



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

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DATE: March 19, 2020

TO: Property Owners and Management Agents of Low-Income Housing Tax Credit (LIHTC) Properties

FROM: Anthony Zeto, Deputy Executive Director

RE: Guidance for Recertification Procedures, Service Amenities, and Work Orders amidst COVID-19 "Shelter in Place" and "Quarantine" Orders

This memorandum serves as guidance from the California Tax Credit Allocation Committee (TCAC) to owners and property management agents of LIHTC properties in California on the following topics:

1. Guidance for Tenant Recertifications
2. Guidance for Work Orders
3. Guidance for Service Amenities

Guidance for Tenant Certifications and Recertifications

As a precautionary measure in response to concerns and questions regarding tenant certifications and recertifications during the shutdowns, county shelter-in-place and stay-at-home requirements, and recommendations by the Center for Disease Control and Prevention (CDC) to minimize contact and employ social distancing as much as possible, TCAC suggests the following for properties that will have staff working remotely or limiting contact with the public:

1. For all households that will start their 120 day certification/recertification period on or after March 20, 2020:

- a. Management should provide households with a detailed certification/recertification package containing all TCAC required forms and instructions for any additional verification information that needs to be obtained.
 - i. Third Party Verifications such as the Verification of Employment should still be sent to the Employer directly.
 - ii. An envelope should be provided for tenants to return their forms to management
 - b. Management should instruct residents to gather the required information and sign the forms, before sending back to management.
 - i. Tenants should be able to return signed documents via mail or through a designated secure drop box (like a rent drop) in the office that does not require direct contact with management.
 - ii. TCAC also strongly suggests a 60-90 day period for the tenant to gather and return information, to ensure management has sufficient time to review and follow-up for additional information if necessary
 - c. Management agents may sign forms after the date the tenant signs and returns the forms provided it is within the normal 120 day period.
2. For all households that are currently in the process of certification or recertification as of the date of this memorandum:
- a. Management should make all reasonable attempts to collect information, which includes providing the tenants a certification/recertification package containing all TCAC required forms and instructions for any additional verification.
 - b. Tenants should be able to return signed documents via mail or through a designated secure drop box (like a rent drop) in the office that does not require direct contact with management.
 - c. Management agents may sign forms after the date the tenant signs and returns the forms provided it is within the normal 120 day period.
 - d. If absolutely necessary to meet in person (ex: initial Tenant Income Certification (“TIC”)):
 - i. A schedule should be made to limit the number of people in the office at any time.
 - ii. Allowances should be made to utilize the Community Room or anywhere that allows a six (6) foot distance between the management agent and the tenant.
 - iii. Tables and surfaces should be disinfected after each scheduled appointment.
 - e. Any documentation signed after the normal 120 day period should have a “true and correct” statement with a clarification record in the file stating why the recertification was completed late.

For any management companies with on-site staff completely **not working** during a period of shelter-in-place, stay-at-home, quarantine, or shutdown, please immediately notify TCAC via email and provide a formal letter from the Owner of the property that includes all of the following information:

1. The Project Name and TCAC Number for the property
2. The number of Exempt Units on the property and who is currently occupying them
3. The reason for ceasing operations in lieu of working remotely, limiting office hours, or applying CDC recommended guidance of staying 6 feet away from others.
 - i. Please explain why on-site staff who are occupying the exempt unit, cannot continue to work on-site (not leaving the property) using CDC recommended guidelines for maintaining distance
4. The Household Name and Unit Numbers currently in the certification/recertification process that will be affected during the period of inoperation.
5. The plan to address emergency issues and emergency work orders that may arise at the property if operations cease completely.
6. The plan to expedite the certification and recertification process when normal operations resume.

Guidance for Work Orders

As a precautionary measure in response to concerns and questions regarding work order during shutdowns, county shelter-in-place requirements, and recommendations by CDC to minimize contact and employ social distancing as much as possible, TCAC recommends the following:

1. Notify the tenants that management will be postponing any non-essential work order (non-hazardous, non-life threatening, non-reasonable accommodation)
 - i. Keep a working list of these repairs that need to be made
 - ii. Prioritize remaining work orders
2. Schedule remaining work orders based on need/severity
 - i. Have staff wear protective gear such as masks and gloves while completing repairs in a tenant's unit
 - ii. If tenants are home, request that they stay at least six (6) feet from the maintenance person who is completing the work order
3. Making units turn-key ready
 - i. If possible, have only one or two maintenance personnel working in a vacant unit at a time

Guidance for Service Amenities

TCAC is aware of the great need that many Service Amenities fill on our properties, especially to our Seniors and Special Needs properties who have tenants who may be most directly affected by the COVID-19 virus. Following discussion with some service providers, TCAC is committed to determining a course of action that will allow for social distancing and postponement of some services, while still maintaining other service needs for tenants in LIHTC properties. TCAC recommends the following:

1. All food-related programs or potlucks be suspended, except for canned/pre-packaged deliveries
2. Access to the Community Room be limited to no more than 10 people at a time depending on space available
3. Access to the Computer Room be limited to 1-2 people at a time unless space permits more
 - The computer room may be the only access some tenants have to order online delivery service, groceries, or refill prescriptions
4. After School Programs be staggered and limited to no more than 10 children at any one time and the children should remain in the same groups.
 - These may become increasingly important as schools are closed
5. Computer and Community rooms should be sanitized several times a day
6. For case managers, meet in person only after verifying that all parties are healthy and asymptomatic
 - For Senior and Special Needs properties – knocking and checking in on seniors or shut-ins, but not entering the unit will assist in determining if there is any immediate distress

TCAC does recognize that for some tenant populations the above guidance will not be possible. For the properties that choose to cancel or postpone all required service amenities during this period, TCAC will expect that the required hours be made up at a later time in the 2020 calendar year. Should the shelter-in-place and social distancing suggestions from the CDC extend beyond October 2020, TCAC will revisit this expectation.

In addition to the above guidance, TCAC is closely monitoring the situation and following any guidance provided by the CDC, the Governor, and the President. We strongly encourage all LIHTC properties to follow all recommendations from the CDC and the Government, and should additional restrictions be put in place, TCAC recommends using a common sense approach to adapt and follow the restrictions as needed.

The TCAC Compliance Section continues to thank you for your patience and understanding as we closely monitor the situation and work towards meeting our LIHTC obligations, while maintaining respect for the health and safety of TCAC staff, the staff of the owner and management companies, and the residents who reside in the LIHTC properties. For any questions, please contact Elizabeth Gutierrez-Ramos at elizabeth.gutierrez@treasurer.ca.gov or Shannon Nardinelli at shannon.nardinelli@treasurer.ca.gov.