

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**

915 CAPITOL MALL, ROOM 485  
SACRAMENTO, CA 95814  
TELEPHONE: (916) 654-6340  
FAX: (916) 654-6033



William J. Pavão  
*Executive Director*

**MEMBERS:**

Bill Lockyer, Chair  
*State Treasurer*

Michael C. Genest, Director  
*Department of Finance*

John Chiang  
*State Controller*

Date: June 8, 2009

To: 2007 & 2008 Low Income Housing Tax Credit Ceiling (9%)  
Reservation Holders

From: William J. Pavão, Executive Director

Subject: Application for Gap Financing 2007 & 2008 9% Reservation Holders—  
American Recovery and Reinvestment Act (ARRA) of 2009 Funds

The Tax Credit Allocation Committee (TCAC) announces the availability of \$25 million in ARRA funds for gap financing for projects that currently have a 2007 or 2008 reservation of credit ceiling (9%) low income housing tax credits with a committed equity partner, but still have a funding gap. 2007 and 2008 credit recipients may compete to receive the difference between the credit equity in the original tax credit application, up to \$0.85 for every currently reserved federal tax credit dollar, not to exceed \$.15 on the dollar. Those projects with State tax credits may compete for up to \$0.10 for every California State Credit dollar, up to the credit equity stated in the original application, not to exceed \$0.65 per California State Credit dollar.

To be eligible to compete, the project must remain the same as originally proposed. Specific instructions on compliance with this requirement are included in the application.

Please complete the attached application and submit to TCAC by **4:00 pm on July 1, 2009**. The applications will be scored pursuant to Section 10323 (2) ( C) of the TCAC Regulations. Recommendations from this application process are anticipated to be taken to the Committee meeting scheduled for August 5, 2009.

Your application could result in a preliminary reservation of ARRA funds. An actual award would be contingent on further underwriting and review of your subsequent Grant or Loan application package. The final form of award is contingent upon additional clarification from the Federal government. In addition, a loan or grant application fee will be required. Further information regarding the fee is contained in the proposed regulations found at [http://www.treasurer.ca.gov/ctcac/programreg/20090610\\_cover.pdf](http://www.treasurer.ca.gov/ctcac/programreg/20090610_cover.pdf).

If you have any questions related to this application, please contact Anny Beeson, Development Program Manager at (916) 654-0015 or Ed Johnson, Development Program Manager (Specialist) at (916) 654-5882.