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Treasurer Lockyer Announces More Than \$310 Million in Stimulus Funds for Affordable Housing Tax Credit Projects Across the State *Federal Dollars will Jumpstart Stalled Projects, Create Needed Jobs, Housing*

SACRAMENTO – Treasurer Bill Lockyer today announced the distribution of more than \$310 million in federal stimulus money to revive 31 “shovel-ready” affordable housing projects throughout the state, and create more than 5,000 jobs and 2,015 rental units for low-income families and individuals.

“Getting these funds out the door is vital to repairing California’s economy,” said Lockyer. “By reviving these projects, we’ll create needed affordable housing for working Californians and their families, and we’ll help put people back to work.”

The California Tax Credit Allocation Committee (CTCAC), chaired by Lockyer as Treasurer, approved the cash awards in exchange for previously awarded and unused tax-credits. Tax-credits can be used for construction or rehabilitation of low-income housing. Developers use the credits to attract investment capital to help finance their projects.

Slumping market conditions made selling the tax credits difficult, often deflating prices to a level that was not financially feasible for the developer or left them unable to sell the credits at all. Provisions in the American Recovery and Reinvestment Act (ARRA) of 2009 allow prior tax-credit recipients to exchange those credits for cash at a value of \$.85 for each \$1 of credit. While credits are generally distributed annually over ten years, the exchange funds will be awarded in a lump sum. Developers could have cash in hand in as few as 60 days.

Additional ARRA exchange funds will be distributed at the August and December CTCAC meetings. Applications are due by July 9 and November 10, respectively.

The CTCAC administers the federal and state Low-Income Housing Tax Credit Programs. Both programs were created to encourage private investment in affordable rental housing for households meeting certain income requirements. They also administer a Farmworker Housing Assistance Program and a Commercial Revitalization Deduction Program.

For more information about CTCAC, visit www.treasurer.ca.gov/ctcac.

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