

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**December 14, 2016**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**MORTGAGE CREDIT CERTIFICATE PROGRAM**

Prepared by: Sarah Lester

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**Applicant:** Golden State Finance Authority

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**Contact Information:**

**Name:** Peter Tran  
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**Phone:** (916) 444-2615

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**Allocation Amount Requested:** \$140,157,551    **Converted MCC Authority:** \$35,039,388

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**Applicant's Fair Share Amount:** \$139,188,018    **Converted MCC Authority:** \$34,797,005

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**Participating Jurisdictions:**

Counties of Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, San Benito, San Bernardino, San Joaquin, San Luis Obispo, Shasta, Sierra, Siskiyou, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo, Yuba and the Cities of Redding and Vacaville

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**Allocation Information:**

**Date MCCs will be advertised:** October 11, 2016  
**Expected issue date of first MCC:** February 1, 2017  
**Program Status:** New  
**Certificate tax credit rate:** 20%

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

New construction units: 80 units (9%) with an average mortgage amount of \$217,463  
Existing resale units: 807 units (91%) with an average mortgage amount of \$195,482  
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000  
Total units: 887 units with an average mortgage amount of \$197,467

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

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**Past Performance:**

The Applicant is requesting \$140,157,551. The Applicant's 2016 fairshare portion of the Single Family Housing Pool is \$139,188,018.

The application indicates the applicant expects to meet the 2016 minimum performance requirement that at least **40%** of program participants will be lower-income households.

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**Recommendation:**

Staff recommends that the Committee approve the requested \$140,157,551 in tax-exempt bond allocation to the Golden State Finance Authority for the Mortgage Credit Certificate Program on a carryforward basis.



**MAXIMUM INCOME LIMITATIONS:**

Area median income on which maximum program limits are based: Various

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	Various	Various
3+ persons	Various	Various

**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>
2013	Did Not Apply	N/A	N/A	N/A
2014 *	\$68,833,263	\$19,400,982	85	\$12,358,070
2015 **	\$24,379,370	\$19,400,982	85	\$1,244,597

\* Allocation was awarded in January 2015 from 2014 SFH Allocation.

\*\* Allocation was awarded to the Applicant for the County of Orange jurisdiction.

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.