

November 17, 2020

**Subject:** Fiscal Year 2019-20 Round 6 Affordable Housing and Sustainable Communities Program Guidelines Adoption

**Reporting Period:** June – November 2020

**Staff Lead:** Ryan Silber, AHSC Program Manager

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## Recommended Action

Adopt the Fiscal Year 2019-20 Round 6 Final Draft Affordable Housing and Sustainable Communities Program Guidelines. Following the California Strategic Growth Council's adoption of the Guidelines, the AHSC program will release the Notice of Funding Availability and solicit projects eligible under these Guidelines using a competitive process for the sixth round of the Affordable Housing and Sustainable Communities Program.

## Summary

This report provides background on the Affordable Housing and Sustainable Communities Program (AHSC) and summarizes changes proposed to the AHSC Program Guidelines for AHSC Fiscal Year 2019-20 Round 6. The changes described below reflect updates to the FY 2018-19 Round 5 Guidelines intended to help AHSC respond to challenges arising from the COVID-19 pandemic while continuing to prioritize reducing greenhouse gas (GHG) emissions, producing affordable housing, and supporting priority populations.

A collaborative stakeholder and public engagement process informed the preparation of the Final Draft Guidelines presented for adoption. That process included: feedback from a variety of partners during AHSC's fifth round; a 10-day public comment period on the Round 5 Guidelines and awards process; a 30-day public comment period on the draft Round 6 Guidelines; three interactive webinars; and meetings with stakeholders, technical assistance (TA) providers, and past and prospective applicants. In addition, staff from several State agencies informed the draft Final Guidelines to ensure alignment with State priorities and best practices. For more specific information, see Appendix A: Stakeholder Engagement and Public Comment.

Based on public feedback and collaboration with other State agencies and departments, AHSC Staff recommend changes to eligible costs, eligible projects, grant/loan terms, project requirements, scoring criteria, reporting processes, performance requirements, and the awards process. Most of these changes are detailed below, although this staff report excludes those changes which serve solely to clarify existing guidelines requirements or language.

## Round 6 Process

Table 1: AHSC Round 6 Schedule

Status	Milestone	Timeframe
X	Draft AHSC Round 5 Guidelines Posted	September 16, 2020
X	30 Draft Guidelines Public Comment Period	September 16 - October 16, 2020
	Release of Round 6 NOFA and Application	November 18, 2020
	Application Workshops via Webinar	Early December 2020
	Applications Due Date	February 23, 2021
	Round 6 Awards Adopted by Council	Late June 2021

Following the Council’s adoption of the AHSC Round 6 Guidelines, AHSC will release application materials and open the three-month solicitation period. The application period will close on February 23, 2021. Staff will then review applications for completeness and compliance with AHSC requirements prior to evaluating the applications across AHSC’s three scoring categories: quantitative policy, GHG reductions, and narrative policy scoring. SGC staff will release award recommendations in June 2021 before presenting award recommendations to the Council later that month.

SGC will allocate AHSC awards through a competitive process, according to the following funding targets:

- Project Area Type<sup>1</sup> targets (80% of total funding available):
  - 35%: Transit Oriented Development Projects Area (TOD)
  - 35%: Integrated Connectivity Project Area (ICP)
  - 10%: Rural Innovation Project Areas (RIPA)
- Discretionary Funds (20% of total funding available) – Geographic and Demographic targets:
  - One award for a Tribal project
  - One award for each of the eight geographic areas defined in the AHSC guidelines<sup>2</sup>

SGC will use the remaining discretionary funds to meet Tribal and geographic targets if they are not met through the Project Area Type awards process. If the remaining 20% of funds are not sufficient to meet the Tribal and geographic targets, geographic target projects will replace those projects that scored the lowest in the Project Area Type process. SGC will give special consideration to geographic target projects located within Disadvantaged Communities (DACs) in order to meet the Round 6 requirement that 50% of funds must be invested in DACs. This process is described in detail below and in Section 108 of the Round 6 Guidelines.

<sup>1</sup> See Section 103 and Appendix A of Attachment 1 for a description of Project Area Types.

<sup>2</sup> See Section 108 of Attachment 1 for a list of geographic areas.

## **Recommended Revisions to the Round 6 Program Guidelines**

SGC and the Department of Housing and Community Development (HCD) released the Round 6 Draft AHSC Program Guidelines on September 16, 2020. Guidelines release followed input collected through a 10-day public comment period, interagency working group meetings that included representatives of State partner agencies and departments, and stakeholder meetings. The Final Draft Guidelines incorporate feedback obtained through the subsequent 30-day public comment period, continued interagency collaboration, draft guidelines webinars, and additional stakeholder interviews. This process resulted in updates not only to the guidelines, but also to application materials and the AHSC Benefits Calculator tool used to quantify and score expected GHG emissions reductions from AHSC projects. For more specific information, see Appendix A: Stakeholder Engagement and Public Comment.

This section of the staff report identifies the most significant proposed updates to the AHSC Guidelines. A complete list of the proposed updates, including additional information on the topics identified in this section, appears in Appendix C.

### ***Geographic Targets***

Over the past few rounds, stakeholders have expressed a perceived inability for projects in certain locations to compete for AHSC funding due to variations in local government capacity, and in the type, usage, and planning capacities of transit systems. For Round 6, AHSC Staff propose – as a pilot – to award at least one project in each of eight geographies of California identified not by population or by the presence of DACs. Establishing geographic targets 1) ensures some minimum access to AHSC funding by communities across the state in AHSC Round 6; 2) results in projects that display the value of transit-oriented infill development in a variety of urban contexts; and 3) encourages these geographies to continue to apply in future rounds. AHSC staff will first recommend awards through the competitive Project Area targets process. If the project area type and Tribal target allocations do not result in at least one award in each of the eight regions, these regional targets will be met using the remaining discretionary funds.

The geographic targets are a one-year pilot; AHSC staff will reconsider them as they work to recategorize Project Area Types and in light of future funding availability.

### ***Minimum Score Requirements***

In order to maintain a high level of quality across AHSC awards – particularly given the Program’s multiple funding targets – Staff propose establishing two minimum score thresholds that all projects must meet in order to receive an award: a minimum total score threshold and an estimated GHG reduction threshold. In recognition of historic inequity in access to resources by Tribal communities, and in order to sustain AHSC’s momentum in supporting Tribal projects, applications from Tribal communities would be excluded from both minimum scoring requirements.

The minimum total score threshold of 70 points is based on the lowest scores of awarded projects in previous rounds. Only one award from AHSC’s past three funding

rounds would have been eliminated by this 70-point minimum. In addition, 70% of all projects to reach the final scoring phase during these three rounds achieved a score of at least 70 points.

Staff propose a GHG reductions minimum threshold by Project Area Type as follows:

- TOD Projects: 19,850 MTCO<sub>2</sub>e
- ICP Projects: 15,186 MTCO<sub>2</sub>e
- RIPA Projects: 7,203 MTCO<sub>2</sub>e

Staff evaluated the efficacy of setting a threshold based on estimated emissions reductions versus a threshold based on GHG scores and determined that the GHG reduction threshold would provide greater certainty to applicants about their ability to meet the threshold.

At 15 GHG points (out of 30 total) – the common lowest GHG score of projects awarded over AHSC’s last three rounds – approximately 30% of projects were eliminated. Staff set the estimated GHG reduction thresholds at the 30<sup>th</sup> percentile of GHG reductions by Project Area Type for Round 5 applications. Then Staff increased these numbers by 5% to account for expected increases in reduction estimates resulting from changes to the AHSC Benefits Calculator Tool.

### ***Project Area Targets***

Staff propose resetting the ICP funding target from its Round 5 value of 45% of total funds to its Rounds 3 and 4 value of 35%. This change will free up more funds to fulfill geographic targets and reduce the likelihood of having to use funds initially identified for Project Area targets in order to meet geographic targets. Reducing the ICP target by 10% will help increase discretionary funds available to meet geographic targets, statutory requirements, and other priority considerations.

### ***GHG Scoring***

In order to provide more balance in scoring between AHSC project components and reduce the impact of uncertainty in transit ridership due to COVID-19, Staff propose a new structure for scoring estimated GHG reductions from projects. Still worth 30 total points, the GHG scoring section would break into three categories: GHG reductions associated with expanded transit service, transit capital improvements, and fare reductions (hereinafter referred to as “transit GHGs”); GHG reductions associated with housing, active transportation, and renewable energy (hereinafter referred to as “local GHGs”); and the cost efficiency of total project GHG reductions. Projects will be scored on a competitive basis, grouped into five scoring tiers or “bins” based on relative reductions, as in previous rounds of funding.

Local GHGs (10 total available points) are those quantified and occurring within the immediate AHSC project area, including reductions resulting from transit-oriented affordable housing, active transportation infrastructure, and renewable energy

generation. Transit GHGs (five total available points) are those that happen beyond the immediate AHSC project area, which in AHSC’s case are reductions resulting from transit expansion projects. These generally provide service to and reduce emissions from passengers in the greater area.

Separating the transit GHGs from the local GHGs reductions from housing, active transportation, and renewable energy places increased emphasis on the latter, which are traditionally overshadowed by transit GHGs. Additionally, transit GHGs are heavily based upon ridership estimates, which face high levels of uncertainty due to COVID-19. Though transit GHGs will still play a large role in GHG scoring – including the cost efficiency of GHG reductions – the breakout category for other reductions ensures that the 30 points available for GHG reductions provide a more balanced incentive across all GHG-reducing project components.

Table 2: AHSC Round 6 GHG scoring structure.

Transit Bin Scoring		Affordable Housing, Active Transportation, and Renewable Energy Bin Scoring		Cost Efficiency of GHG Reductions Bin Scoring
Bin 1 = 5 points		Bin 1 = 10 points		Bin 1 = 15 points
Bin 2 = 4 points		Bin 2 = 8 points		Bin 2 = 12 points
Bin 3 = 3 points	+	Bin 3 = 6 points	+	Bin 3 = 9 points
Bin 4 = 2 points		Bin 4 = 4 points		Bin 4 = 6 points
Bin 5 = 1 points*		Bin 5 = 2 points		Bin 5 = 3 points

**Homeownership Assistance Amount**

Staff propose adjusting the formula for calculating maximum award amounts for AHSC homeownership projects to match that available for rental housing projects. In addition, Staff recommend allowing funding homeownership units serving populations earning 60-80% of the Area Median Income. This proposed change, which recognizes that homeownership provides both housing stability and an opportunity for households to build wealth, results from multiple meetings between staff from SGC, HCD, and Habitat for Humanity seeking to identify barriers to competition within a combined rental and homeownership affordable housing funding program. While Staff recommend additional analysis in future rounds, Staff believe these changes will result in greater access to AHSC funds by homeownership projects.

**Electrification Scoring**

Staff propose adding two points to the Green Buildings and Renewable Energy scoring section for projects that achieve all-electric design. Recognizing the need to rapidly decarbonize the residential building sector, AHSC Staff expect all-electric design to become a requirement in future rounds of AHSC.

During both the 10-day and 30-day public comment periods, affordable housing developers and advocates voiced concern about including an all-electric requirement in AHSC Round 6; many applicants have already completed their design and planning documents, which sometimes include connections to natural gas infrastructure and unit connections. Returning to the design phase would increase the cost for projects, possibly requiring some applicants to revisit the entitlements process, which may jeopardize their AHSC eligibility. Additionally, rural advocates have voiced concern that some rural electric grids cannot support all-electric housing developments. Staff will evaluate this concern. By adding two points to provide an incentive for all-electric design in Round 6, SGC seeks to provide advanced notice to developers that future AHSC project eligibility may include all-electric design.

### ***Local Workforce Development & Hiring Practices Scoring***

Staff revised the strategies eligible for points in the local workforce development and hiring practices scoring section to align with California's High Road Training Partnership objectives as well as to increase the scoring in this category to reward projects proposing to implement multiple strategies. Staff received robust feedback from workforce development entities that requested the State emphasize the quality of jobs provided rather than simple jobs placement. With historic levels of unemployment resulting from the COVID-19 pandemic and the related financial crisis, access to quality jobs – not just any jobs – is of increasing importance. Changes to the guidelines reflect this need by creating incentives for projects to contract with apprenticeships, pre-apprenticeships, and workforce development entities that meet State standards, use widely-accepted training curriculums, or display high rates of jobs placement. Projects are additionally required to detail the nature of the agreement or relationship used to fulfill these points.

### ***COVID-19 Responsiveness***

The COVID-19 pandemic has raised new issues and challenges for AHSC applicants, including temporary transit service cuts, longer construction timelines due to workforce social distancing, decreased local government capacity due to emergency response work and variable work-from-home capabilities, longer public permitting timelines, and barriers to community engagement. To address these issues, Staff recommend the following updates:

- Qualifying projects based on pre-COVID-19 transit service, irrespective of pandemic-induced service cuts
- Defining eligible transit projects as expanding upon current levels of service, not pre-COVID levels of service
- Allowing awardees to incur AHSC-related costs as soon as projects are awarded instead of by the time contracts are signed
- Extending maximum allowable construction start and completion timelines by one year
- Extending time allowed to submit local approvals by 30 days



- Requiring that all housing developments are connected to broadband infrastructure

Staff will review each of these changes before future funding rounds to determine if they are still necessary or desired.

## Council Recommendation

Adopt the Fiscal Year 2019-20 Round 6 Final Draft Affordable Housing and Sustainable Communities Program Guidelines. Following the California Strategic Growth Council's adoption of the Guidelines, the AHSC program will release the Notice of Funding Availability and solicit projects eligible under these Guidelines using a competitive process for the sixth round of the Affordable Housing and Sustainable Communities Program.

Should the Council agree with staff's recommendation, the following motion language is suggested:

**"I move that the Council approve the Fiscal Year 2019-20 Round 6 AHSC Program Final Draft Guidelines. Approval of this motion directs staff to solicit projects for a sixth round of program funding."**

## Appendices

Appendix A: Stakeholder Engagement and Public Comment Summary

Appendix B: AHSC Program Background

Appendix C: Summary List of Proposed Changes to the AHSC Guidelines

## Attachments

Attachment 1 – FY 2019-2020 Round 6 Final Draft Affordable Housing and Sustainable Communities Program Guidelines.

## Appendix A: Stakeholder Engagement and Public Comment Summary

The proposed Guidelines incorporate feedback resulting from collaborations with a variety of partners during AHSC’s fifth round. In addition, the California Strategic Growth Council (SGC) gathered input via: a 10-day public comment period following Round 5 awards on the previous Guidelines and application process; a 30-day public comment period on the draft Round 6 Guidelines; three interactive webinars; and meetings with advocates, TA providers, and past and prospective applicants.

### *AHSC public feedback events*

<b>Event</b>	<b>Date(s)</b>	<b>Participants/Letters Received</b>
Round 5 Guidelines public comment period	July 13 – 23, 2020	26
Round 6 Draft Guidelines public comment period	September 16 – October 16, 2020	49
Draft Guidelines Workshops	October 1, 6, and 8, 2020	146

California Air Resources Board (CARB) Staff released the Draft AHSC GHG Quantification Methodology on September 16, 2020 for a two-week public comment period. The Final Draft Guidelines and GHG Quantification Methodology incorporate feedback obtained through public comments, workshops, stakeholder meetings between July and October 2020, and solicited throughout the fifth round of funding as well as State agency and department collaboration.

Finally, a Steering Committee including members from SGC, CARB, the Department of Housing and Community Development (HCD), the California Department of Transportation (CalTrans), the Governor’s Office of Planning and Research (OPR), the California Department of Public Health, the Business Consumer Services and Housing Agency, and the California State Transportation Agency (CalSTA) helped ensure the proposed Final Draft Guidelines align with State priorities and best practices.



## Appendix B: AHSC Program Background

Public Resource Code section 75210 establishes the Affordable Housing and Sustainable Communities Program "to reduce greenhouse gas emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development..." The AHSC Program is part of California Climate Investments (CCI), an initiative that puts State Cap-and-Trade dollars to work; CCI sets aside 50 percent of the available funds for projects benefitting Disadvantaged Communities. CCI and AHSC play a critical role in the State's overall efforts to reduce greenhouse gas (GHG) emissions, strengthen the economy, and improve public health and the environment in communities across the state. Health and Safety Code section 39719 allocates 20 percent of GGRF annual proceeds to the AHSC Program which, to date, has awarded over \$1.6 billion in funds.

The AHSC Program provides grants and loans for capital projects and programming, including affordable housing development and transportation improvements that encourage walking, bicycling, and transit use resulting in fewer passenger vehicle miles travelled (VMT). The Sustainable Agricultural Land Conservation (SALC) Program, which draws funding from a portion of the AHSC Program appropriation, advances agricultural land preservation through conservation easements to complement AHSC's focus on infill development.

### Who is Eligible for AHSC Funds?

The following entities are eligible to apply for AHSC Program funds, as a sole or joint applicant:

#### *AHSC eligible applicants*

Local Government (City, County, City/County)	Local Transportation Agency	Public Housing Authority
Transit Agency or Operator	Regional Transportation Planning Agency	Congestion Management Agency
Joint Powers Authority	School District	Facilities District
University or Community College District	Developer: Public, Private, or Nonprofit	Program Operator: Public, Private, or Nonprofit
Qualified Tribal Entity		

### What does AHSC Fund?

AHSC supports the following types of capital projects that reduce passenger VMT and support transportation mode shifts:

- Affordable housing development in close proximity to transit designed to exceed current requirements for energy efficiency, green building, water efficient uses, low impact development, and renewable energy

- Capital infrastructure projects, including:
  - Active transportation capital projects, including pedestrian, bicycle infrastructure, crosswalks, and other capital projects which increase connectivity and accessibility
  - Infrastructure (water, sewer, roads, etc.) that directly serves affordable housing development in proximity to transit
  - Urban greening components designed in coordination with affordable housing, active transportation, or transit capital projects (e.g. tree canopy along walkable and bikeable corridors, parks and open space adjacent to housing, etc.)
  - Capital costs associated with increasing the capacity of a transit system, including expanded fleet (e.g. vanpool, car share, shuttles, ZEV charging infrastructure, transit stops/stations) or expanded service (e.g. route expansions, frequency increases)
  - Capital costs supporting to expand public transit access and increase connectivity between destinations and transportation modes
- Transit operations costs associated with capital expansion projects
- Programs supporting shifts in transportation mode and co-benefit priorities, including:
  - Active transportation outreach (e.g., safety, awareness)
  - Transit ridership programs (e.g., transit passes, outreach programs)
  - Criteria air pollutant and air pollution exposure reduction programs
  - Workforce development programs
  - Zero-emission vehicle car share programs for low-income individual
  - Tenant legal counseling

### **How are AHSC Awards Determined?**

SGC conducts a competitive process to award AHSC funds. AHSC awards funds to three project area types designed to reflect the diversity of community and transit characteristics across California. Applications are scored out of 100 points on the following criteria: GHG emission reductions (20 points), quantitative policy elements (65 points), and a narrative policy section (15 points).

## Appendix C: Summary List of Proposed AHSC Guidelines Updates

The following summary list contains the proposed updates to the AHSC Round 6 Guidelines, listed in order of appearance. Simple clarifications or text corrections are not listed.

### Section 103. Eligible Costs

- AHD/HRI: Installation of broadband trunk line or Wi-Fi infrastructure are eligible costs. Costs and fees associated with the ongoing provision of internet service are not be eligible.
- STI: Transit related costs can now be tied to returns to service levels seen prior to COVID-19 rather than expansions beyond those levels.
- PGM: Tenant legal counseling services are eligible.
- Maximum allowable soft costs were recalculated to be based upon the AHSC project component rather than the total AHSC award.

### Section 104. Assistance Terms and Limits

- Homeownership projects are now eligible for per-unit assistance on the same level as rental projects. Units of up to 80 percent area median income are now eligible for funding.

### Section 106. Program Threshold Requirements

- Projects must now request at least \$200,000 in urban greening costs, expanding upon the already required two or more urban greening features. All but one application from Round 5 proposed at least \$200,000 in urban greening costs.
- Applications have an additional 30 days after the application due date to submit discretionary land use approvals.
- Affordable housing developments must be connected to broadband infrastructure and all units must be ready for broadband access.

### Section 107. Scoring Criteria

- Estimated GHG Emissions Reductions Scoring:
  - This category is now divided into three sub-categories, all of which will be competitively ranked into five scoring tiers.
    - 10 points: Housing, active transportation, and renewable energy GHG Reductions
    - 5 points: Transit GHG Reductions
    - 15 points: Cost Efficiency of Reductions (Reductions/GGRF Funding)
  - GHG reductions resulting from new or expanded transit service due to AHSC funded transit vehicle purchases will not consider emissions reductions resulting from vehicles purchased from leveraged funds.

- Quantitative Policy Scoring:
  - Two points are available for affordable housing developments designed to be all-electric.
  - The three points for proximity of key destinations will now be allocated only if key destinations are within ½ mile of the affordable housing development rather than within the general project area. This change is intended to put additional emphasis on the location efficiency of the housing development rather than transportation improvements.
  - Resident anti-displacement scoring was adjusted to clarify the existing strategies available for scoring, add new strategies, and require additional information about strategies in order to ensure they are in fact occurring.
  - Two points available for prohousing local policies were removed until the final prohousing methodology is released. The full methodology will be incorporated into AHSC's scoring in Round 7.
  - Local workforce development and hiring practices scoring are modified to better align with California's High Road Training Partnership, putting an emphasis on partnerships and training programs with pathways to quality jobs.
  - Two points available for urban greening expenditures has been removed and incorporated as a threshold requirement. All but one project in Round 5 received full points in this category.

### **Section 108. Application Process**

- The Integrated Connectivity Project area target is reduced from its round 5 value of 45 percent back to its rounds 3 and 4 value of 35 percent of total funds.
- Funds targeted for the discretion of the Council are reduced from their round 5 value of 10 percent back to its rounds 3 and 4 value of 20 percent.
- A geographic target pilot sets a minimum target of one award in each of eight geographic areas across California. These geographic targets are a pilot active only. The eight geographies are based upon HCD's Regional Early Action Planning Grant allocations, with two adjustments:
  - Southern California is split into an Inland and Coastal geography. This split accounts for the large overall population of the Southern California geography and growth within Inland Southern California through California.
  - Ventura County is shifted from Southern California to the Central Coast geography. Ventura County urban centers and their approaches to AHSC more similarly mirror those of communities in the Central Coast geography.

The breakdown of geographic target areas, proposed to receive at least one award each, is as follows:



*AHSC geographic target areas*

<b>Geographic Area</b>	<b>Map Number</b>	<b>Counties</b>
Sacramento Area	1	Sacramento, Yolo, Sutter, Yuba, Placer, El Dorado
San Diego Area	2	San Diego
San Francisco Bay Area	3	Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma
San Joaquin Valley	4	Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare
Coastal Southern California	5	Los Angeles, Orange
Inland Southern California	6	Riverside, San Bernardino, Imperial
Central Coast	7	Ventura, Santa Barbara, San Luis Obispo, Monterey, San Benito, Santa Cruz
North State & Sierras	8	Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, Trinity, Tuolumne

*Map of AHSC geographic target areas*



- AHSC now requires a minimum Total Score of at least 70 and a minimum estimated GHG reductions in order to be considered for award. Tribal projects are exempt from these minimum score requirements. Minimum estimated GHG reductions are as follows:
  - TOD Projects: 19,850 MTCO<sub>2</sub>e
  - ICP Projects: 15,186 MTCO<sub>2</sub>e
  - RIPA Projects: 7,203 MTCO<sub>2</sub>e
- The guidelines expand upon jobs and outcomes reporting requirements for awarded projects, mandatory according to CARB's California Climate Investments Funding Guidelines.

### **Appendix A. Definitions**

- Context Sensitive Bikeways: Provides additional flexibility to local governments for proposing safe bike routes through AHSC projects. This definition is now based upon recent guidance issued by Caltrans.
- Enforceable Funding Commitments: Low-income housing tax credit equity contributions resulting from nine percent low-income housing tax credits will be considered leveraged funds without needing a tax credit reservation letter. This change will align consideration of four and nine percent tax credits, which are both competitively allocated and necessary funding for nearly all AHSC projects.
- High Quality and Qualifying Transit: Defines that the level of service required to fulfill these definitions may have occurred as early as January 2020, prior to possible service cuts resulting from the COVID-19 pandemic. As a result, service cuts will not result in ineligibility of projects.
- Qualified Tribal Entity: Defines which groups are eligible to receive AHSC's Tribal funding target. The intent of this change is to ensure Tribes are direct beneficiaries of AHSC funding.
- Net Density: Adjusts this definition to allow utility easements and areas physically unable to support housing as deductible areas in net density calculations.

