



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 485
Sacramento, CA 95814
p (916) 654-6340
f (916) 654-6033
ctcac@treasurer.ca.gov
www.treasurer.ca.gov/ctcac

MEMBERS

BILL LOCKYER, CHAIRMAN
State Treasurer

JOHN CHIANG
State Controller

ANA J. MATOSANTOS
Director of Finance

EXECUTIVE DIRECTOR

William J. Pavão

DATE: January 4, 2013

TO: 2012 First (1st) Round Competitive Tax Credit Recipients Receiving Full Readiness Points

FROM: William J. Pavão, Executive Director

SUBJECT: 180-Day Deadline to Meet Readiness to Proceed Requirements

This letter is to remind all 2012 1st Round competitive low-income housing tax credit recipients that the deadline for meeting the readiness criteria cited in the California Tax Credit Allocation Committee (TCAC) Regulation Section 10325(c)(8) is approaching.

On July 11, 2012, your project was approved to receive a reservation of 2012 low-income housing tax credits. Your success was dependent, in part, on the 20 points you received for project readiness.

As part of the requirements to achieve the 20 readiness points, an applicant must be able to begin construction within 180 days of the Credit Reservation date. On November 14, 2012, the Committee adopted a change to TCAC Regulation Section 10325(c)(8) providing 2012 first round competitive tax credit recipients an additional thirty (30) days to meet the Readiness to Proceed deadline. It is critical that **all required documentation is received by TCAC no later than 5:00 p.m. on Wednesday, February 6, 2013.** TCAC will accept the required documentation electronically in the form of a flash drive, CD, DVD or by email at TCACdocs@sto.ca.gov. If submission is by email, please include the following in the subject line:

CA-XXXX-XXX (TCAC Project Number) / Project Name / 180-Day Readiness (Deadline Requirement)

The regulations do not provide for any exceptions, and your credit reservation and allocation will be rescinded should you miss the deadline or provide incomplete or unsatisfactory documentation. You may also be subject to negative points in future funding rounds.

The following is a list of the required documentation:

- an executed construction contract;
- a construction lender trade payment breakdown of approved construction costs;
- recorded deeds of trust for all construction financing;
- a limited partnership agreement executed by the general partner(s) and the investor providing the equity;
- proof of payment of all construction lender fees;
- issuance of building permits for all residential buildings; and
- notice to proceed delivered to the contractor

If you know you cannot meet the readiness deadline, please notify us in writing immediately that you are returning the credits. Your consideration will allow us to re-allocate the credits to another worthy project.

If you have any questions regarding this deadline, please contact your regional analyst at (916) 654-6340 or directly as noted at the following link: <http://www.treasurer.ca.gov/ctcac/assignments.pdf>

We look forward to working with you to ensure successful completion of your affordable housing project.