California Tax Credit Allocation Committee

CTCAC Committee Meeting

Tuesday, August 18, 2026
1:30 P.M. or Upon Adjournment of the CDLAC Meeting

California Tax Credit Allocation Committee

Meeting Notice

MEETING DATE:

August 18, 2026

TIME:

1:30 p.m. or upon Adjournment of the California Debt Limit Allocation Committee Meeting

LOCATION:

915 Capitol Mall, Board Room 121, Sacramento, CA 95814

Virtual Participation

Members of the public are invited to participate in person, remotely via TEAMS, or by telephone.
Click here to Join TEAMS Meeting (full link below)

Dial in by phone

916-573-6313

Find a local number

Phone conference ID: 585 116 387#

Interested members of the public may use the dial-in number or TEAMS to listen to and/or comment on items before CTCAC. Additional instructions will be provided to participants once they call the indicated number or join via TEAMS. The dial-in number and TEAMS information are provided as an option for public participation.

Full TEAMS Link: https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZmI2NzYzMjItN2FlOS00N2Y4LTg2NDAtMzcyNDM4ODE0ZDI2%40thread.v2/0?context=%7b%22Tid%22%3a%223bee5c8a-6cb4-4c10-a77b-cd2eaeb7534e%22%2c%22Oid%22%3a%22838e980b-c8bc-472b-bce3-9ef042b5569b%22%7d

California Tax Credit Allocation Committee

Agenda

The California Tax Credit Allocation Committee (CTCAC) may take action on any item.
Items may be taken out of order. There will be an opportunity for public comment at the end of each item, prior to any action.

1. **Call to Order and Roll Call**

2. **Approval of the Minutes of the June 22, 2026, Meeting**

3. **Executive Director's Report**
   1. Announcement of revised 2026 meeting schedule setting an additional committee meeting for September 1, 2026, at 1:00 p.m. to consider the award recommendations for Round 2 2026 4% tax credit projects.

   Presented by: Marina Wiant

4. **Discussion and consideration of an appeal filed under California Code of Regulations, title 4, section 10330 for a reservation of 2026 first round federal 9% Low-Income Housing Tax Credits (LIHTCs).**

   Presented by: Anthony Zeto

Project Number	Project Name
CA-26-048	Watts Dream Homes

5. **Public Comment**

6. **Adjournment**

California Tax Credit Allocation Committee

Committee Members

Voting Members:

- **Fiona Ma,** CPA, Chair, State Treasurer
- **Malia M. Cohen**, State Controller
- **Joe Stephenshaw**, Director of Finance
- **Gustavo Velasquez**, Director of California Department of Housing and Community Development (HCD)
- **Tony Sertich**, Executive Director of California Housing Finance Agency (CalHFA)

Advisory Members:

- **Michelle Whitman**, County Representative
- **Tyller Williamson**, City Representative

Additional Information

Executive Director: Marina Wiant

CTCAC Contact Information:
915 Capitol Mall, Suite 280, Sacramento, CA 95814
Phone: (916) 654-6340
Fax: (916) 654-6033

This notice may also be found on the following Internet site:
www.treasurer.ca.gov/ctcac

CTCAC complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities, and providing this notice and information given to the members of CTCAC in appropriate alternative formats when requested. If you need further assistance, including disability-related modifications or accommodations, please contact CTCAC staff no later than five calendar days before the meeting at (916) 654-6340. From a California Relay (telephone) Service for the Deaf or Hearing Impaired TDD Device, please call (800) 735-2929 or from a voice phone, (800) 735-2922.

AGENDA ITEM 2

Approval of the Minutes of the June 22, 2026, Meeting

California Tax Credit Allocation Committee

915 Capitol Mall, Board Room 121
Sacramento, CA 95814

June 22, 2026

CTCAC Committee Meeting Minutes

1. *Agenda Item:* **Call to Order and Roll Call**

The California Tax Credit Allocation Committee (CTCAC) meeting was called to order at 1:30 p.m. with the following Committee members present:

Voting Members:
Fiona Ma, CPA, State Treasurer, Chairperson
Evan Johnson for Malia M. Cohen, State Controller
Michele Perrault for Joe Stephenshaw, Department of Finance (DOF) Director
Gustavo Velasquez, Department of Housing and Community Development (HCD) Director
Tony Sertich, California Housing Finance Agency (CalHFA) Executive Director

Advisory Members:
Michelle Whitman, County Representative
Tyller Williamson, City Representative

2. *Agenda Item:* **Approval of the Minutes of the May 12, 2026, Meeting**

Chairperson Ma called for public comments:
None.

MOTION: Mr. Velasquez motioned to approve the minutes of the May 12, 2026, meeting, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

3. *Agenda Item:* **Executive Director's Report**
   Presented by: Marina Wiant

Marina Wiant, Executive Director, commended the CTCAC staff for their work. At the CDLAC meeting in May, Ms. Wiant spoke about the CDLAC staff's work on the 4% Round 1, but she did not mention the hard work done by the CTCAC staff on that round. Today, the Committee will be considering reservations for the 9% Round 1. The CTCAC staff has been working around the clock, and the rounds have been overlapping more than ever because of the large volume. Ms. Wiant acknowledged Carmen Doonan and her team for their hard work, which has been ongoing and never-ending for the last three months.

Chairperson Ma called for public comments:
None.

4. *Agenda Item:* **Recommendation for reservation of 2026 first round federal 4% Low-Income Housing Tax Credits (LIHTCs). (Health & Saf. Code, §§ 50199.10, 50199.14; Cal. Code Regs., tit. 4, § 10310.)**
   Presented by: Carmen Doonan

Ms. Doonan reported that the staff is recommending two projects today for reservation of 4% federal tax credits. The two projects were leftover from the May 12 meeting. They were pending appeal at the time, and the staff is recommending their approval today.

Chairperson Ma called for public comments:
None.

MOTION: Mr. Sertich motioned to approve the recommendation for reservation of 2026 first round federal 4% LIHTCs, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

5. *Agenda Item:* **Discussion and consideration of appeals filed under California Code of Regulations, title 4, section 10330 for reservations of 2026 first round federal 9% and state LIHTCs and the impact of any granted appeals on the proposed recommended reservations in Item 6.**

This item was skipped. Ms. Wiant explained that three projects have deadlines to request Committee appeals today, tomorrow, and the day after tomorrow. There are no appeals before the Committee today, but there may be appeals at the next scheduled meeting in August.

6. *Agenda Item:* **Recommendation for reservation of 2026 first round federal 9% and state LIHTCs. (Health & Saf. Code, §§ 50199.10, 50199.14; Cal. Code Regs., tit. 4, § 10310.)**
   Presented by: Carmen Doonan

Ms. Doonan explained that the staff is recommending 17 projects from the preliminary recommendation list for reservation of 9% federal tax credits. The projects in bold on the list are not recommended by the staff at this time, but they are on the list because their appeals are pending. These projects may still come before the Committee for consideration at the next meeting in August if timely appeals are submitted. The staff also requests that the Committee approve the alternate projects on the preliminary recommendation list and authorize the staff to award those projects administratively if the projects with open appeal periods do not submit appeals to the Committee. All the projects on the alternate list have been reviewed and confirmed to be complete and compliant with applicable state and federal requirements.

Chairperson Ma asked for confirmation that this is a staff recommendation.

Ms. Doonan responded affirmatively.

Mr. Johnson said he has a question about this process going forward. This delayed appeals process makes sense because the staff has a lot of work going on, and it is hard to process it all in a timely fashion, but he would like to know if this might continue on for the next round.

Ms. Wiant said the staff's intention and hope is that from this point forward, they will have the time to process the appeals and be able to present them to the Committee on the date of the award meeting, which would be the typical process. This is a spillover of the 4% Round 1 that has pushed the 9% Round 1. However, the staff has internally instituted a new review process and cross-trained the CTCAC and CDLAC staff on each other's various components. There is now a single review being done by one staff member instead of separate reviews by CDLAC and CTCAC. There have been some growing pains along the way, but this process should make the staff more efficient and better able to handle the increased workload. A budget change proposal was also recently approved to add six staff members and a manager to the team. It will take time to hire and train, but the staff should be on track for 4% Round 2 to have appeals presented at the award meeting.

Mr. Johnson said he appreciates that because it is not ideal to have to provisionally approve projects with appeals pending. Anything that could be done to avoid that in the future would be great. Mr. Johnson commended Ms. Wiant on implementing the process of one staff member reviewing both applications. This will improve continuity and efficiency, and it is a fantastic idea. Mr. Johnson is glad this is happening, although he knows the transition may be difficult. It is a lot of work upfront, but it will pay dividends.

Chairperson Ma said her initial vision was to bring both CDLAC and CTCAC under one Executive Director to ensure everyone is speaking the same language and rowing in the same direction.

Chairperson Ma called for public comments:
None.

MOTION: Mr. Johnson motioned to approve the recommendation for reservation of 2026 first round federal 9% and state LIHTCs, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

7. *Agenda Item:* **Recommendation for reservation of state farmworker LIHTCs. (Health & Saf. Code, §§ 50199.7, 50199.10, 50199.14; Rev. & Tax Code, §§ 12206(g)(4), 17058(g)(4), 23610.5(g)(4); Cal. Code Regs., tit. 4, §§ 10310, 10317(h).)**
   Presented by: Carmen Doonan

Ms. Doonan said the staff is recommending reservation of state farmworker tax credits. There is one project requesting credits.

Chairperson Ma asked where the project is located.

Ms. Wiant said the project is located in Tracy in San Joaquin County.

Chairperson Ma called for public comments:
None.

MOTION: Mr. Velasquez motioned to approve the recommendation for reservation of state farmworker LIHTCs, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

8. *Agenda Item:* **Public Comment**

Adam Thompson from APT Housing commended the staff for their work on both the 4% and 9% tax credit rounds. He wants to advocate for more preservation in rural communities. Looking at the 9% award list today, even if one of the appealable projects on the list were to be awarded, CTCAC would be funding 4.47% of the available rural credits to acquisition and rehabilitation projects. There is a stated goal of 30%, and the Committee should be working hard to achieve that goal. Other sub-goals are typically met. The goal is more of a limitation. Mr. Thompson looks forward to working with the staff to do anything they can to align the awardees with the stated goals within the regulations.

Chairperson Ma asked whose goal is 30%.

Mr. Thompson clarified that 30% is the stated goal within the Rural Set Aside in the 9% tax credit program. There are also sub-goals. It is called a goal, but it is more of a limitation. Typically, goals for senior or new construction, high resource projects are met, but for the last several years, CTCAC has been allocating about 4-5% of the available credits within the Rural Set Aside to preservation projects, even though there is a stated goal of 30%. If anything, it should be called a limitation instead of a goal.

Chairperson Ma asked if that is STO's goal.

Ms. Wiant said CTCAC has housing type goals, but they are limitations rather than goals. This ensures that CTCAC funds a wide range of types of projects. For instance, there is a certain percentage goal for at-risk projects that cannot be exceeded.

Chairperson Ma said it is a ceiling.

Ms. Wiant agreed that it is a ceiling. The housing type goals also apply within the Rural Set Aside. CTCAC is funding many more at-risk projects outside of that set aside, but Mr. Thompson's comment pertains to how many at-risk projects are being funded within the Rural Set Aside.

9. *Agenda Item:* **Adjournment**

The meeting was adjourned at 1:44 p.m.

AGENDA ITEM 3

Executive Director's Report

California Tax Credit Allocation Committee

2026 Meeting Schedule and Application Deadlines
Meeting location will be posted on each agenda

Nine Percent (9%) Application Deadline for Corresponding Meeting Date	Four Percent (4%) Application Deadline for Corresponding Meeting Date	2026 CTCAC Committee Meeting Dates/Times*	Proposed Rounds and Topics**
		January 13, 2026 1 p.m.	Agenda Items
	February 3, 2026	May 12, 2026 1 p.m.	**4% Awards** Round 1
April 7, 2026		June 22, 2026 1 p.m.	**9% Awards** Round 1
		August 18, 2026 1 p.m.	Agenda Items
	May 19, 2026	September 1, 2026 1 p.m.	**4% Awards** Round 2
July 21, 2026		October 6, 2026 1 p.m.	**9% Awards** Round 2
	September 8, 2026	December 9, 2026 1 p.m.	**4% Awards** Round 3 **(No Enhanced State Credits** unless any remain after Round 2), Agenda Items

*CTCAC meetings begin upon adjournment of CDLAC meetings. Meeting dates and times are subject to change with public notice and meeting locations may change for each meeting date. Please check agendas.

**Topics listed are not necessarily the only topics to be discussed at the meetings. Topics will be posted in the agenda found on the CTCAC Website Meeting Page 10 days prior to the meeting date.

California Tax Credit Allocation Committee

AGENDA ITEM 4

Discussion and consideration of an appeal filed under California Code of Regulations, title 4, section 10330 for a reservation of 2026 first round federal 9% Low-Income Housing Tax Credits (LIHTCs).

Watts Dream Homes, LP
10950 South Central Avenue
Los Angeles, CA 90059

June 23, 2026

Ms. Marina Wiant
Executive Director
California Tax Credit Allocation Committee (CTCAC)
915 Capitol Mall, Suite 280
Sacramento, CA 95814

Email: marina.wiant@treasurer.ca.gov
Anthony.zeto@treasurer.ca.gov
azeto@treasurer.ca.gov

RE: CA -26-048 / Watts Dream Homes

Dear Ms. Wiant,

The purpose of this letter is to appeal to the Committee regarding TCAC staff's proposed reduction of points related to the provision of supportive social services at the above referenced project. We appreciate staff's consideration and assistance in working with us to resolve other review questions and understand staff's rationale regarding this remaining issue. However, we believe the project presents unique factors that were not considered in TCAC's regulations and public policy considerations support the Committee's approval of a narrow waiver of the TCAC Regulations to enable the project application to progress.

This is a unique project and to our knowledge TCAC has not previously considered a project of this design in recent years and perhaps the entire history of the program. This is an existing portfolio of 37 scattered site homes situated within a several mile radius across the greater Watts community. The homes were originally financed with a HUD project based rental subsidy contract and loan administered by CalHFA and originated in 1985, before the advent of the LIHTC program. The original loan has been repaid in full, the original regulatory agreement has expired, and the rental subsidy is being renewed by HUD on an annual basis.

Due to the age of the properties and elevated level of operating costs associated with managing a portfolio of single family dwellings, the financial outlook for the project has been challenging and is a growing concern. Given the current HUD funding environment, this raises a genuine risk that absent TCAC's assistance in approving a LIHTC syndication to fund necessary renovation costs, our organization will need to convert this project to market rate operations or sell the homes to private owners. These choices would result in California's permanent loss of 37 large family homes that fill an otherwise unmet need in the community.

The Regulation in question relates to the manner in which supportive services are provided to the project units and the quantity of supportive services required. TCAC regulations provide that services must be provided on-site, or off-site within ½ mile. The provision of off-site services in this proximity to each home in the portfolio is a physical impossibility since there is no common location that meets the ½ mile distance test. This means that we have two options to meet TCAC criteria: provide all services on-site at individual dwellings or obtain a waiver to allow the use of centralized services that are beyond ½ mile.

WLCAC operates a robust array of supportive services in Watts that are delivered through numerous specialized service program locations. These services include senior meals, senior social services, job training, job placement, after school programs, art and multimedia classes, resident service coordination, community transportation, homeless services, and various programs and classes. The key location for many of these services is our Family Source Center "FSC". FSC is centrally located in Watts but is not within ½ mile of each house in this portfolio.

The application submitted proposes that we will provide on-site resident service coordination hours at each home, and in conjunction, will provide generalized class programs and training specific to individual resident needs. The proposed minimum service quantity is 60 hours, as required by TCAC regulations for a project of 37 units under point scoring category 3A. Staff has proposed that we must instead provide 60 hours of classes at each individual home. While we understand that this is a literal reading of the TCAC Regulations, this interpretation is impractical as it would aggregate 2,220 hours of class time (compared to a typical TCAC project where only 60 hours of class time are required.)

Please consider that these are existing homes with existing residents, most of whom have been resident at these homes for decades. There are currently no vacancies and very low turnover of units. The residents are already being provided with access to WLCAC's full array of programs and participate in these programs based on individual needs and desires. Thus, it is extremely unlikely that a substantial number of residents will now desire to receive 60-hour home visits simply because the project is being financed with LIHTC. It is more likely that they will desire to continue receiving their existing selection of services at the FSC or other WLCAC locations.

Nevertheless, we are eager to work with TCAC to agree on a feasible and acceptable approach to service delivery. We see the following options:

1. TCAC could waive the ½ mile distance test given the unique geography and single unit site characteristics of the project. If such a waiver is granted, we would then provide the committed classroom programs for at least 60 hours per year at the FSC location. (We already offer over 35,000 hours of class programming annually at this location plus over 46,000 hours at its 2 other locations within Watts, or a total of over 81,000 hours of Social Services.). Our transportation division can facilitate individual resident transit to and from the FSC if necessary.

2. TCAC could allow the 60-hour program commitment to be allocated per site, rather than in the aggregate. (This would mirror the way resident service delivery and scoring has been approved.). While we acknowledge that pro-rating 1.6 hours of class time per home seems insufficient, we believe that in reality some residents will have no desire or need for personalized classes and will prefer to continue attending programs at the FSC which are readily available. Thus, the 60-hour minimum commitment will likely be allocated to households based on individual demand. We have no intention to limit residents to 1.6 hours per household or otherwise preclude their access to our service programs.

3. TCAC could allow us to substitute class programs under scoring criteria 4A instead of 3A. Scoring for category 4A is bedroom based rather than portfolio based, thus would only require an increase in service hours from 60 hours to 117 hours, rather than from 60 hours to 2,220 hours as proposed by staff. If TCAC is willing to approve this option, we commit to provide the minimum 117 hours of

service (a 57-hour annual increase in the application quantity) at no additional cost to the project. From a practical standpoint WLCAC is not relying on project cashflow to fund its service programs. These are funded by various public grants and other organizational funding streams. Thus, we can increase the quantity of services without passing this cost to the project or impacting the project's financing budget as described in the application.

We appreciate the Committee's consideration of this additional information request award of the 5 reduced scoring points so that the application will continue to qualify for a credit award in this TCAC round. Should you have any questions, please do not hesitate to contact Naima Greffon at ngreffon@wlcac.org or at 323.563.5654.

Sincerely,

Timothy Watkins
President/CEO

CC: Anthony Zeto, TCAC Deputy Director

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 280
Sacramento, CA 95814
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www.treasurer.ca.gov/ctcac

June 19, 2026

Naima Greffon
Watts Dream Homes, L.P.
10950 S Central Ave.
Los Angeles, CA 90059

E-mail: ngreffon@wlcac.org

RE: CA-26-048 / Watts Dream Homes

Dear Naima Greffon,

This letter is in response to the 2nd appeal letter received on June 17, 2026 of the California Tax Credit Allocation Committee (CTCAC) point score reduction and disqualification for the above-referenced project.

Site Control – Disqualification

The project was disqualified because staff was unable to determine what specifically was included in the purchase agreement. In your appeal you explain that at the time the original purchase contract was signed, you had identified the property group and overall value but not yet received the final appraisal report and its exhibits. Once the PSA was signed, the buyer and seller had agreed on the overall scope of properties being sold and the transfer value, but had not yet completed the supporting exhibits pending receipt of third-party documents. As a result, CTCAC needed to review the PSA in conjunction with separate exhibits which were included in the application, including the final appraisal and all preliminary title reports with legal descriptions.

Following review of the appeal letter, the application, and CTCAC regulations, I find that there is sufficient evidence to establish site control for the project. As such, the appeal is granted.

Service Amenities

In your application, you requested 5 points for a service coordinator and 5 points for providing a minimum of 60 hours of instructor-led adult education, health and wellness, or skills building classes. Staff reduced the Service Amenities point category by 10 points for failure to document off-site services within ½ mile of the development. The WLCAC Family Source Center (FSC) space identified is up to 2.25 miles from several site groups, which does not meet the allowed proximity pursuant to CTCAC Regulations Section 10325(c)(4)(B). In addition, the Social Service Facility Description in Tab 24 states, “The minimum TCAC required service hours will be available to residents at their homes to ensure the ability of residents to access the services if they are unable or do not want to participate in group activities at the FSC office” and you are showing that each unit will receive 1.6216 hours of services. In order to receive points for providing a minimum of 60 hours of instructor-led adult classes, each unit should have access to a minimum of 60 hours. I do, however, concur that the service coordinator can provide services to residents in their homes.

Following review of the appeal letter, the application, and CTCAC regulations, I find that the services must be provided on site or within ½ a mile. If services are being delivered at all of these other sites, they would have to provide 60 hours per site. The MOU committed to only the minimum number of hours for points, which would need to be delivered in a common space for all tenants to have access to the full amount. As such, the appeal is not granted for the 60 hours of instructor-led classes, but the appeal is granted for the service coordinator. A revised point letter is attached.

If you wish to appeal this decision to the Committee, you may submit a final written appeal, along with a $500 appeal fee, that must be received by CTCAC no later than 5:00 pm on June 24, 2026. Please address any written appeal to CTCAC’s mailing address, and staff will distribute it to the Committee for consideration at the next CTCAC meeting. Please feel free to contact me at marina.wiant@treasurer.ca.gov should you have any questions or concerns.

Sincerely,

Marina Wiant

Marina Wiant
Executive Director

Enclosure

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

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REVISED

June 19, 2026

Naima Greffon
Watts Dream Homes, L.P.
10950 S Central Ave.
Los Angeles, CA 90059

E-mail: ngreffon@wlcac.org

RE: CA-26-048 / Watts Dream Homes

Dear Naima Greffon,

Following your submission for the California Tax Credit Allocation Committee (CTCAC) 2026 first 9% tax credit funding cycle, staff has reviewed your application to determine its total score. This review was performed only for scoring purposes: it does not verify application completeness, project eligibility, or the likelihood of funding. Additionally, CTCAC has requested the Local Reviewing Agency (LRA) to comment. If the LRA response suggests that points have been erroneously awarded, we may revisit the scoring. Initial scoring is as follows:

		Points Requested	Points Awarded
1.	General Partner Experience	7	7
2.	Management Experience	3	3
3.	Housing Needs	10	10
4.	Site Amenities	15	15
5.	Service Amenities	10	5 (Revised)
6.	Lowest Income	52	52
7.	Readiness to Proceed	10	10
8.	Miscellaneous Federal and State Policies	2	2
	TOTAL	**109**	**104 (Revised)**

CTCAC staff reduced the Service Amenities category by **5** points for the instructor-led adult classes. Pursuant to CTCAC Regulation Section 10235(c)(4)(B), "in order to receive points in this category, physical space for service amenities must be available when the development is placed-in-service. Services space must be located inside the project and provide sufficient square footage, accessibility and privacy to accommodate the proposed services." While this regulation allows projects to use off-site services within ½ mile of the development if they have a written agreement with the service provider enabling the development's tenants to use the services free of charge and demonstrate that provision of on-site services would be duplicative, the WLCAC Family Source Center (FSC) space is up to 2.25 miles from several site groups, which does not meet the allowed proximity pursuant to CTCAC Regulation Section 10325(c)(4)(B).

Furthermore, the Social Service Facility Description in Tab 24 states, "The minimum TCAC required service hours will be available to residents at their homes to ensure the ability of residents to access the services if they are unable or do not want to participate in group activities at the FSC office", the number of hours committed in the MOU are the minimum to receive points for services provided at a common facility, and not 37 times the minimum to account for providing the full number of service hours at each unit.

CTCAC has calculated your Final Tie Breaker score and the score is **16.330%**.

In the application, the Final Tie Breaker self-score is 14.292%. In calculating the Capitalized Value of Rent Differentials, CTCAC staff noted that the public subsidy contract rent amount was entered as the net amount, while the rent limit was entered as a gross amount. Staff updated the contract rents to gross values for a like comparison. These changes resulted in an increase in the Capitalized Value of Rent Differentials from $247,931 to $920,247.

Point letters are being sent as the scoring is completed. Therefore, please do not contact Committee staff about other projects' scoring letters since individual letters will be sent later as the scores are determined. CTCAC will not score applications that are not fundable based upon self-scoring.

Please do not rely on this point score for a future application as point reductions may have been made in point categories that did not affect the net score received in the point category. If you have any questions regarding any possible point reductions that did not ultimately affect the point score, please contact **Jacob Couch** **after** the final awards have been made.

We appreciate your interest in the Low-Income Housing Tax Credit program and look forward to continuing to work with you to bring your project to fruition.

Sincerely,

SGullikson

Sarah Gullikson
Development Program Manager

Watts Dream Homes, LP
10950 South Central Avenue
Los Angeles, CA 90059

June 17, 2026

Ms. Marina Wiant
Executive Director
California Tax Credit Allocation Committee (CTCAC)
915 Capitol Mall, Suite 280
Sacramento, CA 95814

Email: marina.wiant@treasurer.ca.gov
Anthony.zeto@treasurer.ca.gov
azeto@treasurer.ca.gov

RE: CA -26-048 / Watts Dream Homes

Dear Ms. Wiant,

The purpose of this letter is to appeal various issues identified during TCAC's review of the above referenced application. We have previously reviewed and responded to staff comments and are referencing Anthony Zeto's most recent letter to us dated June 12th. We would appreciate further clarification from TCAC if this response does not fully resolve TCAC's remaining concerns so we can provide further clarification for your consideration.

1. Site Control – PSA Terms. TCAC's review raised three issues. We understand that issues #2 and #3 have been satisfactorily resolved but issue #1 remains open concern the description of the property being transferred. This is a complex scattered site project with 37 single family homes located on 22 legal parcels, many of which are not contiguous, and 21 distinct preliminary title reports with legal descriptions. At the time the original purchase contract was signed we had identified the property group and overall value but had not yet received the final appraisal report and its exhibits. Thus, our legal counsel drafted the PSA in a manner to allow consistent exhibits for appraisal, transaction closing, and TCAC financial review purposes to be inserted when supporting reports were final.

   When the PSA was signed, the buyer and seller had agreed on the overall scope of properties being sold and the transfer value but had not yet completed the supporting exhibits pending receipt of third-party documents. When these items became available, we prepared several supporting exhibits and included these in the TCAC application to present project data in a consistent manner that could be cross-referenced to financial calculations and TCAC proximity maps for ownership and site amenity purposes. Thus, TCAC needs to review the PSA contract in conjunction with separate application exhibits including the final appraisal and all preliminary title reports with legal descriptions.

   a. The "Tab 1 -Demonstrated Site Control" folder contains a subfolder titled "1A Preliminary Title Reports". This subfolder contains the 21 separate preliminary title reports and legal descriptions that form Exhibit A to the PSA document and are summarized on the "PTR Detail

Index" file that is included. The legal descriptions from the individual PTR reports and the PTR Detail Index serve as Exhibit A to the PSA contract.

b. TCAC also questioned the absence of Exhibit B "Personal Property" to the PSA contract. This exhibit will be completed prior to property sale to accurately describe any personal property that remains at the time of sale. Personal property within the portfolio is replaced or purchased by the seller on an as-needed basis so cannot be accurately inventoried or described until escrow closing is imminent. No material amount of personal property is expected to transfer and none was identified as part of the acquisition value or basis in the TCAC application financing plan.

We believe that the material included in the application submittal sufficiently describes the properties included in the transaction and the intent of the buyer and seller to include all identified legal parcels in the transaction. Thus, TCAC should accept the submitted items as sufficient evidence of site control.

2. Site Control – Seller Name. TCAC also raised an ancillary question related to the seller status. We are unclear whether this remains an open concern so will answer it again. Due to scrivener's errors in some of the original grant deeds recorded 30+ years ago, the existing owner of some property sites was written as Watts Community Action *Community* rather than the correct name Watts Labor Community Action *Committee.* Watts Community Action Community is a non-existent entity and the properties have been owned since inception by Watts Labor Community Action Committee and Greater Watts Development Corporation, the defined "seller" in the PSA.

   When TCAC raised this concern last week we asked our counsel to prepare an amendment to the PSA to confirm the correct seller name as Watts Labor Community Action *Committee* and provided this amendment to TCAC. TCAC now objects to the fact that this clarification was dated after the application submittal date. Our position is that the amendment date has no importance because the document merely confirms facts that existed continuously for 30+ years prior to the TCAC application and were shown correctly in the original PSA. The only purpose of the amendment preparation was our attempt to resolve TCAC's question about the scrivener's error.

3. Service Amenity Location. We believe that application provides sufficient supportive service hours in compliance with the TCAC regulations. There are two components to this question that appear unresolved, despite our description of services in attachment 24D and the terms of the service provider MOU in attachment 24B.

   a. Where can services be delivered in the context of a scattered site application? TCAC regulations require that services must be provided on-site or at an off-site location within ½ mile proximity. As described in 24D, each site is a single-family home. While WLCAC (sponsor and service provider) operates a wide variety of service programs at various locations within Watts, these locations are not situated within ½ mile of each of the 37 scattered site homes.

      To comply with TCAC regulations, WLCAC has committed to provide the minimum service hours requirement at individual sites. (See tab 24D first paragraph third sentence.) However, given the array of WLCAC programs available at its nearby service locations and FSC main office, other WLCAC services may be of interest to residents and will be available as described in the application. TCAC remains concerned that the centralized service locations are not within ½ mile of each home, however, we believe this is not an applicable requirement because the minimum services are committed to be offered at individual properties and centrally available services will merely augment or substitute for in-home services at individual resident discretion.

b. TCAC also seems to question the adequacy of the service programming hours and/or budget value in the context of on-site service delivery. The basis of this concern is unclear to us because TCAC regulations describe service hour minimums on a per bedroom or per unit basis. Thus, these can be calculated based on overall project size and unit mix regardless of how units are clustered. As shown below, the array of bedroom sizes in the project will generally require a minimum of 10-14 annual resident service coordinator hours.

   Regarding budget adequacy, WLCAC obtains a wide range of service program funding from various government sources and internally generated funds so is not relying solely on project revenue to defray service delivery costs. The $20,000 annual contribution from the project budget for services is based on an estimation of what a 37-unit non-special needs project can reasonably afford, coupled with the anticipated staff cost to provide at least 466 staff hours. (This equates to an hourly rate of $43 or $89,000 per year, which is a reasonable proxy for direct staffing costs.)

Social Service Amenity Hours - Scattered Sites												
Site & PTR #	Appraisal Site Group #	Address #	Street	Zip	APN	Parcel Map #	# Units	#BR	Min Service Hours Req'd	Hours Committed	Min Service Hours Req'd	Hours Committed
		220					1	4	13.87		1.6216	
1	1	222	E 127th St.	90061	6086-012-005	1	1	3	10.40		1.6216	
		224					1	4	13.87		1.6216	
2		12403			6150-001-053		1	3	10.40		1.6216	
3		12410			6150-001-045		1	3	10.40		1.6216	
4		12411			6150-001-052		1	3	10.40		1.6216	
5		12416			6150-001-046		1	3	10.40		1.6216	
6		12417	S. Anzac Ave.	90222	6150-001-051		1	3	10.40		1.6216	
7		12420			6150-001-047	2	1	3	10.40		1.6216	
8		12421			6150-001-050		1	3	10.40		1.6216	
9		12424			6150-001-048		1	3	10.40		1.6216	
10		12425			6150-001-049		1	3	10.40		1.6216	
11		1936	E 124th St.	90222	6150-001-044		1	3	10.40		1.6216	
12		1942			6150-001-043		1	3	10.40		1.6216	
		2026					1	3	10.40		1.6216	
13	2	2028			6150-001-054	3	1	3	10.40		1.6216	
		2030					1	3	10.40		1.6216	
		2030 1/2					1	3	10.40		1.6216	
		2027					1	3	10.40		1.6216	
14		2029			6150-003-056	4	1	4	13.87		1.6216	
		2031	E 124th St.	90222			1	3	10.40		1.6216	
		2031 1/2					1	4	13.87		1.6216	
		2146			6150-002-010		1	3	10.40		1.6216	
		2148					1	3	10.40		1.6216	
15		2150				5	1	3	10.40		1.6216	
		2152			6150-002-011		1	3	10.40		1.6216	
		2154					1	3	10.40		1.6216	
		2156					1	4	13.87		1.6216	
16	3	2013	E 92nd St.	90002	6045-015-046	6	1	3	10.40		1.6216	
		2021					1	3	10.40		1.6216	
17	4	8907	Elm St.	90002	6044-022-033	7	1	2	6.93		1.6216	
18	5	1626	E 89th St.	90002	6044-005-040	8	1	3	10.40		1.6216	
		1628					1	3	10.40		1.6216	
19	6	1763	E 85th St.	90001	6027-030-022	9	1	3	10.40		1.6216	
20	7	8322	Grape St.	90001	6026-029-027	10	1	4	13.87		1.6216	
		8324					1	4	13.87		1.6216	
21	8	8114	Morton Ave.	90001	6026-020-004	11	1	3	10.40		1.6216	
		8116			6026-020-005		Driveway					
							37	117	405.6	406	60	60
a)	Scoring Category A1 requires 1 full time RSC per 600 bedrooms; 2080/600 = 3.47 hours per BR											
b)	Scoring Category A3 requires 60 hours of educational classes for total project; 60/37 = 1.62 hours per unit											

We hope that you will consider this additional clarification and qualify the Watts Dream Homes application in this TCAC round. Should you have any questions, please do not hesitate to contact Naima Greffon at ngreffon@wlcac.org or at 323.563.5654.

Sincerely,

Timothy Watkins
President/CEO

CC: Anthony Zeto, TCAC Deputy Director

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June 12, 2026

Naima Greffon
Watts Dream Homes, L.P.
10950 S Central Ave.
Los Angeles, CA 90059

E-mail: ngreffon@wlcac.org

RE: CA-26-048 / Watts Dream Homes

Dear Naima Greffon,

This letter is in response to the appeal letter received on June 8, 2026 of the California Tax Credit Allocation Committee (CTCAC) point score reduction and disqualification for the above-referenced project. The Servisce Amenities point category was reduced by 10 points for failure to document off-site services within ½ mile of the development. The WLCAC Family Source Center (FSC) space identified is up to 2.25 miles from several site groups, which does not meet the allowed proximity pursuant to CTCAC Regulations Section 10325(c)(4)(B). In addition, the Social Service Facility Description in Tab 24 states, “The minimum TCAC required service hours will be available to residents at their homes to ensure the ability of residents to access the services if they are unable or do not want to participate in group activities at the FSC office”, the number of hours committed in the MOU are the minimum to receive points for services provided at a common facility, and not 37 times the minimum to account for providing the full number of service hours at each unit.

The application was disqualified for site control for the following reasons:

1. A purchase and sales agreement was provided between Watts Dream Homes, L.P (the applicant, as buyer) and Greater Watts Development Corporation, a California nonprofit public benefit corporation ("GWDC") & Watts Labor Community Action Committee, a California nonprofit public benefit corporation ("WLCAC"), together as seller. However, staff was unable to determine what specifically was included in the purchase agreement. The property being sold is stated to be “more particularly described in EXHIBIT A attached hereto (the "Real Property")”, as well as “the personal property listed on the inventory attached hereto as EXHIBIT B (the "Personal Property")”. Staff

reviewed Exhibits A and B in the document and discovered both were pages only stating "(attached)", but no further attachments were located describing the property being sold.

2. Staff was also unable to determine if all fee title owners of the subject properties had committed to the sale. The title reports for 12403, 12411, 12417 S Anzac Ave, and 1942 E 124th St show fee title as vested in "Watts Labor Community Action Committee, a California Corporation and Watts Community Action Community, a California Corporation, as their interest appear of record". The title reports for 12410, 12416, 12420 S Anzac Ave show fee title as vested in "Watts Labor Community Action Committee, a California Corporation and Watts Labor Community Action Community, a California Corporation, as their interest appears of record". The title reports for 12421, 12424, 12425 S Anzac Ave show fee title as vested in "Watts Labor Community Action Community, a California Corporation and Watts Labor Community Action Committee, a California corporation, as their interest may appear of record". Staff was unable to connect Watts Community Action Community or Watts Labor Community Action Community to the project and determine if these entities had consented to the sale of the properties.

3. The title report labeled as #16, purported to be for 2013 and 2021 E 92nd St in the zip code of 90002, was in fact noted on page 1 to be for 2013 & 2021 W 92nd St in the zip code of 90047, approximately 4.5 miles away. Staff was unable to determine the fee owner of 2013 and 2021 E 92nd St, 90002. Furthermore, staff was unable to locate title reports for the following addresses: 2146, 2148, 2150, 2152, 2154 E 124th St. Therefore, staff was unable to determine if the seller has legal standing to sell these sites. Additionally, this does not meet the meet the requirements outlined in CTCAC Regulations Sections 10322(d) and 10322(h)(2)(V).

<u>Service Amenities</u>

The appeal letter stated that in addition to providing the services at the WLCAC Family Source Center (FSC) main campus located at 1212 E. 108th Street and at the residents' homes, FSC has access to several satellite offices and meeting rooms located throughout the community, which you provided.

Following review of the appeal letter, the application, and CTCAC regulations, I concur with staff for reasons previously stated. I find that the services must be provided on site or within ½ a mile and the source budgeted must be sufficient to cover the minimum hours of services. If services are being delivered at all of these other sites, the budget should be many more times greater than the number of service hours. The MOU committed to only the minimum number of hours for points, which would need to be delivered in a common space for all tenants to have access to the full amount. As such, the appeal is not granted.

<u>Site Control</u>

The appeal letter stated that for Item #1 above, the properties are owned by Watts Labor Community Action Committee, however, the buyer and seller acknowledge errors in the vesting deeds and are addressed in the attached First Amendment to Purchase and sale agreement. For Item #2 above, you stated the property address is 2013-2021 E. 92nd Street, Los Angeles, CA 90002 (APN 6045-015-046). Although the address on the title is shown as West, you stated the Parcel Map and APN included in the Title are accurate and located within the 90002 zip code. For Item #3 above, you stated that the addresses/properties are included in PTR #15 and as shown in the PTR Detail Index, the property consists of 2 parcels with 6 multifamily homes and the PTR is labeled with an address of 2156 E. 124th Street, Compton, but includes all the other addresses.

Following review of the appeal letter, the application, and CTCAC regulations, I find that for Item #1, the amendment provided is dated after the application-filing deadline and not accepted. For Item #2, I find that the assessor has the address wrong with West vs. East and the zip code, but the APN and location on the parcel map match the location of the project. For Item #3, I find that based on the parcel map, it does include the entire site encompassing all addresses which not listed. In summary, the appeal is granted for Items #2 and #3 above, but not granted for Item #1 above. Given Item #1 above is not granted, the application remains disqualified for site control.

If you wish to appeal this decision, you may email your appeal in writing to Executive Director Marina Wiant at marina.wiant@treasurer.ca.gov and cc me at azeto@treasurer.ca.gov. Your appeal must be received by CTCAC no later than June 17, 2026. Please feel free to contact me at azeto@treasurer.ca.gov should you have any questions or concerns.

Sincerely,

Anthony Zeto
Deputy Director

Watts Dream Homes, LP
10950 South Central Avenue
Los Angeles, CA 90059

June 8, 2026

Anthony Zeto, Deputy Director
Carmen Doonan, Development Section Chief
California Tax Credit Allocation Committee (CTCAC)
915 Capitol Mall, Suite 28
Sacramento, CA 95814
Email: Anthony.zeto@treasurer.ca.gov
Carmen.doonan@treasurer.ca.gov

RE: CA -26-048 / Watts Dream Homes

Dear Anthony Zeto and Carmen Doonan,

The purpose of this letter is to appeal the application's site control requirement as determined by staff in the letter dated and received June 3rd, 2026. The Watts Dream Homes application was deemed disqualified for not meeting the Site Control requirement. This appeal provides responses and clarification to the listed disqualifying site control items as discussed below:

- Properties at the following locations showed titles with 2 entities
    - 12403, 12411, 12417 S. Anzac Ave.;
    - 1942 124th St.;
    - 12410, 12416, 12420 S. Anzac Ave.;
    - 12424, 12425 S. Anzac Ave

  Response: These properties are owned by Watts Labor Community Action Committee, however, the buyer and seller acknowledge errors in the vesting deeds and are addressed in the attached **First Amendment to Purchase and sale agreement**
- Properties at 2013 - 2021 W. 92nd Street, has address discrepancy (East vs West)
  Response: The Property Address is 2013–2021 E. 92nd Street, Los Angeles, CA 90002 (APN 6045-015-046)- although the address on the title is shown as West, the Parcel Map and APN include in the Title are accurate and located within the 90002 zip code.
- Staff was unable to find Titles to the following addresses:
    - 2146, 2148, 2150, 2152, 2154 E. 124th Street, Compton CA 90222

  Response: These addresses / properties are included in PTR #15 and as shown in the PTR Detail Index the property consists of 2 parcels with 6 multifamily homes – the PTR is labeled with an address of 2156 E. 124th Street, Compton but it includes all of the other addresses.

We hope that you will consider this additional clarification and qualify the Watts Dream Homes application in this TCAC round. Should you have any questions, please do not hesitate to contact Naima Greffon at ngreffon@wlcac.org or at 323.563.5654.

Sincerely,

Timothy Watkins
President/CEO

FIRST AMENDMENT TO
PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS ("Amendment") is entered into as of June 8, 2026 ("Effective Date") by and among Greater Watts Development Corporation, a California nonprofit public benefit corporation ("GWDC"), Watts Labor Community Action Committee, a California nonprofit public benefit corporation ("WLCAC" and together with GWDC, "Seller") and Watts Dream Homes, L.P., a California limited partnership ("Buyer", and collectively with the Seller, the "Parties").

RECITALS

A. Seller and Buyer entered into that certain Purchase and Sale Agreement and Escrow Instruction, dated April 23, 2025 (the "Purchase Agreement"), concerning the Property as further defined in the Purchase Agreement.

B. Seller and Buyer desire to amend the Purchase Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. **Seller.** Buyer and Seller hereby agree and acknowledge that certain of the vesting deeds for the Property contain errors in the name of the Seller, including such errors as listing the grantees thereunder as (i) Watts Labor Community Action **Community**, (ii) Watts Labor Community Action Committee, **a non-profit organization**, and (iii) describing the Seller either as a non-profit corporation or merely a corporation. Any differences in the name set forth herein the Partnership agree are an error, There is not and how not been a California corporation with the name described in Paragraph 1(i), and these properties have been held since vesting by the Seller. The errors set forth in 1(ii) and 1(iii) are also reflective of errors in describing Seller's form of entity and such properties have been held by Seller since the vesting date.

2. **Ratification.** Except as expressly modified herein, the Purchase Agreement shall remain unmodified and in full force and effect.

3. **Counterparts; Electronic Signatures.** This Amendment may be executed in counterparts and by electronic signature, each of which shall be deemed an original and all of which together shall constitute one instrument.

IN WITNESS WHEREOF, Seller and Buyer have executed this Amendment as of the Effective Date.

"SELLER"
Greater Watts Development Corporation,
a California nonprofit public benefit corporation

By: ______________________
Name: Timothy Watkins
Its: President

Watts Labor Community Action Committee,
a California nonprofit public benefit corporation

By: ______________________
Name: Timothy Watkins
Its: President

"BUYER"

Watts Dream Homes, L.P.,
a California limited partnership

By: WLCAC Dream Homes, L.L.C,
a California limited liability company
its general partner

By: Watts Labor Community Action Committee,
a California nonprofit public benefit corporation
its member

By: ______________________
Name: Timothy Watkins
Its: President

Watts Dream Homes, LP
10950 South Central Avenue
Los Angeles, CA 90059

June 8, 2026

Anthony Zeto, Deputy Director
Carmen Doonan, Development Section Chief
California Tax Credit Allocation Committee (CTCAC)
915 Capitol Mail, Suite 28
Sacramento, CA 95814

Email: Anthony.zeto@treasurer.ca.gov
Carmen.doonan@treasurer.ca.gov

RE: CA -26-048 / Watts Dream Homes

Dear Anthony Zeto and Carmen Doonan,

The purpose of this letter is to appeal the application's scoring as determined by staff in the letter dated and received June 3rd, 2026. The application received 0 point for the service amenities due to the proximity of service site location exceeding the ½ mile for few properties. In addition to providing the services at the WLCAC Family Source Center (FSC) main campus located at 1212 E. 108th Street, Los Angeles and at the residents' homes, FSC has access to several Satellite offices and meeting rooms located throughout the community. These locations are:

- 11905 S. Central Ave. Los Angeles, CA 90059
- 10950 S. Central Ave. Los Angeles, CA 90059
- 10937-57 S. Central Ave. Los Angeles, CA 90059
- 2051 E. 103rd St. Loa Angeles, CA 90002
- 9315 Firth St. Los Angeles, CA 90002
- 1929 E. 122nd St. Compton, CA 90222
- 12600 S. Compton Ave, Compton, CA 90222
- 2019 E. 122nd St., Compton, CA 90222

We hope that with this additional clarification, the Watts dream Homes application will earn its 10 points for the service amenities.

Should you have any questions, please do not hesitate to contact Naima Greffon at ngreffon@wlcac.org or at 323.563.5654.

Sincerely,

Timothy Watkins
President/CEO

915 Capitol Mall, Suite 280
Sacramento, CA 95814
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www.treasurer.ca.gov/ctcac

June 3, 2026

Naima Greffon
Watts Dream Homes, L.P.
10950 S Central Ave.
Los Angeles, CA 90059

E-mail: ngreffon@wlcac.org

RE: CA-26-048 / Watts Dream Homes

Dear Naima Greffon,

California Tax Credit Allocation Committee (CTCAC) staff has determined that the project as presented in the application does not meet the site control requirement outlined in CTCAC Regulation Section 10325(f)(2). Site control may evidenced by a purchase and sales agreement connecting the applicant to the owner of the subject property. A purchase and sales agreement was provided between Watts Dream Homes, L.P (the applicant, as buyer) and Greater Watts Development Corporation, a California nonprofit public benefit corporation ("GWDC") & Watts Labor Community Action Committee, a California nonprofit public benefit corporation ("WLCAC"), together as seller. However, staff was unable to determine what specifically was included in the purchase agreement. The property being sold is stated to be “more particularly described in EXHIBIT A attached hereto (the "Real Property")”, as well as “the personal property listed on the inventory attached hereto as EXHIBIT B (the "Personal Property")”. Staff reviewed Exhibits A and B in the document and discovered both were pages only stating “(attached)”, but no further attachments were located describing the property being sold.

Staff was also unable to determine if all fee owners of the subject properties had committed to the sale. The title reports for 12403, 12411, 12417 S Anzac Ave, and 1942 E 124th St show fee title as vested in “Watts Labor Community Action Committee, a California Corporation and Watts Community Action Community, a California Corporation, as their interest appear of record”. The title reports for 12410, 12416, 12420 S Anzac Ave show fee title as vested in “Watts Labor Community Action Committee, a California Corporation and Watts Labor Community Action Community, a California Corporation, as their interest appears of record”. The title reports for 12421, 12424, 12425 S Anzac Ave show fee title as vested in “Watts Labor Community Action Community, a California Corporation and Watts Labor Community Action Committee, a

California corporation, as their interest may appear of record". Staff was unable to connect Watts Community Action Community or Watts Labor Community Action Community to the project and determine if these entities had consented to the sale of the properties.

Additionally, the title report labeled as #16, purported to be for 2013 and 2021 E 92nd St in the zip code of 90002, was in fact noted on page 1 to be for 2013 & 2021 W 92nd St in the zip code of 90047, approximately 4.5 miles away. Staff was unable to determine the fee owner of 2013 and 2021 E 92nd St, 90002. Furthermore, staff was unable to locate title reports for the following addresses: 2146, 2148, 2150, 2152, 2154 E 124th St. Therefore, staff was unable to determine if the seller has legal standing to sell these sites. Additionally, this does not meet the meet the requirements outlined in CTCAC Regulation Sections 10322(d) and 10322(h)(2)(V).

Based on these determinations, this project has been disqualified and no further review of the project will be performed, nor will it be considered for tax credits in this cycle. The review of the application may have determined other application deficiencies not included. If you would like to formally appeal staff's determination, you must do so in writing, and it must be received by CTCAC no later than **June 8, 2026**. Your appeal must be addressed via email to **Anthony Zeto**, Deputy Director, at anthony.zeto@treasurer.ca.gov and **Carmen Doonan**, Development Section Chief, at carmen.doonan@treasurer.ca.gov. Your appeal should specifically identify the grounds for the appeal based on the existing documentation submitted in your originally filed application. No fee is required for this appeal.

Sincerely,

Sgullikson

Sarah Gullikson
Development Program Manager

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

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Sacramento, CA 95814
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June 3, 2026

Naima Greffon
Watts Dream Homes, L.P.
10950 S Central Ave.
Los Angeles, CA 90059

E-mail: ngreffon@wlcac.org

RE: CA-26-048 / Watts Dream Homes

Dear Naima Greffon,

Following your submission for the California Tax Credit Allocation Committee (CTCAC) 2026 first 9% tax credit funding cycle, staff has reviewed your application to determine its total score. This review was performed only for scoring purposes: it does not verify application completeness, project eligibility, or the likelihood of funding. Additionally, CTCAC has requested the Local Reviewing Agency (LRA) to comment. If the LRA response suggests that points have been erroneously awarded, we may revisit the scoring. Initial scoring is as follows:

		Points Requested	Points Awarded
1.	General Partner Experience	7	7
2.	Management Experience	3	3
3.	Housing Needs	10	10
4.	Site Amenities	15	15
5.	Service Amenities	10	0
6.	Lowest Income	52	52
7.	Readiness to Proceed	10	10
8.	Miscellaneous Federal and State Policies	2	2
	TOTAL	**109**	**99**

CTCAC staff reduced the Service Amenities category by **10** points. Pursuant to CTCAC Regulation Section 10235(c)(4)(B), "in order to receive points in this category, physical space for service amenities must be available when the development is placed-in-service. Services space must be located inside the project and provide sufficient square footage, accessibility and privacy to accommodate the proposed services." While this regulation allows projects to use off-site services within ½ mile of the development if they have a written agreement with the service provider enabling the development's tenants to use the services free of charge and demonstrate that provision of on-site services would be duplicative, the WLCAC Family Source Center (FSC) space is up to 2.25 miles from several site groups, which does not meet the allowed proximity pursuant to CTCAC Regulation Section 10325(c)(4)(B).

Furthermore, the Social Service Facility Description in Tab 24 states, "The minimum TCAC required service hours will be available to residents at their homes to ensure the ability of residents to access the services if they are unable or do not want to participate in group activities at the FSC office", the number of hours committed in the MOU are the minimum to receive points for services provided at a common facility, and not 37 times the minimum to account for providing the full number of service hours at each unit.

CTCAC has calculated your Final Tie Breaker score and the score is **16.330%**.

In the application, the Final Tie Breaker self-score is 14.292%. In calculating the Capitalized Value of Rent Differentials, CTCAC staff noted that the public subsidy contract rent amount was entered as the net amount, while the rent limit was entered as a gross amount. Staff updated the contract rents to gross values for a like comparison. These changes resulted in an increase in the Capitalized Value of Rent Differentials from $247,931 to $920,247.

You may request further clarification about the point reductions by contacting **Jacob Couch** at jacob.couch@treasurer.ca.gov. Staff can answer questions about the point and/or tie breaker reduction language in this letter. Staff cannot provide guidance or discuss the merits of an appeal of the scoring reductions in this letter. If you would like to discuss the Final Tie Breaker scoring informally, please contact **Jacob Paixao** at jacob.paixao@treasurer.ca.gov.

If you would like to formally appeal staff's scoring, you must do so in writing, and it must be received by CTCAC no later than **June 8, 2026**. Your appeal must be addressed via email to **Anthony Zeto**, Deputy Director, at anthony.zeto@treasurer.ca.gov and **Carmen Doonan**, Development Section Chief, at carmen.doonan@treasurer.ca.gov. Your appeal should specifically identify the grounds for the appeal based on the existing documentation submitted in your originally filed application. No fee is required for this appeal. You may not appeal any other applicant's score.

Point letters are being sent as the scoring is completed. Therefore, please do not contact Committee staff about other projects' scoring letters since individual letters will be sent later as the scores are determined. CTCAC will not score applications that are not fundable based upon self-scoring.

Please do not rely on this point score for a future application as point reductions may have been made in point categories that did not affect the net score received in the point category. If you have any questions regarding any possible point reductions that did not ultimately affect the point score, please contact **Jacob Couch** **after** the final awards have been made.

We appreciate your interest in the Low-Income Housing Tax Credit program and look forward to continuing to work with you to bring your project to fruition.

Sincerely,

SGullikson

Sarah Gullikson
Development Program Manager

AGENDA ITEM 5

Public Comment

AGENDA ITEM 6

Adjournment