

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

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Sean L. Spear

To: CDLAC QRRP Applicants

From: Sean L. Spear, Executive Director

Date: March 7, 2014

Re: TCAC Minimum Construction Standards for Energy Efficiency

On January 29, 2014, the California Tax Credit Allocation Committee (TCAC) adopted the following regulations related to the minimum construction standards for all Low Income Housing Tax Credit applications:

Section 10325(f)(7)(A) of The California Tax Credit Allocation Committee (TCAC) regulations requires that for all 2014 competitive first round applications and noncompetitive applications received prior to June 30, 2014, new construction buildings shall be fifteen percent (15%) better than the 2008 Energy Efficiency Standards (California Code of Regulations, Part 6 of Title 24) including heating, cooling, fan energy, and water heating but not the following end uses: lighting, plug load, appliances, or process energy. All 2014 competitive second round new construction applications and noncompetitive new construction applications received on July 1, 2014 or thereafter shall be thirty percent (30%) better than the 2008 standards. All rehabilitated buildings shall have improved energy efficiency above the modeled energy consumption of the building(s) based on existing conditions, with at least a 10% post-rehabilitation improvement over existing conditions energy efficiency achieved for each building. Except for applicants developing a project in accordance with the minimum requirements of Leadership in Energy & Environmental Design (LEED) or GreenPoint Rated Multifamily Guidelines, a completed Sustainable Building Method Workbook must be submitted at the time of application.

While these standards are not currently CDLAC regulation requirements, CDLAC Qualified Residential Rental Project (QRRP) Project Sponsors also seeking an award of tax credits must consider these requirements when developing their CDLAC application. It would be expected that the scope of work and project development costs identified in the CDLAC application correspond with those provided in the TCAC application. It is anticipated that CDLAC will formally adopt similar regulation requirements later this year.

Should you have questions regarding this matter, please do not hesitate to contact the CDLAC office at (916) 653-3255.