



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

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EXECUTIVE DIRECTOR MARINA WIANT

DATE: February 28, 2024

TO: Low-Income Housing Tax Credit (CTCAC) Stakeholders

FROM: Marina Wiant, Executive Director

RE: Placed-in-Service Application Submission Deadline

On January 24, 2024, the California Tax Credit Allocation Committee (CTCAC) adopted changes to CTCAC Regulations Section 10322(i). While still requiring that within one year of the last building placed-in-service (PIS) date for new construction projects and within one year of the rehabilitation completion date for rehabilitation projects, the project owner submit the required PIS documents, the adopted change allows projects where conversion to permanent financing has not taken place, to submit certain documents related to permanent conversion to CTCAC within 60 days of the permanent financing conversion date. The change was adopted to add flexibility for the submission of documents related to conversion to permanent financing to ensure the one-year deadline for the remaining PIS documents was met.

As referenced in a prior CTCAC memorandum dated May 8, 2023 and in Section 10325(c)(2) of the CTCAC regulations, negative points may be assessed, up to 10 points for each project and/or each violation, for general partners, co-developers, management agents, consultants, guarantors, or any member of agent of the Development Team for failure to meet this deadline. In response to development challenges the past few years including the COVID-19 pandemic, construction cost increases and supply chain issues, CTCAC has not assessed negative points to projects failing to meet the placed-in-service application one-year deadline.

Effective June 1, 2024, project owners are expected to submit the required PIS documents by the required deadline in accordance with the CTCAC regulations. Existing projects that have failed to meet their one-year deadline must submit their PIS documents by May 31, 2024. Failure to meet the required deadline may result in the assessment of negative points.