

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
March 21, 2012
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Sarah Lester

Applicant: County of Riverside

Contact Information:

Name: Carol Singh
Address: 3403 10th Street, Suite 500
Riverside, CA 92501
Phone: (952) 955-4826

Allocation Amount Requested: \$14,812,646 **Converted MCC Authority:** \$3,703,162

Applicant's Fair Share Amount: \$14,812,646 **Converted MCC Authority:** \$3,703,162

Participating Jurisdictions:

Cities of Banning, Beaumont, Blythe, Calimesa, Canyon Lake, Cathedral City, Coachella, Corona, Eastvale, Hemet, Indio, Lake Elsinore, La Quinta, Moreno Valley, Murrieta, Norco, Palm Desert, Palm Springs, Perris, Riverside, San Jacinto, Temecula, Wildomar and the unincorporated areas of the County of Riverside

Allocation Information:

Date MCCs will be advertised: December 21, 2011
Expected issue date of first MCC: April 4, 2012
Program Status: Existing
Certificate tax credit rate: 15%

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

New construction units: 2 units (1%) with an average mortgage amount of \$207,541
Existing resale units: 132 units (99%) with an average mortgage amount of \$184,059
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 134 units with and average mortgage amount of \$184,409

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

Past Performance:

The application indicates the applicant met the 2011 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 2012 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 \$14,812,646 in tax-exempt bond allocation to the County of Riverside for the Mortgage Credit Certificate Program. This is the Applicant's 2012 fair share amount.

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$71,400

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:

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$71,400	\$85,680
3+ persons	\$82,110	\$99,960

DESCRIPTION OF PUBLIC BENEFITS:

Past Program Performance:

<u>Year</u>	<u>Amount of Allocation</u>	<u>Amount of Allocation Used</u>	<u>Number of MCCs Issued</u>	<u>Outstanding MCC Authority</u>
2009	\$18,721,101	\$18,687,288	14	\$8,453
2010	Did Not Apply	N/A	N/A	N/A
2011	\$13,839,850	\$1,668,200	177	\$3,042,913

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.