research, analyze relevant issues and facts, and draft recommendations for deliberation by the Committee. Workgroups or subcommittees may not conduct business independent of the Committee or determine policy without approval of the Committee as their role is to provide information and recommendations for consideration by the Committee.

VIII. Meetings and Decision-Making

1. Meeting Frequency

The Committee shall meet regularly as often as it deems necessary, but at least once quarterly, to conduct its business, including reviewing and approving funding awards and addressing system coordination matters. The Chair may call special meetings as necessary.

The Committee meeting activity is subject to the Bagley-Keene Open Meeting Act (Government Code Article 9, Section 11120). The bodies use Robert's Rules of Order, to the extent that it does not conflict with state law or this Charter, as a guide when conducting body meetings. Meetings shall comply with applicable public meeting requirements under California law.

2. Quorum and Voting

A quorum shall consist of a majority of voting members. Actions of the Committee shall require approval by a majority of members unless otherwise specified by statute.

3. Decision-Making

The Committee shall strive to make decisions by consensus. When consensus cannot be reached, decisions may be made by a majority vote of members.

Nothing in this Charter supersedes statutory authority held by participating agencies.

IX. Working Groups and Interagency Coordination

HDFC may establish working groups to support implementation of coordinated housing finance processes. Working groups may include staff from participating agencies and subject-matter experts.

X. Stakeholder Engagement

HDFC shall engage regularly with stakeholders involved in housing development and finance, including:

- Affordable housing developers
- Local governments and housing authorities
- Financial institutions and investors
- Community organizations
- Philanthropic partners

Stakeholder engagement may include advisory groups, public meetings, and consultation processes to improve the effectiveness of the housing finance system.

XI. Charter Amendments

This Charter may be amended by the Committee as necessary to reflect changes in statute, governance structure, or operational needs. Amendments may be adopted by the Committee consistent with applicable law.



Housing Development and
Finance Committee

MEMORANDUM

TO: Executive Committee of the Housing Development and Finance Committee
FROM: Christina Mun, Deputy Secretary of Housing Finance, Business, Consumer Services and Housing Agency
DATE: May 26, 2026

AGENDA ITEM 4

First Read of HDFC EC Meeting Calendar for 2026

Summary

Staff requests that the HDFC EC review the attached proposed 2026 meeting calendar. Adoption is planned for the upcoming HDFC EC meeting in June. Though adoption is not legally required, it is a best practice for public bodies such as the HDFC EC that seek to maximize transparency, stakeholder engagement, and public participation.

Executive Committee

Proposed 2026 Meeting Calendar

LEGEND

- HDFC Proposed Meeting Date
- Holidays

JUNE

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

DETAILS:

- 15th – Proposed Committee Meeting
- 19th – Juneteenth Day

JULY

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

DETAILS:

- 4th – Independence Day

AUGUST

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

DETAILS:

- 12th – Proposed Committee Meeting

SEPTEMBER

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

DETAILS:

- 7th – Labor Day
- 9th – Proposed Committee Meeting

OCTOBER

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

DETAILS:

- 12th – Indigenous People’s Day
- 13th – Proposed Committee Meeting

NOVEMBER

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

DETAILS:

- 11th – Veterans Day
- 26th – Thanksgiving Day
- 27th – Day After Thanksgiving

DECEMBER

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

DETAILS:

- 8th – Proposed Committee Meeting
- 25th – Christmas Day

MEMORANDUM

TO: Executive Committee of the Housing Development and Finance Committee
FROM: Christina Mun, Deputy Secretary of Housing Finance, Business, Consumer Services and Housing Agency (BCSH); Megan Kirkeby, Chief Deputy Director, California Department of Housing and Community Development (HCD); Katherine McFadden, Director of Multifamily Programs, California Housing Finance Agency (CalHFA)
DATE: May 26, 2026

AGENDA ITEM 5

Draft Recommendations on Timeline for Consolidated Application and Aligned Compliance Monitoring

Summary

The Governor's Reorganization Plan (GRP 2025) created the California Housing and Homelessness Agency (CHHA) and the Housing Development and Finance Committee (HDFC). The HDFC and its Executive Committee are responsible for creating a consolidated application and coordinated processes for the review and award of competitive state multifamily affordable housing funding statewide. GRP 2025 requires the Executive Committee to make recommendations by July 1, 2026 on the implementation timeline for two initiatives:

1. A consolidated application for competitive multifamily affordable housing funding, and
2. Improved alignment of compliance monitoring of state-financed affordable housing.

This report lays out those recommendations for Executive Committee review and consideration.

Assembly Bill 519 Background

These recommendations build upon the work of the Assembly Bill (AB) 519 Affordable Housing Finance Workgroup (Workgroup). The Workgroup's purpose is to streamline access to state-administered soft loans, low-income housing tax credits, tax-exempt bonds, and other state subsidies by reducing duplication, improving administrative efficiency, and aligning timelines across reviewing entities.

The AB 519 reviewing entities – the California Department of Housing and Community Development (HCD), California Housing Finance Agency (CalHFA), California Debt Limit Allocation Committee (CDLAC) and California Tax Credit Allocation Committee (CTCAC) – are required to provide recommendations on implementing a single application and coordinated review process. The workgroup's progress to date has informed the following approaches and timelines for Executive Committee consideration.

Recommendation 1: Creating a Consolidated Application

Developed through extensive engagement with stakeholders, the Governor's 26-27 budget proposes critical changes that move the state toward providing full funding using a single application. The budget proposes that HDFC make allocation decisions for half of the Qualified Residential Rental Project (QRRP) private activity bonds to projects receiving subsidy. The private activity bonds would then be ministerially awarded by CDLAC and CTCAC alongside 4% low-income housing tax credits. If in a given year HDFC cannot utilize its full set-aside, HDFC would release any unused bond set-aside within the same year for CDLAC to issue through subsequent application rounds. The other half of the QRRP would remain with CDLAC and CTCAC for projects not seeking HDFC subsidy. Through these two "doors," projects may pursue full financing in a one-stop shop through either door.

The approach outlined below relies on the outcome of the pending budget proposal. During the subsequent Executive Committee meeting, there will be additional clarity on the final budget that will inform this approach and timeline.

Recommendation: HDFC should continue its single application work through 2026, including releasing guidelines that will utilize a single application along with a pilot portal. HDFC should continue to advance a comprehensive single application with funding that is approved through the final 26/27 budget agreement. In 2027, HDFC should release a NOFA that will utilize the new single application portal.

To create a consolidated application for affordable housing funding programs, the state team has conducted extensive engagement with internal and external experts and practitioners. Building off of this input, the Governor proposed changes to facilitate more streamlining in these programs, and the state team has begun working on opportunities to consolidate funding programs. This section highlights this work and provides a timeline for implementation.

Overview of Guideline and Process Development

To implement this structure for HDFC, the AB 519 reviewing entities (HCD, CalHFA, CTCAC, CDLAC) will jointly draft HDFC award process guidelines that are inclusive of the requirements for all state-administered competitive multifamily funding sources. The consolidated guidelines would identify universal threshold requirements across all sources while still reflecting unique program-specific threshold requirements. The guidelines will feature unified scoring criteria and remove duplication amongst programs wherever possible.

These guidelines will then 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. To enhance access to the application, HDFC will develop a single application portal for ease of application, processing, coordinated review, and tracking. This framework is intended to reduce time and costs, increase predictability, improve customer service, and maximize the cumulative impact of affordable housing resources.

In parallel to the development of guidelines, the reviewing entities will establish interagency review procedures, and HDFC will establish appeal procedures and post award procedures and continue loan closing process improvements with HCD and CalHFA.

HDFC Programs

HDFC will administer the following subsidy programs in this structure:

- Multifamily Super NOFA programs³
 - 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
- Mixed Income Program (MIP) – Subsidy Component
- Affordable Housing Sustainable Communities (AHSC) – Housing Component⁴

HDFC will also coordinate with:

- CTCAC and CDLAC for tax credits and tax-exempt bonds⁵
- Developer-facing components of other HCD multifamily programs (e.g. PLHA Competitive, HOME, NHTF, CDBG-DR multifamily).

Timeline for Implementation

2026 Planning and Guideline Development:

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

³ Per AB 434 (Daly, 2019) these programs are already required to align their scoring, ranking, and general threshold requirements with the Multifamily Housing Program (MHP), alongside the distinct threshold elements unique to their funding source.

⁴ The 2026-27 Governor's budget proposes moving the affordable housing component of AHSC to HDFC for the 2027 and beyond rounds of AHSC.

⁵ The 2026-27 Governor's budget proposes a dedicated share of private activity bonds to be allocated by HDFC and awarded by CDLAC. HDFC will also coordinate with CTCAC for the 9% low-income housing tax credit program to promote additional streamlining.

2027 Draft Implementation Timeline:

Timelines for funding will take into consideration the existing pipeline of relevant funding and projects that already or will receive funding prior to the end of 2026. HDFC's inaugural Round 1 will be open to projects that have received partial funding and still need full financing through state subsidy, bonds, and tax credits to move toward construction, whereas HDFC Round 2 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.

Stakeholder feedback to date has also indicated there would be a benefit to a second round in 2027 to stagger awards and not overcrowd the finance market with projects seeking private financing at the same time. This could also enable a cadence of pairing HDFC awards in advance with the following calendar year's HDFC bond allocation, providing CDLAC with earlier certainty with regards to the amount of private activity bonds to be used by HDFC for the upcoming year.

HDFC will be seeking additional input on the timeline through the draft guideline and public comment phases throughout 2026.

- January 2027: HDFC issues Round 1 NOFA and portal begins accepting applications
- April 2027: Round 1 HDFC applications due
- June 2027: Draft HDFC guidelines for 2028 funding rounds released (if any changes proposed)
- July 2027: Potential Round 2 NOFA and accept additional applications
- August 2027: HDFC Executive Committee makes Round 1 awards
- October 2027: Round 2 HDFC applications due
- December 2027: If applicable, HDFC Executive Committee adopts final guidelines for 2028 and makes Round 2 awards with 2028 bond set-aside

Recommendation 2: Implementation Timeline - Aligned Compliance Monitoring

Recommendation: Continue AB 2006 MOU through 2026. Starting in 2027, HDFC will lead additional work within the single application portal to better support aligned monitoring. By 2028, HDFC will centralize compliance monitoring utilizing the agreements in principle found in the AB 2006 MOU.

Much of the groundwork for aligned compliance monitoring has been laid through AB 2006 (Berman, 2022), which focused on streamlining compliance monitoring for affordable housing projects. The following progress has been made to implement AB 2006.

Interagency Compliance Monitoring MOU

Effective January 1, 2025, HCD, CalHFA, and CTCAC entered into an MOU to establish a more streamlined process for compliance monitoring. The MOU eliminates the submission of duplicative information and providing aligned procedures in compliance monitoring for the following five categories:

1. Physical/Site Inspections – one inspection by lead agency

2. Reserve Draws – single process
3. Ownership and Control Party Changes – single form submission to lead agency
4. Property Management Company Changes – single form submission to lead agency
5. Operating Budgets – combined form

California Housing Management System (CAHMS):

In February 2026, HCD, CalHFA, and CTCAC launched the new CAHMS platform to improve transparency, efficiency, and coordination in the state’s affordable housing compliance monitoring.

Timeline for Further Implementation:

Building upon this significant progress, HDFC, CalHFA, and HCD will work in earnest through the upcoming years to develop and implement more aligned compliance monitoring in a systematic way.

July – December 2026

- HDFC will drive the coordination and consolidation of asset and portfolio management and compliance monitoring across California, including the continued partnership with CTCAC. During this time, asset management functions will remain at CalHFA and HCD under the AB 2006 protocols that have been established, to maintain stability for management of the portfolio.
- HDFC will prepare a plan for the transition of asset and portfolio management and compliance monitoring for the portfolio of projects that are awarded under HDFC’s consolidated application.

January – December 2027

- HDFC will lead implementation planning to further build out the single application portal to support compliance, construction monitoring, and more. The build out of the portal and underlying system has the potential to track the full life cycle of a project, from application through asset and compliance monitoring, with shared access to data and tools for more aligned portfolio monitoring.
- HDFC will establish and implement this approach by the time the first HDFC-awarded projects complete construction and enter the asset and compliance monitoring phase, likely starting in 2028 and beyond.

The groundwork laid by the HDFC single application and portal provides the opportunity for shared asset monitoring to be consolidated more efficiently, as well as the opportunity to deepen the expertise within CHHA departments to serve the entire state affordable housing portfolio.

MEMORANDUM

TO: Executive Committee of the Housing Development and Finance Committee
FROM: Christina Mun, Deputy Secretary of Housing Finance, Business, Consumer Services and Housing Agency (BCSH); Megan Kirkeby, Chief Deputy Director, California Department of Housing and Community Development (HCD); Katherine McFadden, Director of Multifamily Programs, California Housing Finance Agency (CalHFA)
DATE: May 26, 2026

AGENDA ITEM 6

Discussion of Policy Areas for 2026 Agendas

Action Requested

Requesting Executive Committee direction on which priority policy areas to present on upcoming agendas.

Summary

To implement the Governor's Reorganization, staff and leadership from Business, Consumer Services and Housing (BCSH), California Department of Housing and Community Development (HCD), and California Housing Finance Agency (CalHFA) conducted significant and ongoing engagement with industry partners, including developers, local and tribal governments, lenders, investors. This engagement built upon the robust outreach conducted through the Assembly Bill 519 Workgroups.

This memo identifies key policy areas that were identified by partners as top priorities for the new Housing Development and Finance Committee (HDFC). These policy areas are listed below for Executive Committee consideration to add to future agendas, so that the Executive Committee can give direction to HDFC staff to conduct research, engage stakeholders as needed, and present updates and recommendations on how these policy areas could inform HDFC's work.

Priority Policy Areas

- Progress on Statewide Housing Plan and Action Plan for Preventing and Ending Homelessness and implications for HDFC's work
- Construction lending
- Underwriting and closing process improvements
- Portfolio and asset management strategies
- Federal updates
- New and emerging housing innovations