



The Arizona Department of Housing 2009 Information Bulletin

REGARDING PROGRAMS: Low Income Housing Tax Credit (LIHTC)

REGARDING FUNDING SOURCES: Tax Credit Assistance Program (TCAP)

INFORMATION BULLETIN No. 22-09

ISSUED: September 24, 2009

**RE: ELIGIBLE USES FOR TAX CREDIT ASSISTANCE PROGRAM (TCAP)
FUNDING**

As a follow-up to discussions between Department staff and tax credit developers at the Governor's Housing Forum last week, the Department would like to clarify that Tax Credit Assistance Program (TCAP) funds are eligible for: 1) reimbursement of project land acquisition costs; and 2) reimbursement of soft costs that are includable in eligible basis to the extent that those costs are included in the development budget.

As you contemplate closing on projects receiving TCAP funds, the Department will consider permitting payment of the 40% first-draw threshold as part of the closing process for TCAP projects that meet the criteria for and provide documentation necessary to support the first draw.

Questions should be forwarded to Randy Archuleta, Rental Programs Administrator at randy.archuleta@azhousing.gov or (602) 771-1000.



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