

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
May 27, 2009
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Sarah Lester

Applicant: County of San Mateo

Contact Information:

Name: Scott Coe
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Allocation Amount Requested: \$4,858,604 **Converted MCC Authority:** \$1,214,651

Applicant's Fair Share Amount: \$4,858,604 **Converted MCC Authority:** \$1,214,651

Participating Jurisdictions:

Cities of Atherton, Belmont, Brisbane, Burlingame, Colma, Daly City, East Palo Alto, Foster City, Half Moon Bay, Menlo Park, Millbrae, Pacifica, Portola Valley, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco and the County of San Mateo

Allocation Information:

Date MCCs will be advertised: March 30, 2009
Expected issue date of first MCC: June 28, 2009
Program Status: Existing
Certificate tax credit rate: 15%

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

New construction units: 14 units (54%) with an average mortgage amount of \$290,000
Existing resale units: 12 units (46%) with an average mortgage amount of \$345,000
Rehabilitation units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 26 units with and average mortgage amount of \$315,385

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

Past Performance:

The application indicates the applicant met the 2008 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 2009 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 \$4,858,604 in tax-exempt bond allocation to the County of San Mateo for the Mortgage Credit Certificate Program. This is the Applicant's 2009 fair share amount.

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$96,800

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): N/A

Proposed maximum income limits:

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$ 96,800	N/A
3+ persons	\$ 111,320	N/A

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>
2006	\$ 0	\$	0	\$ 0
2007	\$ 2,727,011	\$ 2,668,664	15	\$ 14,587
2008	\$ 4,868,873	\$ 4,617,010	29	\$ 62,966

Pursuant to CDLAC Procedures Section 18.I.E.1.,2., 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.