

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

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DATE: February 23, 2009
TO: Low Income Housing Tax Credit Stakeholders
FROM: William J. Pavão, Executive Director
SUBJECT: Postponement of First Round 2009 Competitions and Application Workshops

With the February 17, 2009 enactment of the American Recovery and Reinvestment Act of 2009, the California Tax Credit Allocation Committee (TCAC) will be promulgating regulations modifying the Qualified Allocation Plan to make available the new federal HOME and credit exchange resources. TCAC staff is conferring with California stakeholders, other states, and federal officials, and intends to develop draft regulations shortly.

TCAC will almost certainly make federal cash resources available to some sponsors with current tax credit reservations, as well as to some sponsors applying for credits in 2009. In order to fully disclose its direction to prospective 2009 applicants, TCAC is hereby postponing the first round application due date from April 6, 2009 to a later date. Concomitantly, TCAC is postponing the upcoming application workshops, and will reschedule those accordingly. TCAC will disclose the new first-round application deadline as soon as we are able to establish the timing for adopting new regulations.

Staff still recommends that the Committee adopt the February 11, 2009 proposed regulation changes for 2009. However, an additional modifying set of regulations will incorporate the allocation and administration of the new federal resources available under the American Recovery and Reinvestment Act of 2009.

TCAC staff still envisions two competitive rounds for 2009, but also anticipates adjusting the second-round application deadline as well. Staff will promptly determine a reasonable timeline for regulation adoption, and announce the new schedule as soon as possible. Thank you for your understanding.