



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

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DATE: June 8, 2026

TO: Owners of Low-Income Housing Tax Credit (LIHTC) Projects

FROM: California Tax Credit Allocation Committee

RE: Property Management Company Change Requests

The California Tax Credit Allocation Committee (CTCAC) receive requests from project owners to change the property management company for their projects. Pursuant to CTCAC Regulation Section 10338(f), staff perform qualification reviews to determine sufficient experience exists for incoming property management companies and that the property management companies maintain compliance with the Low-Income Housing Tax Credit (LIHTC) program.

CTCAC Regulation Section 10338(f) states, "Property management companies shall not be replaced without prior written approval of the Executive Director. Furthermore, Section 10338(f)(3) of CTCAC regulations require the following:

"Any property management change during the 15-year federal compliance and extended use period must be to a party earning equal capacity points pursuant to Section 10325(c)(1)(B) as the exiting property management company. If the new property management company does not meet these experience requirements, then substitution of property management may not be permitted."

For competitive projects receiving points in the Management Company Experience point category, the incoming property management company must demonstrate equal experience as the exiting property management company. For non-competitive projects no receiving points, requests to change to a property management company not meeting the experience of the current property management company will be required to demonstrate the minimum scoring standard of two points has been met consistent with CTCAC Regulations Section 10326(g)(5) and 10325(c)(1)(B) summarized below:

- (i) Six to 10 projects managed more than three years, of which two projects shall be California Low Income Housing Credit projects

11 or more projects managed more than three years, of which two shall be California Low-Income Housing Tax Credit projects 3 points

For special needs housing type projects only applying through the Nonprofit set aside or Special Needs set-aside only, points are available as described above or as follows:

Two to three Special Needs projects managed more than three years and one California Low-Income Housing Tax Credit project which may or may not be one of the special needs projects 2 points

Four or more Special Needs projects managed more than three years and one California Low-Income Housing Tax Credit project which may or may not be one of the special needs projects 3 points

- (ii) Management companies managing less than two (2) active California Low Income Housing Tax Credit projects for more than three years, and management companies for projects requesting points under the special needs categories of subparagraph (i) above and managing no active California Low-Income Housing Tax Credit projects for more than three years, shall contract with a bona-fide management company currently managing two (2) California Low Income Housing Tax Credit projects for more than three years and which itself earns a minimum combined total of two (2) points at the time of application.

Pursuant to CTCAC Regulations Section 10338(f)(1), property management companies ineligible for at least two management company experience points pursuant to Section 10325(c)(1)(B) shall obtain training in project operations, on-site certification, federal Fair Housing Law, and manager certification in IRS Section 42 program requirements from a CTCAC-approved, nationally recognized entity. CTCAC may also require the incoming property management company complete training provided by CTCAC staff.

To facilitate the CTCAC qualification review, staff have developed the attached checklist required to accompany all requests to CTCAC. The average processing time for property management company changes for a single project is 2-3 weeks and processed in the order received. Requests received as described below may have increased processing times.

- Requests received in the 4th quarter of the year (October through December);
- Requests involving changes at multiple LIHTC projects; or
- Requests involving changes from third-party management to owner self-management

Pursuant to CTCAC Regulations Section 10335(j), an owner who requests a property management company change shall pay a fee of one thousand dollars (\$1,000). Payment can be made online through the [Make a Payment](#) page on the CTCAC website. After clicking the link to the third-party site, please scroll down and select “California Tax Credit Allocation Committee” for the agency.

NOTE: Project management company changes (including owner self-management) made without prior approval may result in assessment of fines or negative points.

Please submit the formal request with attached checklist, all required documents, a copy of the online payment, and any questions to the contacts based on the project’s status stated below:

- For projects prior to the completion of construction or rehabilitation and not placed in service, please direct requests to CTCAC Development Section Chief (PR) Carmen Doonan at carmen.doonan@treasurer.ca.gov
- For projects that have completed construction or rehabilitation and the project has been placed-in-service (received certificate of occupancy or noticed of completion), but tax forms 8609s have not yet been issued, please direct requests to CTCAC Development Section Chief (PIS) Ashwin Mehta at ashwin.mehta@treasurer.ca.gov
- For projects placed-in-service and issued tax forms 8609s, please direct requests to mgmtchange@treasurer.ca.gov. To facilitate submissions for property management company requests that involve more than one of the state agencies listed below, please submit your request through the [California Housing Management System \(CAHMS\) Document Submission Portal](#).
 - California Tax Credit Allocation Committee (CTCAC)
 - California Housing Finance Agency (CalHFA)
 - Department of Housing and Community Development (HCD)

MANAGEMENT COMPANY CHANGE REQUEST CTCAC CHECKLIST

Please check the boxes for the type of property management change being requested. All requests received must be received from the Owner (Limited Partnership) or General Partner.

Third-Party Property Management Company Change Request

The checklist below is used when an owner requests a change from the current third-party property management company to a different third-party property management company.

Please prepare and submit the following documentation:

- ☐ Signed letter from current owner requesting the change. The letter shall include the (1) CTCAC project name and number, (2) the exiting and incoming property management company, and (3) the anticipated date of the change.
- ☐ Completed CTCAC Attachment 22 - Management Company Experience for the incoming property management company evidencing property management experience
- ☐ Project Ownership Profile (POP) identifying the new property management company (only required for projects issued IRS tax forms 8609)
- ☐ Confirmation of online payment in the amount of \$1,000

Owner Self-Management Request

This checklist is to be used when an owner requests a change from the current third-party property management company to owner self-management of the project.

Please prepare and submit the following documentation:

- ☐ Signed letter from current owner requesting a change. The letter shall include the (1) CTCAC project name and number, (2) the exiting property management company and the owner self-management entity, and (3) the anticipated date of the change
- ☐ Completed CTCAC Attachment 22 - Management Company Experience for the owner self-management entity evidencing property management experience
- ☐ Resume or qualifications of the Director of Compliance who will oversee the project, the employment history for the previous 10 years, copies of any LIHTC or

fair housing professional designation certifications, and any business references

- ☐ Organizational chart for the owner self-management entity
- ☐ Project Ownership Profile (POP) identifying the new owner self-management entity (only required for projects issued IRS tax forms 8609)
- ☐ Copy of the Internal Compliance and Operations Manual for all LIHTC projects that will be managed by the owner self-management entity
- ☐ Copy of the Fair Housing Manual for all LIHTC projects that will be managed by the owner self-management entity
- ☐ Contract with third-party consulting firms (i.e. Spectrum, Novogradac, Zeffert, or other nationally recognized LIHTC consulting agency) to oversee the initial income certifications and re-certifications for the minimum of 2 years or through the next regularly scheduled CTCAC inspection
- ☐ Signed statement from the owner acknowledging that adequate on-site management and maintenance personnel will be assigned to the project with a minimum of one permanent maintenance staff and one on-site manager per project. Please include any certifications in Section 42, Fair Housing, and operations for the on-site staff
- ☐ Signed statement from the owner acknowledging that a representative from the Owner, Director of Compliance, on-site manager/assistant manager, and lead maintenance personnel will attend a mandatory one-day owner/management CTCAC training session for a future date (include a list of the names of the noted personnel)
- ☐ Signed statement from the owner acknowledging that if significant noncompliance is found in either the file or physical audit at the next regularly scheduled CTCAC compliance inspection for the project, CTCAC reserves the right to revoke any approval to owner self-manage and require a qualifying third-party property management company to assume property management at the project
- ☐ Confirmation of online payment in the amount of \$1,000