

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 10, 2014
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:

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Allocation Amount Requested: \$8,000,000 **Converted MCC Authority:** \$2,000,000

Applicant's Fair Share Amount: \$17,807,491 **Converted MCC Authority:** \$4,451,873

Participating Jurisdictions:

Cities of Banning, Beaumont, Calimesa, Canyon Lake, Cathedral City, Coachella, Corona, Desert Hot Springs, Hemet, Indio, Jurupa Valley, Lake Elsinore, La Quinta, Menifee, 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: June 11, 2014
Expected issue date of first MCC: December 24, 2014
Program Status: Existing
Certificate tax credit rate: 20%

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

New construction units: 5 units (10%) with an average mortgage amount of \$248,619
Existing resale units: 43 units (90%) with an average mortgage amount of \$201,583
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 48 units with an average mortgage amount of \$206,287

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

Past Performance:

The Applicant did not apply for its 2013 fairshare. Therefore, the 2013 minimum performance requirement that at least 40% of the program participants are lower-income households or located in a Qualified Census Tract does not apply.

The application indicates the applicant expects to meet the 2014 minimum performance requirement that at least 40% of program participants will be lower-income households.

Recommendation:

The Applicant is only requesting \$8,000,000 of its \$17,807,491 2014 fairshare portion of the Single Family Housing Pool.

Staff recommends that the Committee approve a reduced amount of \$8,000,000 in tax-exempt bond allocation to the County of Riverside for the Mortgage Credit Certificate Program on a carryforward basis.

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$68,100

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	\$68,100	\$81,720
3+ persons	\$78,315	\$95,340

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>
2011	\$13,839,850	\$13,827,790	129	\$3,015
2012	\$14,812,646	\$13,924,842	88	\$221,951
2013	Did Not Apply	N/A	NA	N/A

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.