

CalHFA TCAC Cash in Lieu Construction Draw Process:

In accordance with the American Recovery & Reinvestment Act (“ARRA”) and as part of an inter-agency agreement with the Tax Credit Allocation Committee (“TCAC”), CalHFA will assist in providing disbursement administration for TCAC awarded ARRA projects.

Upon receipt of the complete draw package, CalHFA will send its funding recommendation to TCAC within approximately 5-7 business days. This time period allows for review of the draw request, receipt of inspection report, insurance verification, and submittal to TCAC. Missing back-up documentation will add to the time necessary to process your draw request.

Please send the complete draw package to:

CalHFA
Disbursement Administrator
1415 L Street, Suite 650
Sacramento, Ca 95814

Up to forty percent (40%) upon and following closing of Construction Lender’s loan:

A complete TCAC Cash in Lieu draw request package in its final form consists of the following items:

- Completed TCAC Disbursement Request executed by the Authorized Signor
- Construction hard costs: Executed GC Pay Application – AIA G702/G703 (CalHFA and/or TCAC reserve the right to review contractor’s supporting invoices at anytime)
- GC Conditional & Unconditional Lien Waiver(s) for current GC Pay Application
- Developer soft costs: an itemized draw summary with copies of invoices
- Borrowers/Lenders current project spreadsheet (to include sources and uses)
- Current mailing instructions for check (check will be sent by overnight service)
- Evidence of current insurance coverage (see loan agreement)
- Progress inspection report for submitted GC Pay Application from the Construction Lender
- TCAP Eligible Cost Certification (with each TCAP draw request, form on TCAC website)
- Any additional draw requirements deemed necessary by CalHFA and/or TCAC

At least thirty five (35%) upon completion of the entire development:

In addition to the above listed draw requirements the following will be required:

- Final Certificate of Occupancy
- Recorded Notice of Completion
- Final GC lien waiver(s)
- Final 100% Project Inspection Report from the Construction Lender
- Permanent Property Insurance
- Any additional draw requirements deemed necessary by CalHFA and/or TCAC

Twenty-five percent (25%) minus a “Holdback” amount:

In addition to the above listed draw requirement the following will be required:

- Upon 90% occupancy by eligible households of the Development, for a continuous period of more than thirty (30) days as certified by an independent third party.
- Any additional draw requirements deemed necessary by CalHFA and/or TCAC

TCAC final “Holdback” draw: send draw request directly to TCAC

- Completed TCAC Holdback Disbursement Request executed by the Authorized Signor
- Upon Lender (TCAC) approval of the final cost certification and other placed in service materials
- Any additional final draw requirements deemed necessary by TCAC