

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**

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DATE: December 9, 2005

TO: Tax Credit Stakeholders

FROM: William J. Pavão, Executive Director

SUBJECT: 2006 Scheduling Update

As you know, the Tax Credit Allocation Committee (TCAC) staff has promulgated draft regulation changes for the 2006 program year and is currently receiving public comment on those changes. In addition, TCAC staff has also conducted two December public hearings on the regulations in Los Angeles and Sacramento. At those hearings, commenters expressed concern at the proposed accelerated schedule for next year's nine percent (9%) tax credit rounds. That is, on October 17, 2005 I proposed the following schedule for 2006:

Round 1 Application Due Date:	February 22, 2006
Round 1 Awards Committee Meeting:	April 28, 2006
Round 2 Application Due Date:	June 14, 2006
Round 2 Awards Committee Meeting:	August 23, 2006

Many hearing attendees asked that TCAC staff forego the accelerated schedule and return to a more typical calendar for the 9% credits. Commenters noted that a consistent, predictable schedule helps with project planning and application preparation. In addition, it allows applicants to calendar those events that must occur before our deadlines including lining up local subsidy and other financing commitments. In particular, commenters raised concerns about the short term February 22<sup>nd</sup> application due date following so closely after the holidays.

Therefore, TCAC staff will revert to a schedule that more closely approximates prior years' timing as follows:

Round 1 Application Due Date:	March 23, 2006
Round 1 Awards Committee Meeting:	June 7, 2006
Round 2 Application Due Date:	July 20, 2006
Round 2 Awards Committee Meeting:	September 20, 2006

In light of the additional time afforded by this schedule and pursuant to comments received, TCAC staff is calendaring action on the proposed regulation changes from the December 21, 2005 to the January 18, 2006 committee meeting.

TCAC staff will release more information on the proposed regulation changes and responses to comments prior to the January committee meeting.