

**RESOLUTION
(TAX CREDIT ASSISTANCE PROGRAM)**

WHEREAS, the economic downturn and distressed financial markets have made it difficult for affordable housing developers to locate equity investors to purchase low-income housing tax credits, and the shortage of equity investors has made it impossible for many affordable housing projects to be built during a time when there is great need for safe and sanitary affordable housing;

WHEREAS, on February 17, 2009, the American Recovery and Reinvestment Act of 2009 (the "Act") established a tax credit assistance program ("TCAP"), which will provide direct funding assistance to eligible tax credit projects that have not been able to obtain a sufficient tax credit equity commitment;

WHEREAS, on May 4, 2009, the United States Department of Housing and Urban Development ("HUD") published Notice 09-03, which provided guidance to the states concerning allocation of TCAP funds and required, among other things, that state housing credit agencies create written selection criteria for awarding TCAP funding;

WHEREAS, because the TCAP is new and is not subject to the same rules that govern existing HUD programs, state housing credit agencies around the country continue to submit questions to HUD concerning administration of TCAP funds, and many of these questions remain unanswered;

WHEREAS, despite the remaining uncertainty, in order to meet deadlines imposed by HUD for use of TCAP funds, the Alabama Housing Financing Authority (the "Authority") has prepared written selection criteria for TCAP funds in the form of an allocation plan (the "TCAP Allocation Plan"), which has been published for public comment in accordance with Notice 09-03 and is now being presented to the Board of Directors (the "Board") of the Authority for review; and

WHEREAS, the Board wishes to approve the TCAP Allocation Plan, to authorize the Authority to implement TCAP funding in accordance with the TCAP Allocation Plan, and to give the Authority sufficient flexibility to modify, amend or restructure the TCAP Allocation Plan as necessary or desirable in order to conform with, or to take advantage of, legal guidance or industry practices that may affect, directly or indirectly, the Authority's administration of TCAP funds;

NOW, THEREFORE, the Board of the Authority hereby resolves as follows:

1. That the TCAP Allocation Plan is hereby adopted and approved, effective immediately.
2. That the Executive Director of the Authority is hereby authorized and directed to develop such documentation, communications, website materials and procedures and to take all other actions as may be necessary or desirable in order to implement the TCAP Allocation Plan in accordance with its terms and this resolution.
3. That if the Executive Director determines that it is necessary or desirable to modify, amend or restructure the TCAP Allocation Plan in any manner to conform to legal guidance or industry practices, the Executive Director is further authorized and directed to do so without further approval of this Board, such changes, amendments or restructuring to be effective immediately upon public notice thereof (or following such public comment period or approval process, if any, as the Authority believes may apply), and the Executive Director is further authorized to develop such documentation, communications, website materials and procedures and to take all other actions as may be necessary or desirable in order to implement the TCAP Allocation Plan, as so modified, amended or restructured.