

Affordable Housing and Sustainable Communities (AHSC) Round 10 Guidelines: Summary of Key Changes

Summary

The California Strategic Growth Council (SGC), California Department of Housing and Community Development (HCD), and California Air Resources Board (CARB) are updating guidelines, Notice of Funding Availability (NOFA), Application Workbook, supplementary materials and the AHSC Benefits Calculator for Round 10 of the AHSC program. Materials will be posted as they become available at:

<https://sgc.ca.gov/grant-programs/ahsc/>.

This document serves to summarize notable updates from Round 9 Guidelines to Round 10 Guidelines. The final Program Guidelines should be referenced for detailed information. The Round 10 AHSC Program Guidelines will be released along with this document on Feb. 13 and presented to the Council for adoption at the Feb. 25 SGC Council Meeting. Meeting details and materials will be available at:

<https://sgc.ca.gov/meetings-events/council/>. The Round 10 Notice of Funding Availability (NOFA) will be released in March 2026, with approximately \$650 million available.

For additional information on the AHSC Program throughout the year, please sign up for the [AHSC Program Announcement List](#). For ease of review, the most impactful changes are highlighted in yellow and have an asterisk (*) symbol preceding it.

Throughout Guidelines

- Formatting changes to reduce lists and tables for legibility.
- Streamlined language, reduced repetition and more consistent terminology throughout the Guidelines.

AHSC General Overview

- N/A

Eligible Projects and Applicants

- Section 103(d): Updated payee definition with the correct citation.
- Section 103(d)(1): Streamlined language on inclusion of Locality as applicant for clarity.
- Section 103(f)(3)(A): Clarified that non-Applicant may be a Payee of applicable (Housing-Related Infrastructure (HRI) or Sustainable Transportation Infrastructure (STI) funding components.

Assistance Limits, Eligible Use of Funds, and Threshold Items

- Section 103.1(g)(5): Specified that Proposed Rents may only be used if a Locality has rent restrictions that differ from TCAC and are required due to a local ordinance.
- Section 104(g)(3)(P): Added an additional example of an eligible Program (PGM) cost to allow transportation safety and awareness programs specifically addressing Human Trafficking, Missing and Murdered Indigenous People (MMIP/MMIW) initiatives.
- ***Section 104(f)(7):** Under examples of eligible STI costs, Transit Zero-Emission Vehicles (ZEV), charging, or transit vehicle storage infrastructure do not need to be for new service or service expansion.

Scoring Criteria

- ***Section 111 QPS(a)(5)(F):** Removed requirement that ZEV bus has to reduce headways. As long as the purchased ZEV bus services the Project Area, the Applicant will be eligible for Local Bus points. Given the reduced funding environment for ZEVs, this provides increased incentive



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- ***Section 111 QPS(a)(5)(F)**: Removed requirement that ZEV bus has to reduce headways. As long as the purchased ZEV bus services the Project Area, the Applicant will be eligible for Local Bus points. Given the reduced funding environment for ZEVs, this provides increased incentive to purchase ZEV buses.
- ***Section 111 QPS(b)(1)**: Adjusted Key Destinations scoring criteria for projects in Indian Country by increasing the allowable distance from one half mile to one mile from the Affordable Housing Development. Tribal communities often face limited access to services and are more likely to be in resource-sparse or rural areas where essential destinations are spread farther apart. Expanding the distance threshold would create a more equitable scoring framework for projects in Indian Country.
- ***Section 111 QPS(c)(2)(B)**: Clarified that for Homeownership AHDs, Applicants must commit funding for all construction financing, grants, and subsidies excluding the amount requested from the AHSC Program. Assistance for capital expenditures will be deemed to be an Enforceable Funding Commitments (EFC) if it has been awarded to the Project or if the Department approves other evidence that the assistance will be reliably available.
- **Section 111 QPS(e)(1)**: Clarified that to obtain local workforce development and hiring practices points, a single strategy cannot be used twice for full points. Each distinct strategy is worth 1.5 points.

Application and Selection Process

- N/A

Legal and Reporting Requirements

- **Section 114**: Clarified that Homeownership AHDs supported by the AHSC Program grant shall be subject to a Monitoring Agreement with a duration of at least 30 years and not 20 years.
- **Section 114(c)(3)**: Clarified that a recorded covenant is required only upon the award of HRI Capital Project grant funds, rather than upon the award of all AHSC grant components HRI, STI, and PGM Costs. This aligns with previous AHSC rounds and longstanding program practice regarding when covenants are required.

Appendices: Definitions

- Refined definition for “Key Destinations” to note that it should have a consistent presence located within the Project Area. Key Destinations must be operational at the time of application and provide services at least once a week throughout the year on a publicly advertised schedule. This is to be inclusive of mobile services. Also specified that a public library must provide full access to book-lending privileges for the general public.
- For “Qualifying Transit”, clarified that the existing On-Demand Transit Service must have publicly posted hours of service, but is not required to operate during each Peak Period.

Additional Changes and Clarifications

- AHSC staff are updating supplemental materials (i.e., narrative prompts, climate matrix) for clarity and ease of use.
- ARB made minor, clarifying edits to the Transit Greenhouse Gas (GHG) Input Letter and Solar GHG Input Letter. CARB made no updates to the AHSC Benefits Calculator Tool. Set to be published on the [CCI Reporting Tools webpage](#) on March 4.

