

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: May 20, 2009
TO: Low Income Housing Tax Credit Project Owners and Applicants
FROM: Tax Credit Allocation Committee
RE: 2009 Income Limits and Maximum Rents **REVISED**

On March 19, 2009, the U.S. Department of Housing and Urban Development (HUD) published 2009 Income Limits applicable to low income housing funded with tax credits (LIHTC projects). TCAC utilizes the information published by HUD to calculate maximum rents and income limits for California LIHTC projects. Attached are the 2009 income limits and maximum rents for California's 58 counties.

There are two sets of income limits and maximum rents ("HERA" and "Non-HERA") for the following seven counties:

- Marin
- Nevada
- San Francisco
- San Mateo
- Santa Clara
- Solano
- Ventura

Please read this memo carefully to determine which set of income limits and maximum rents are applicable to your project(s) for the above seven counties.

Section 3009(a) of the Housing and Economic Recovery Act (HERA) includes provisions for increases to income limits in areas impacted by the HUD "hold harmless policy." As a result, HUD published "HERA Special Income Limits" for "HUD Hold Harmless Impacted Projects." In California, these apply only to the seven counties listed above.

HERA Special Income Limits are applicable only to projects which had area median gross income determined in 2007 and 2008. Due to confusion arising from the language "area median gross income determined with respect to certain projects in calendar years 2007 and 2008," the Internal Revenue Service (IRS) provided further clarification in the May 2009 issue of *Low Income Housing Credit Newsletter*. This

newsletter states that if a project “was in service, or placed in service during 2007 or 2008, you relied on the income limits provided by HUD [HERA]. Conversely, if your project was not placed in service until after December 31, 2008, you could not have relied on the income limits provided by HUD in 2007 or 2008 [Non-HERA].” In addition, the newsletter provides guidance for projects with placed in service dates both inside and outside of the date range parameters, stating “if at least one building in the project was placed in service during 2007 or 2008, then all the buildings in the project are subject to the HERA Special 50% and 60% income limits.”

Please note, this memo provides summary information of published IRS guidance.

Please review the entire IRS newsletter prior to determining which income limits and maximum rents are applicable to your project(s).

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

2009 HERA Maximum Rent Levels

By using the HERA 2009 Maximum Income Limits you have indicated that your project is in one of the seven counties held harmless by HUD and the project was placed in service prior to January 1, 2009.

Revised per HUD Notice
Effective: March 19, 2009

Maximum Rents for Projects From Ceilings Post-1989 and Those from the Pre-1990 Ceilings That Elected with the Secretary of the Treasury* to use the Post-1989 Rents
**(See IRC Section 42 - Section 13142(c) of the Omnibus Budget Reconciliation Act of 1993)*

County	Efficiency	1 BR	2 BR	3 BR	4 BR	5 BR
MARIN*						
100% Income Level	\$2,032	\$2,176	\$2,612	\$3,018	\$3,366	\$3,716
60% Income Level	\$1,219	\$1,306	\$1,567	\$1,811	\$2,020	\$2,229
55% Income Level	\$1,117	\$1,197	\$1,436	\$1,660	\$1,852	\$2,043
50% Income Level	\$1,016	\$1,088	\$1,306	\$1,509	\$1,683	\$1,858
45% Income Level	\$914	\$979	\$1,175	\$1,358	\$1,515	\$1,672
40% Income Level	\$813	\$871	\$1,045	\$1,207	\$1,347	\$1,486
35% Income Level	\$711	\$762	\$914	\$1,056	\$1,178	\$1,300
30% Income Level	\$609	\$653	\$783	\$905	\$1,010	\$1,114
NEVADA*						
100% Income Level	\$1,216	\$1,302	\$1,564	\$1,806	\$2,014	\$2,222
60% Income Level	\$730	\$782	\$939	\$1,084	\$1,209	\$1,334
55% Income Level	\$669	\$717	\$860	\$994	\$1,108	\$1,223
50% Income Level	\$608	\$651	\$782	\$903	\$1,007	\$1,111
45% Income Level	\$547	\$586	\$704	\$813	\$906	\$1,000
40% Income Level	\$487	\$521	\$626	\$723	\$806	\$889
35% Income Level	\$426	\$456	\$547	\$632	\$705	\$778
30% Income Level	\$365	\$391	\$469	\$542	\$604	\$667
SAN FRANCISCO*						
100% Income Level	\$2,032	\$2,176	\$2,612	\$3,018	\$3,366	\$3,716
60% Income Level	\$1,219	\$1,306	\$1,567	\$1,811	\$2,020	\$2,229
55% Income Level	\$1,117	\$1,197	\$1,436	\$1,660	\$1,852	\$2,043
50% Income Level	\$1,016	\$1,088	\$1,306	\$1,509	\$1,683	\$1,858
45% Income Level	\$914	\$979	\$1,175	\$1,358	\$1,515	\$1,672
40% Income Level	\$813	\$871	\$1,045	\$1,207	\$1,347	\$1,486
35% Income Level	\$711	\$762	\$914	\$1,056	\$1,178	\$1,300
30% Income Level	\$609	\$653	\$783	\$905	\$1,010	\$1,114
SAN MATEO*						
100% Income Level	\$2,032	\$2,176	\$2,612	\$3,018	\$3,366	\$3,716
60% Income Level	\$1,219	\$1,306	\$1,567	\$1,811	\$2,020	\$2,229
55% Income Level	\$1,117	\$1,197	\$1,436	\$1,660	\$1,852	\$2,043
50% Income Level	\$1,016	\$1,088	\$1,306	\$1,509	\$1,683	\$1,858
45% Income Level	\$914	\$979	\$1,175	\$1,358	\$1,515	\$1,672
40% Income Level	\$813	\$871	\$1,045	\$1,207	\$1,347	\$1,486
35% Income Level	\$711	\$762	\$914	\$1,056	\$1,178	\$1,300
30% Income Level	\$609	\$653	\$783	\$905	\$1,010	\$1,114

Revised per HUD Notice
 Effective: March 19, 2009

Maximum Rents for Projects From Ceilings Post-1989 and Those from the Pre-1990
 Ceilings That Elected with the Secretary of the Treasury* to use the Post-1989 Rents
 *(See IRC Section 42 - Section 13142(c) of the Omnibus Budget Reconciliation Act of 1993)

County	Efficiency	1 BR	2 BR	3 BR	4 BR	5 BR
SANTA CLARA*						
100% Income Level	\$1,944	\$2,084	\$2,502	\$2,890	\$3,224	\$3,558
60% Income Level	\$1,167	\$1,251	\$1,501	\$1,734	\$1,935	\$2,135
55% Income Level	\$1,069	\$1,146	\$1,376	\$1,590	\$1,773	\$1,957
50% Income Level	\$972	\$1,042	\$1,251	\$1,445	\$1,612	\$1,779
45% Income Level	\$875	\$938	\$1,126	\$1,301	\$1,451	\$1,601
40% Income Level	\$778	\$834	\$1,001	\$1,156	\$1,290	\$1,423
35% Income Level	\$680	\$729	\$875	\$1,011	\$1,128	\$1,245
30% Income Level	\$583	\$625	\$750	\$867	\$967	\$1,067
SOLANO*						
100% Income Level	\$1,410	\$1,510	\$1,812	\$2,094	\$2,336	\$2,578
60% Income Level	\$846	\$906	\$1,087	\$1,257	\$1,402	\$1,547
55% Income Level	\$775	\$831	\$996	\$1,152	\$1,285	\$1,418
50% Income Level	\$705	\$755	\$906	\$1,047	\$1,168	\$1,289
45% Income Level	\$634	\$680	\$815	\$942	\$1,051	\$1,160
40% Income Level	\$564	\$604	\$725	\$838	\$935	\$1,031
35% Income Level	\$493	\$528	\$634	\$733	\$818	\$902
30% Income Level	\$423	\$453	\$543	\$628	\$701	\$773
VENTURA*						
100% Income Level	\$1,536	\$1,646	\$1,976	\$2,284	\$2,550	\$2,812
60% Income Level	\$922	\$988	\$1,186	\$1,371	\$1,530	\$1,687
55% Income Level	\$845	\$906	\$1,087	\$1,256	\$1,402	\$1,546
50% Income Level	\$768	\$823	\$988	\$1,142	\$1,275	\$1,406
45% Income Level	\$691	\$741	\$889	\$1,028	\$1,147	\$1,265
40% Income Level	\$615	\$659	\$791	\$914	\$1,020	\$1,125
35% Income Level	\$538	\$576	\$692	\$799	\$892	\$984
30% Income Level	\$461	\$494	\$593	\$685	\$765	\$843

*HUD has published a "HERA special" income limit in accordance with Section 3009 of the 2008 Housing and Economic Recovery Act for projects with income limits determined under HUD's hold harmless policy in 2007 or 2008.

Income Levels are based on those issued by HUD on March 19, 2009
<http://www.huduser.org/DATASETS/mtsp.htm>