



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

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

MEMBERS

FIONA MA, CPA, CHAIR
State Treasurer

BETTY YEE
State Controller

KEELY MARTIN BOSLER
Director of Finance

DOUG McCAULEY
Acting Director of HCD

TIA BOATMAN PATTERSON
Executive Director of CalHFA

EXECUTIVE DIRECTOR
Judith Blackwell

DATE: October 31, 2019

TO: Applicants for 4% Federal Credit and State Credit, November 15, 2019 Application Deadline

FROM: California Tax Credit Allocation Committee – Development Section

RE: Application Guidance – On-Line Application

Applicants for 4% federal credit and state credit must submit a joint application to CDLAC and TCAC. CDLAC and TCAC are in the process of updating the CDLAC online application portal to include the TCAC-required documentation for applicants utilizing the \$500 million state credit for 4% credit new construction projects. This process will be complete on or around November 8, 2019, approximately one week prior to the application deadline of November 15, 2019. **Applicants may begin a joint application now, but must wait to submit until the updates have been completed.** Updates except for the Document Checklist will be visible in unsubmitted applications once the updates are live on the website on or around November 8. TCAC will notice this via listserv. **All applicants choosing to open an online application using the current, un-updated version to apply for state tax credits are responsible for submitting all required documents from the updated CDLAC online application including use of the updated Joint Application Documents Checklist.** State credit applicants must provide commitments for all construction financing, and evidence of all applicable local land use approvals demonstrated by the [2020 Attachment 26](#), pursuant to TCAC regulation sections 10325(c)(7)(A) and (B). The updated checklist and template attachments listed below will be available on the TCAC website. To submit the required construction financing commitments, use Attachment 2-C sequentials. When the online application portal is updated, there will be an upload feature for Attachment 26 in the same section as Attachment 14 (Part III, Local Approvals and Zoning).

Below is a list of the updates in process, which includes other minor corrections.

- For projects requesting state credit, add the TCAC construction financing commitment requirement to the financing plan section of the Bond Issue Information (Part II)
- Also in the financing plan section of the Bond Issue Information (Part II): include the TCAC requirement that applicant resources be available as confirmed by an audited certification from a CPA
- For projects requesting state credit, add Attachment 26 to the local approvals and zoning section of Project Information (Part III)
- Replace the Attachment 40 template in the online portal with a link to the most current version available on the TCAC website
- Remove references to discontinued local reviewing agency evaluation
- Update the Joint Application Documents Checklist
- Update TCAC Applicant Certification, Attachment 00-B1
- Update Current Outstanding Liens, Attachment 2-A3
- Update Resyndication Checklist, Attachment 8-E1

To further clarify, following are visual representations of updates in process that will be available on or around November 8. If you have questions about this process contact [CDLAC staff](#) and [TCAC staff](#).

Other TCAC-specific updates have not yet been implemented online due to time constraints. These include removal of the financial statement requirement, and removal of the property management contract requirement. Corrections will be made in the next online iteration; applicants may upload "N/A" PDF pages for these discontinued requirements in the interim.



- All Applications
- Application Details
- Compliance Certification
- Help

APPLICATION FOR AN ALLOCATION OF THE STATE CEILING ON QUALIFIED PRIVATE ACTIVITY BONDS
 FOR QUALIFIED RESIDENTIAL RENTAL PROJECT (QRRP)
 AND FOR AN AWARD OF 4% LOW INCOME HOUSING TAX CREDITS

[Application Info](#) [Online Forms](#) [Documents Checklist](#) [Word/Excel Templates](#)

Online Application ID:	1390
CDLAC Applicant (Issuer):	NEW APPLICANT
TCAC Applicant:	
PROJECT NAME:	
PROJECT TYPE:	
PROPOSED MEETING DATE:	1/15/2020 <input type="button" value="v"/> <input type="button" value="📅"/>
COMPETITIVE APPLICATION:	N
FORWARD COMMITMENT:	N
STATUS:	OPEN

-
-
-
-

Request Application

To receive a copy of the application form as it currently stands via email, please select or enter an email address in the text box below and click the REQUEST APPLICATION button.

- Pending Items
- Submit CDLAC Applicant Certification
- Submit TCAC Applicant Certification
- Submit Proof of CDLAC Application Filing Fee
- Submit Proof of TCAC Application Fee
- Submit Signed Performance Deposit Certification Form
- ~~Submit TCAC Local Reviewing Agency Letter~~

Attachment Details

No attachments found.



BOND ISSUE INFORMATION

1. Indicate anticipated bond issuance date:

2. Indicate whether bonds will be sold as: (Check all that are applicable)

a. a public offering with credit enhancement

b. a private placement

c. a cash collateralized public offering

3. Anticipated bond rating (see Sections 5063, 5064 or 5065 of the CDLAC Regulations):

	Rating	Date Rating Anticipated
Fitch	<input type="text" value="BB"/>	<input type="text" value="12/30/2018"/>
Moody's	<input type="text" value="B"/>	<input type="text" value="12/30/2018"/>
Standard & Poor's	<input type="text" value="BBB"/>	<input type="text" value="12/30/2018"/>

If the anticipated bond rating is BBB or less or is unrated, does the Applicant favor an award requiring an Investment Representation Letter or with minimum denomination requirements?

Investment Representation Letter

Minimum Denomination Requirements

None

4. Financing Plan - [Attachment 2-A3](#)
(See [Sections 5061 or 5062 of the CDLAC Regulations](#) and [Section 10322\(h\)\(16\) of the TCAC Regulations](#) .)

Submit a brief description of the bond sale structure and project financing labeled as **Attachments 2-A1 and 2-A2**. The description must include, at a minimum, the construction or interim financing, if applicable, the amount, closing deadlines, security/collateral provided, investors, guaranties, conditions for closing, anticipated closing date, etc. Provide a list of all liens to be paid off at closing as **Attachment 2-A3**.

Submit proof of all firm commitment(s) from credit enhancement provider(s) and private placement bond purchaser(s), labeled sequentially as **Attachment 2-C1, 2-C2**, etc. For FHA financed projects not seeking a CDLAC Forward Commitment, a HUD Acknowledgement Letter must be included with the **Attachment 2-C** documents. For TCAC requirements, if the applicant intends to finance part or all of the project from its own resources (other than deferred fees), the applicant must confirm in the application that such resources are available and committed solely for this purpose. An audited certification from a third party certified public accountant that applicant has sufficient funds to successfully accomplish the financing is required as an attachment, included with **Attachment 2-C** documents.

TCAC state tax credit requirement: submit documentation of all construction financing commitments included with Attachment 2-C documents. See Section 10325(c)(7)(A) for commitment requirements.

5. Prior Bond Default or Bankruptcy
(See Section 5066 of the CDLAC Regulations.)

Project Sponsors and Bond Issuers may submit an appeal for a waiver of the Bond Sale Structure restrictions associated with a prior Bond Default or bankruptcy in **Attachment 2-A4**.

A. Indicate any prior Bond Defaults or bankruptcies on behalf of a Project Sponsor or Borrower within the last 3 years (N/A is not an acceptable response):

B. Indicate any prior Bond Defaults in the last 5 years on behalf of the Bond Issuer/Applicant (N/A is not an acceptable response):

6. Redevelopment Agency Funding

Are there any direct or indirect committed public funds related to Redevelopment Agency resources in existence prior to the dissolution of Redevelopment Agencies on February 1, 2012?

Yes

No



CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

- All Applications
- Application Details
- Compliance Certification
- Help

Project Information / Evaluation Criteria

- Project Site
- Types/Characteristics
- Site Control
- Approvals/Zoning**
- Income Restriction
- Large Family Units
- Market Study
- Rent Restrictions
- Term of Restrictions
- Community Revitalization
- Site Amenities
- Service Amenities
- Building Standards
- Sustainable Methods
- New / Reuse / Renovate

7. Local Approvals and Zoning - [Attachment 14](#)
[CDLAC Regulations Section 5190\(b\)](#) and [TCAC Regulations Section 10326\(g\)\(3\)](#).

Evidence of discretionary local approvals and zoning must be labeled as **Attachment 14** and take at least one of the following forms. For projects requesting state tax credits, **Attachment 26** is also required. The template is located on the Application page of the TCAC website: <https://www.treasurer.ca.gov/ctcac/index.asp>.

Check all that are applicable to the proposed Project.

Form of Evidence	Check here
CDLAC & TCAC Zoning and Local Approval Verification Form bearing the signature of a local planning agency representative.	<input checked="" type="checkbox"/>
Letter from a local planning official that verifies all of the information requested by the CDLAC & TCAC Zoning and Local Approval Verification Form.	<input type="checkbox"/>
Documentation from a local agency that clearly demonstrates the agency's intentions to acquire the Project site, or a portion of the Project site, through eminent domain proceedings.	<input type="checkbox"/>

[Attachment 14](#)

[Attachment 26](#)

Check if Local Approvals and Zoning Information is complete.

[Previous](#)

[Next](#)

[Save](#) [Clear](#)

[Continue to Part IV](#)



TCAC-SPECIFIC REQUIREMENTS

[TCAC Regulations](#)

1. **Attachment 40**, Excel Application. The template is located on the Application page of TCAC's website: <https://www.treasurer.ca.gov/ctcac/index.asp>.

 [Attachment 40](#)

2. TCAC acquisition cost limits. Applications with non-arm's length acquisition transactions must demonstrate that the seller is not benefiting from a higher purchase price. An appraisal is also required as Attachment 8-D1. Projects with existing debt must document the remaining principal balances of existing loans, and indicate whether the debt will be repaid or transferred to the new partnership. Accrued interest should be documented, and may be estimated as of the application date or as of the expected date of the permanent financing close. Submit as **Attachments 2-B1, 2-B2, etc.** See Sections 10322(h)(9) and 10327(c)(6) of the TCAC Regulations.

 [Attachment 2-B1, 2-B2, etc.](#)

3. Owner Identities of Interest. Submit as **Attachment 2-D1, 2-D2, etc.** identities of interest/related party disclosure for the applicant entity and all general partners. See Section 10322(h)(6) of the TCAC Regulations.

 [Attachment 2-D1, 2-D2, etc.](#)

4. Developer Fee. Document compliance with TCAC's developer fee limitations and deferral/equity contribution requirements and submit as **Attachment 2-E**. Provide a description of the limitations on developer fee required by any other funding source. Include an excerpt of the funding source's written requirements for developer fees. See Section 10327(c)(2)(B) of the TCAC Regulations.

 [Attachment 2-E](#)

5. TCAC pro forma analysis of proposed project cash flow. The 15-year pro forma analysis is completed in the Excel Application. For projects with a private conventional lender and equity partners using 2% gross income and 3% operating expense underwriting assumptions, provide evidence of the assumptions, if applicable, as **Attachment 2-F1**. For projects with commercial income only: include a 15 year pro forma of all commercial revenue indicating the commercial income does not support the residential portion as **Attachment 2-F2**. See Sections 10322(h)(23) and 10327(g)(1) of the TCAC Regulations.

 [Attachment 2-F1](#)

 [Attachment 2-F2](#)

6. TCAC Applicant and CDLAC Sponsor/Developer. See the Application Checklist and Section 10326(g)(5) of the TCAC Regulations. Submit as **Attachments 5-A1, 5-B1, 5-C**.

 [Attachment 5-A1, 5-A2, etc.](#)

 [Attachment 5-B1, 5-B2, etc.](#)

 [Attachment 5-C](#)

7. TCAC Application Development Team Contracts. Submit as **Attachment 6-A1**. See the Application Checklist and Section 10325(f)(6)(B) of the TCAC Regulations.

 [Attachment 6-A1, 6-A2, etc.](#)

Check if TCAC Requirements 1 through 7 are complete.

[Save](#) [Next](#)