



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

GUSTAVO VELASQUEZ
Director of HCD

TIA BOATMAN PATTERSON
Executive Director of CalHFA

DATE: August 5, 2020

TO: 2020 4% with State Tax Credit Recipients

EXECUTIVE DIRECTOR
JUDITH BLACKWELL

FROM: Development Section

SUBJECT: 4% with State Tax Credit 180-Day Readiness Requirement to Begin Construction

Projects awarded state tax credits on February 18, 2020 have a 180-day readiness deadline to begin construction on August 17, 2020. Projects awarded state tax credits on April 14, 2020 have an October 20, 2020 deadline. These projects were also awarded tax-exempt bond financing from the California Debt Limit Allocation Committee (CDLAC). The bonds must be issued within 180 or 194 days of the CDLAC award date. A 90-day extension of this CDLAC deadline may be granted by the CDLAC Executive Director. If a bond issuance extension has been granted by CDLAC, an extension of the TCAC readiness deadline also has been granted. The revised TCAC readiness deadline is the date of the CDLAC issuance deadline as stated in the CDLAC Allocation Issuance Extension letter.

Absent an extension, an applicant must be able to begin construction within 180 days of the credit reservation date. It is critical that all required documents are received by TCAC no later than 5:00 p.m. on the deadline. TCAC will accept the required documentation electronically by email at TCACdocs@sto.ca.gov or in the form of a mailed flash drive. For tracking purposes, please do not email the documents to the regional analyst directly. For email submissions through TCACdocs@sto.ca.gov, please include the following in the subject line:

CA-20-XXX (TCAC Project Number) / Project Name / 4% with State Credit 180-Day Readiness

The following is a list of the required documents:

- issuance of building permits for all residential buildings (a grading permit does not suffice to meet this requirement except that in the event that the city or county as a rule does not issue building permits prior to the completion of grading, a grading permit shall suffice; if the project is a design-build project in which the city or county does not issue building permits until designs are fully complete, the city or county shall have approved construction to begin); and
- notice to proceed delivered to the contractor.

Failure to meet the TCAC deadline will result in rescission of the Tax Credit Reservation and may result in negative points. If you anticipate not meeting the readiness deadline, please notify TCAC immediately. If you have any questions regarding this deadline, please contact the TCAC staff report analyst or your regional analyst at the following link: <http://www.treasurer.ca.gov/ctcac/assignments.asp>. We look forward to working with you to ensure successful completion of your affordable housing project.