



STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

State and Local Government Finance Division
and the Local Government Commission

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Memorandum #1125

To: Local Public Housing Authorities and Their Independent Auditors

From: Sharon Edmundson
Director, Fiscal Management Section

Subject: Tax Credit Assistance Program (TCAP) from ARRA Funds

The American Recovery and Reinvestment Program of 2009 (ARRA) includes funds for what is known as the Tax Credit Assistance Program (TCAP) for public housing. The funds will be administered through the North Carolina Housing Finance Agency (NCHFA) and our State has been allocated approximately \$52 million in TCAP funds.

The NCHFA will distribute these funds competitively and according to their qualified allocation plan. Projects awarded low income housing tax credits in fiscal years 2007, 2008, or 2009 are eligible for funding, but housing credit agencies must give priority to projects that are expected to be completed by February 2012. Seventy-five percent of TCAP funds must be committed by February 2010, 75 percent must be expended by February 2011, and 100 percent of the funds must be expended by February 2012.

In order for a North Carolina public housing authority to participate in TCAP funding, it must be a part of a development team for a project that has been or will be awarded low income housing credits as detailed above. If you have any questions about this program, please contact the NCHFA at (919) 877-5700. You may also learn more at www.hud.gov/recovery/tax-credit.cfm.