

California Tax Credit Allocation Committee

Judith Blackwell
Executive Director

Shannon Nardinelli
Compliance Program Manager





Overview of Low-Income Tax Credit Properties

- Not a traditional subsidy program
- Provides a “tax credit” to the developer and owner of the property if they provide housing that is income and rent restricted at or below 60% of the Area Median Income (AMI) average.
 - Recent Legislation allows the limits to adjust from 20% to 80% of AMI for new housing as of 2018 but does not affect existing housing.

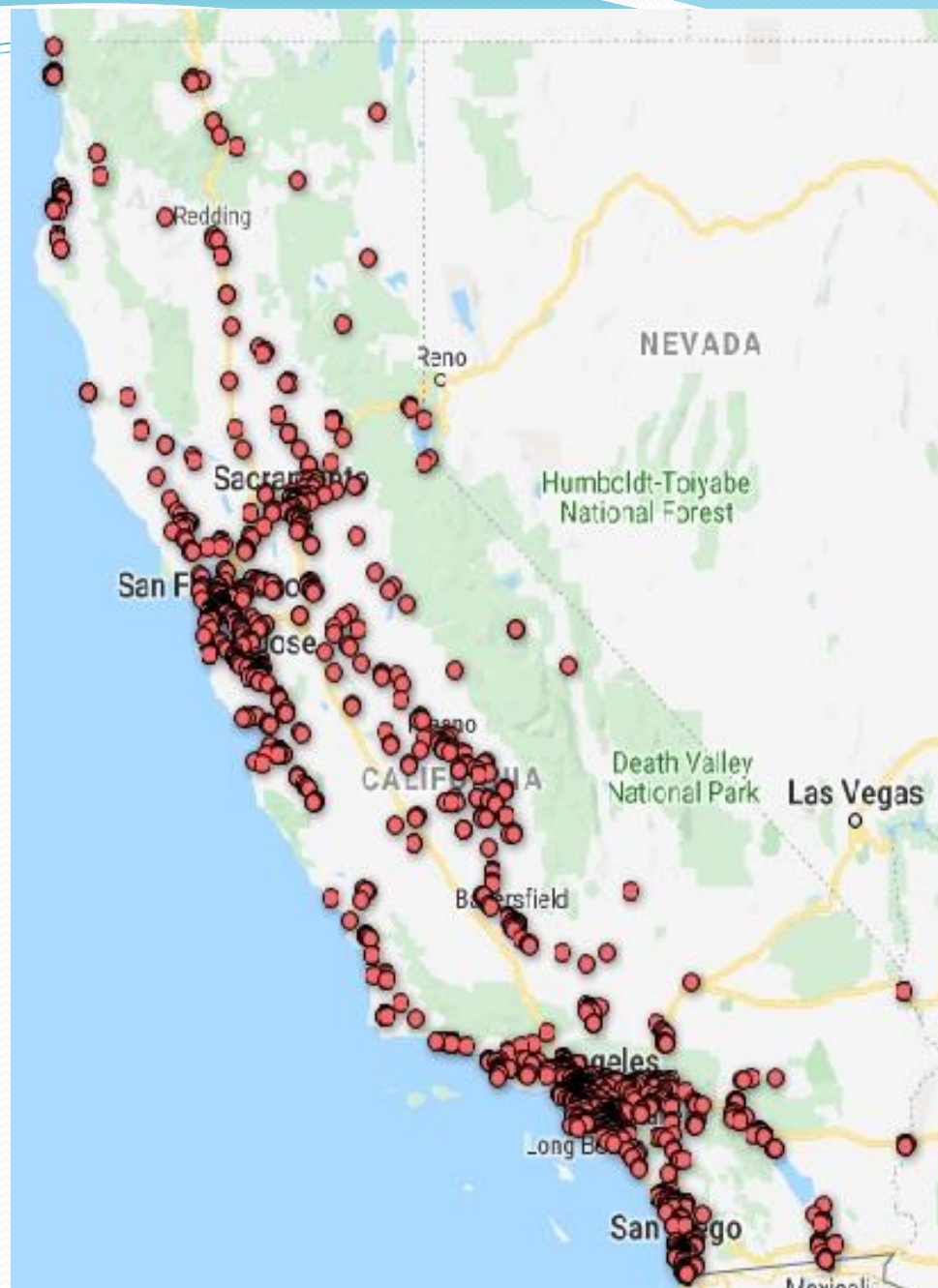
Tax Credit Properties

The Numbers

California currently has 5209 Tax Credit Projects

- 1691 are in Preliminary Reservation
 - New projects that are either still in construction or are currently leasing up but have not received credits yet
- 2817 are in the Federal Compliance Period
- 701 are in the Extended Use Period
- All properties are mapped on our website at:
www.treasurer.ca.gov/ctcac/projects.asp





Tax Credit Properties

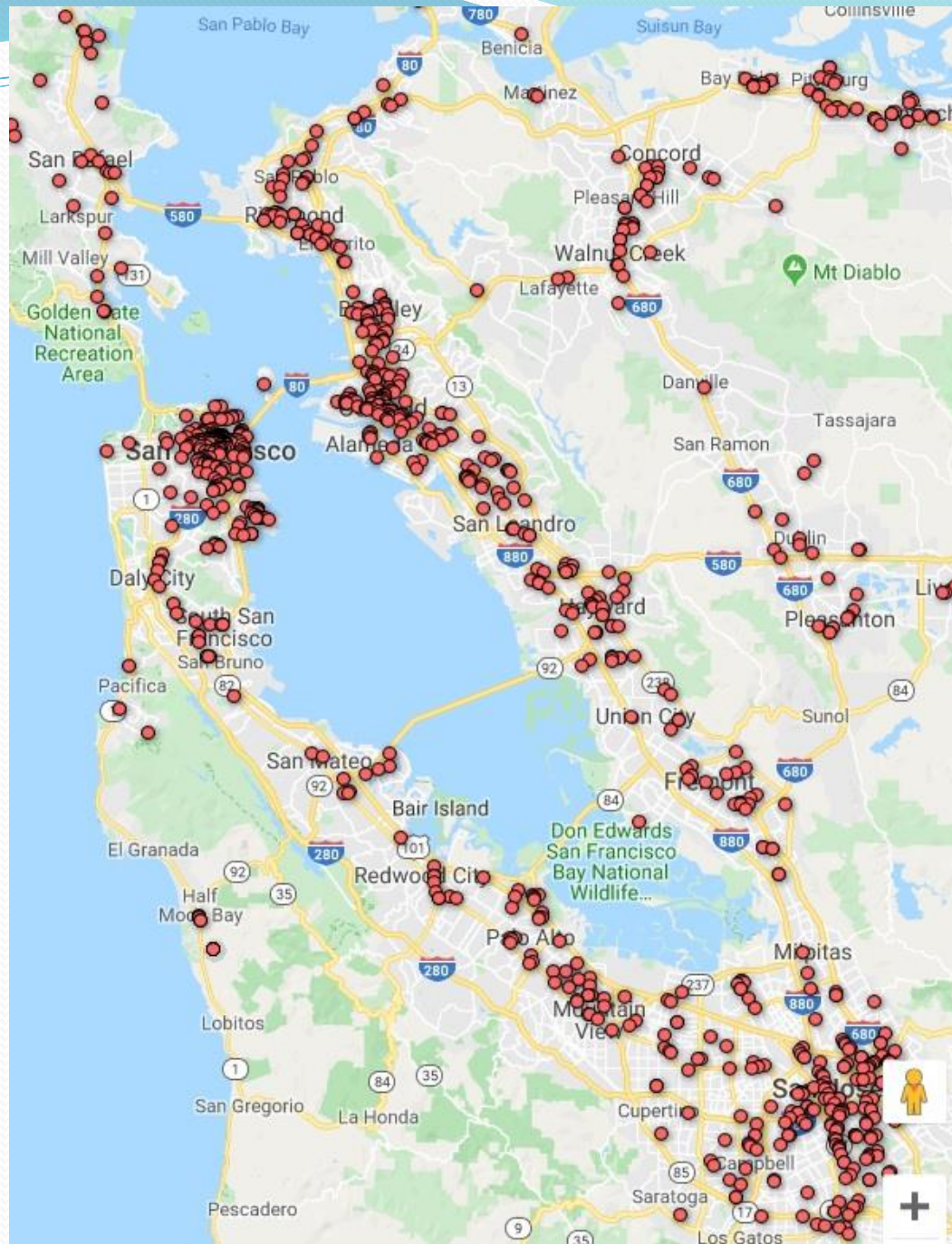
The Numbers

The Greater Bay Area has 765 Tax Credit Projects

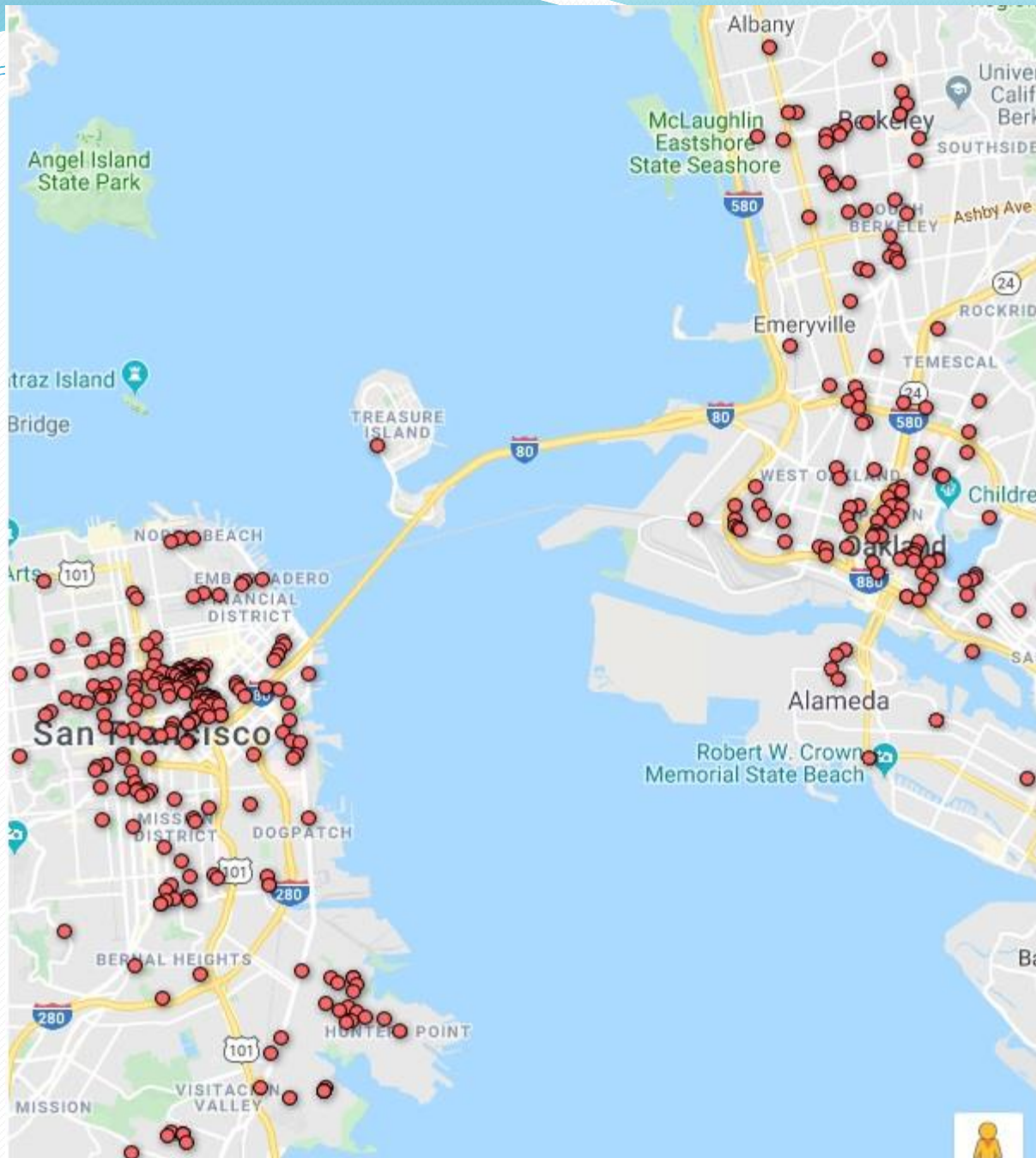
- Alameda
- Contra Costa
- San Francisco
- Marin
- San Mateo



Greater Bay Area



San Francisco and Oakland



Tax Credit Properties

The Types

495 Projects are “Family Centric”

- Multiple Bedroom Sizes
- Amenities designed for Families and Children
 - Play Areas
 - After School Programs
 - Educational Classes



Tax Credit Properties

The Types

- 167 Projects are “Senior Centric”
 - Age Requirements for occupancy
 - Either 55+ or 62+
 - Amenities designed for Adult Populations
 - Service Coordinator
 - Adult Education or Health and Wellness Classes

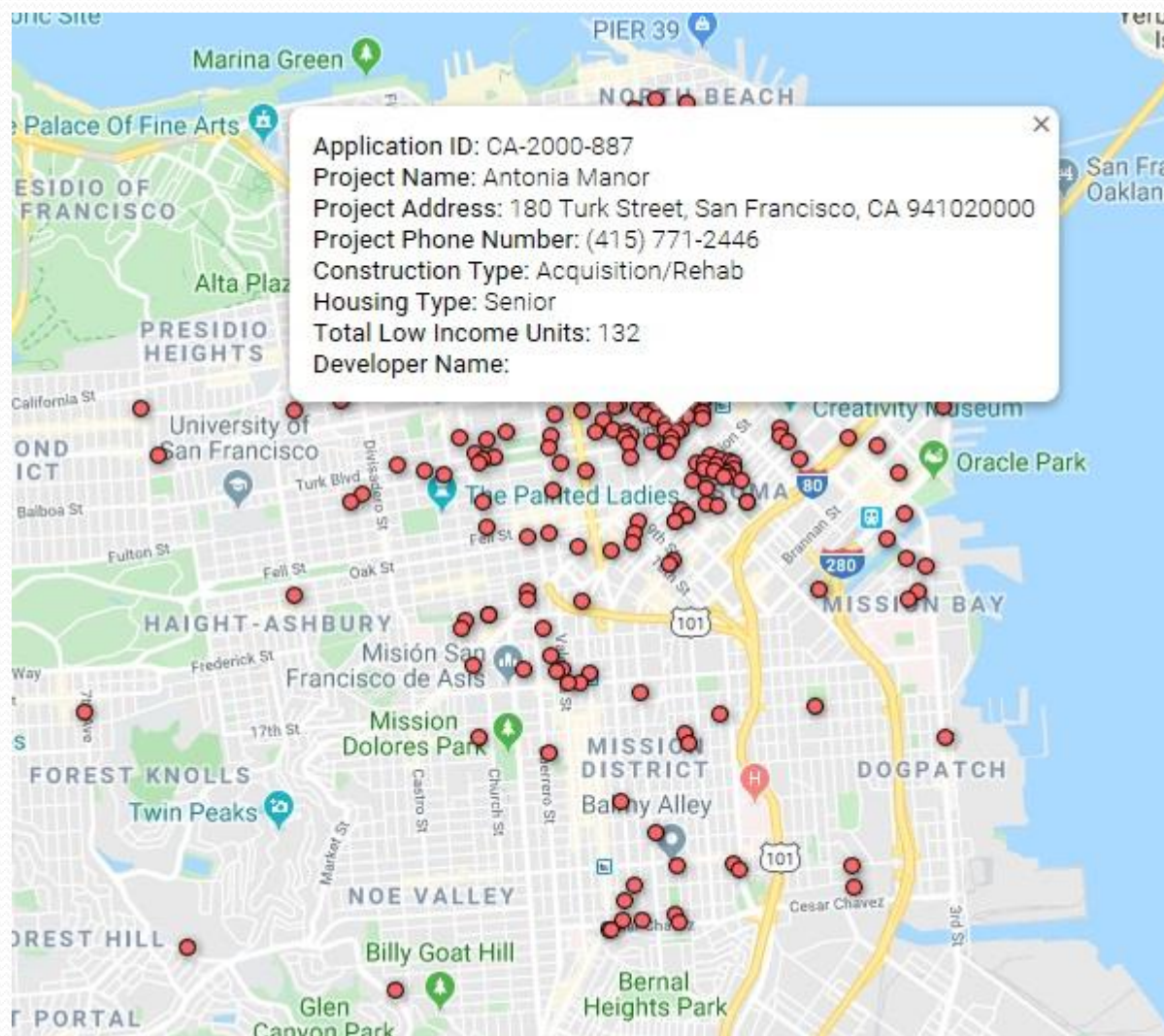


Tax Credit Properties

The Types

- 103 Projects are Special Needs/Single Room Occupancy
 - Additional Amenities and Services designed to serve targeted populations
 - Homelessness
 - Disability
 - Mental Health Issues
 - Services include:
 - Case Manager
 - Educational Classes
 - Health or Behavioral Health Services
 - Service Coordinator







Applying for a Tax Credit Property

Income

- The Management Company will need to project an estimation of your income for the next year to determine if you are qualified
- The Income and Rent Limits are determined by HUD on an annual basis based on a 5 year average of the county where the project is located
 - The Rents are not based on the tenant's income
 - Each project will have a mix of rents determined by the owner
- The income number used is based off the gross income of the household without deductions



County	One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
SAN FRANCISCO								
100% Income Level	\$112,900	\$129,000	\$145,100	\$161,200	\$174,100	\$187,000	\$199,900	\$212,800
80% Income Level	\$90,320	\$103,200	\$116,080	\$128,960	\$139,280	\$149,600	\$159,920	\$170,240
70% Income Level	\$79,030	\$90,300	\$101,570	\$112,840	\$121,870	\$130,900	\$139,930	\$148,960
60% Income Level	\$67,740	\$77,400	\$87,060	\$96,720	\$104,460	\$112,200	\$119,940	\$127,680
55% Income Level	\$62,095	\$70,950	\$79,805	\$88,660	\$95,755	\$102,850	\$109,945	\$117,040
50% Income Level	\$56,450	\$64,500	\$72,550	\$80,600	\$87,050	\$93,500	\$99,950	\$106,400
45% Income Level	\$50,805	\$58,050	\$65,295	\$72,540	\$78,345	\$84,150	\$89,955	\$95,760
40% Income Level	\$45,160	\$51,600	\$58,040	\$64,480	\$69,640	\$74,800	\$79,960	\$85,120
35% Income Level	\$39,515	\$45,150	\$50,785	\$56,420	\$60,935	\$65,450	\$69,965	\$74,480
30% Income Level	\$33,870	\$38,700	\$43,530	\$48,360	\$52,230	\$56,100	\$59,970	\$63,840
20% Income Level	\$22,580	\$25,800	\$29,020	\$32,240	\$34,820	\$37,400	\$39,980	\$42,560

Income

- There are few excluded income sources
 - Active Military – Hostile Fire Pay
 - All other regular pay, special pay, and allowances are counted as income
 - SNAP or Food Stamps
 - Payments received for foster children or foster adults
 - Financial Aid (if household is not receiving Section 8)



Income

- Management will need to verify wages, social security, pensions, assets, recurring gifts, and any other income source to determine eligibility
 - Will need 3 months of current and consecutive paystubs
 - Will need most current Social Security or Supplemental Security Award Letter
 - Will need most current VA Benefits Award letter
 - May need bank or 401k/IRA statements
- Some properties may require a minimum income to be eligible



Rent

- HUD Releases the Income and Rent limits around April of each year
 - May mean that there will be a rent increase in the middle of a lease
 - Not a violation of CA Tenant Landlord Law
- If the household is receiving Section 8 assistance the rent may exceed the Tax Credit maximums if at least \$1 in subsidy is being received

County	Efficiency	1 BR	2 BR	3 BR	4 BR	5 BR
SAN FRANCISCO						
100% Income Level	\$2,822	\$3,022	\$3,626	\$4,190	\$4,674	\$5,158
80% Income Level	\$2,258	\$2,419	\$2,902	\$3,353	\$3,740	\$4,127
70% Income Level	\$1,975	\$2,116	\$2,539	\$2,933	\$3,272	\$3,611
60% Income Level	\$1,693	\$1,814	\$2,176	\$2,514	\$2,805	\$3,095
55% Income Level	\$1,552	\$1,663	\$1,995	\$2,305	\$2,571	\$2,837
50% Income Level	\$1,411	\$1,511	\$1,813	\$2,095	\$2,337	\$2,579
45% Income Level	\$1,270	\$1,360	\$1,632	\$1,886	\$2,103	\$2,321
40% Income Level	\$1,129	\$1,209	\$1,451	\$1,676	\$1,870	\$2,063
35% Income Level	\$987	\$1,058	\$1,269	\$1,466	\$1,636	\$1,805
30% Income Level	\$846	\$907	\$1,088	\$1,257	\$1,402	\$1,547
20% Income Level	\$564	\$604	\$725	\$838	\$935	\$1,031

Rent

- The maximum rent allowed includes a “utility allowance” if the tenants are paying for water, gas, or electricity
 - Utility Allowances are updated once annually
 - If the U/A increases – rents may decrease
 - If the U/A decreases – rents may increase



Rent

- Tax Credit Properties must follow CA Tenant Landlord Law
 - 10% increase or less – minimum of a 30 day notice
 - 10.1% or more – minimum of a 60 day notice
- The “Rent Cap” provisions of the Tenant Protection Act of 2019 do not apply to Tax Credit Properties





Judith Blackwell
Executive Director

916-654-6340

judith.blackwell@treasurer.ca.gov

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Compliance Program Manager

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snardinelli@treasurer.ca.gov