

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
May 18, 2011
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Sarah Lester

Applicant: County of Ventura

Contact Information:

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Allocation Amount Requested: \$5,464,132 **Converted MCC Authority:** \$1,366,033

Applicant's Fair Share Amount: \$5,464,132 **Converted MCC Authority:** \$1,366,033

Participating Jurisdictions:

Cities of Camarillo, Fillmore, Moorpark, Ojai, Oxnard, Port Hueneme, San Buenaventura, Santa Paula, Simi Valley, Thousand Oaks and the unincorporated area of the County of Ventura

Allocation Information:

Date MCCs will be advertised: February 24, 2011
Expected issue date of first MCC: June 15, 2011
Program Status: Existing
Certificate tax credit rate: 20%

Type of housing units to be assisted/average mortgage amount:

New construction units: 0 units (0%) with an average mortgage amount of \$000,000
Existing resale units: 24 units (100%) with an average mortgage amount of \$284,800
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 24 units with an average mortgage amount of \$284,800

The above numbers of units are: Estimates
 Actual requirements imposed by the Issuer

Past Performance:

The application indicates the applicant met the 2010 minimum performance requirement that at least **40%** of the program participants are lower-income households or located in a Qualified Census Tract.

The application indicates the applicant expects to meet the 2011 minimum performance requirement that at least **40%** of program participants will be lower-income households.

Recommendation:

Staff recommends that the Committee approve an amount of \$5,464,132 in tax-exempt bond allocation to the County of Ventura for the Mortgage Credit Certificate Program. This is the Applicant's 2011 fair share amount.

DESCRIPTION OF PROPOSED PROGRAM:

- **Population to be served by the proposed Program (family size, income levels, etc.):**
According to the Applicant, the proposed Program expects to serve all ethnic groups and family sizes with a minimum of 40% of the households at or below 80% of the median income adjusted by household size.
- **Estimated number of first-time homebuyers to be assisted:** 24
- **Housing stock to be purchased (types, unit sizes, etc):**
According to the Applicant, the housing stock to be purchased will consist of detached homes with 2-3 bedrooms approximately 1,600 square feet in size. The average price of the homes is expected to be approximately \$300,000.
- **Specific reservations of MCCs for purposes such as low-income targeting, new construction, etc.:**
According to the Applicant, the program will reserve at least 20% of the certificates for federally designated target areas and at least 40% of the MCCs for families with incomes at or below 80% of the area median income adjusted for family size.
- **Expected duration MCCs will be available and anticipated monthly rate of issuance:**
Based on the information provided in the application, MCCs are expected to be available for 24 months and the anticipated monthly rate of issuance is 1 MCC per month.
- **Other homebuyers assistance programs offered by participating jurisdiction(s):**
None indicated.
- **Additional features unique to the proposed Program:**
None indicated.

PURCHASE PRICE INFORMATION:

The proposed maximum limits are:

Unit Type	Average Area Purchase Price*	Non-Target Area Max Purchase Price	Target Area Max Purchase Price
New Units	\$729,750	\$656,775	\$ 802,725
Existing Units	\$729,750	\$656,775	\$ 802,725

*This is established by (check one):
 IRS Safe Harbor limitations
 As determined by special survey
 Current FHA loan limits

Expected average sales prices of the estimated units to be assisted:

New Units	N/A
Existing Units	\$293,300
Rehabilitated Units	N/A

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$86,700

Applicable standard that defines the area median income:

HUD statewide median HUD county MSA median

Local median as determined by a special study

Percent of MCCs reserved for IRS-designated target areas in the jurisdiction(s): 20%

Proposed maximum income limits:

Household Size	Non-Target Area	Target Area
1-2 persons	\$86,700	\$104,040
3+ persons	\$99,705	\$121,380

DESCRIPTION OF PUBLIC BENEFITS:

Past Program Performance:

Year	Amount of Allocation	Amount of Allocation Used	Number of MCCs Issued	Outstanding MCC Authority
2008	\$5,479,665	\$5,479,665	26	0
2009	\$5,463,855	\$5,463,855	22	0
2010	\$5,500,000	\$4,704,000	21	\$199,000

Pursuant to Section 5269 of the CDLAC Regulations, the Applicant has:

- 1 Demonstrated that no Mortgage Credit Certificate authority from the year two years prior to the current year has been unused (other than minor amounts not to exceed \$1 million); and
- 2 Certified that any Mortgage Credit Certificate authority remaining from the year prior to the current year will be used before the use of new Mortgage Credit Certificate Authority.