CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE 915 CAPITOL MALL, ROOM 485 SACRAMENTO, CA 95814 TELEPHONE: (916) 654-6340 FAX: (916) 654-6033

William J. Pavão Executive Director

MEMBERS: Bill Lockyer, Chair State Treasurer

Michael C. Genest, Director Department of Finance

John Chiang State Controller

DATE:	June 1, 2009
ГО:	Low Income Housing Tax Credit Stakeholders
FROM:	William J. Pavão, Executive Director
SUBJECT:	Clarification Regarding Zoning and Land Use Approvals for Upcoming Nine Percent (9%) Tax Credit Applications

The recently posted Questions and Answers response to question number 19 contained a note stating that a proposed site's land use approval and zoning must be in place by the application deadline of June 9, 2009. Prospective applicants have noted that this guidance is at odds with the Tax Credit Allocation Committee's (TCAC's) April 8, 2009 memorandum establishing the single 2009 funding round. That memorandum stated that "applicants would not need to show local entitlements by the application deadline."

Recently-adopted Section 10323(d)(2) explicitly permits, for 2009 only, that items (B) through (D) of Section 10325(c)(8) may be documented by August 17, 2009. Item (C) within Section 10325(c)(8) is "evidence of all necessary public approvals except building permits."

Consistent with the April 8th memorandum, public approvals include the items listed under Section 10325(f)(4), "Local approvals and Zoning." Therefore, for 2009 only, applicants must provide evidence that the project is zoned for the intended use, and has obtained local land use approvals by **August 17, 2009** rather than the application due date of June 9, 2009.

If you have any questions regarding this matter, please contact your regional analyst as listed at <u>http://www.treasurer.ca.gov/ctcac/assignments.pdf</u>.