

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
July 28, 2010
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: John Weir

Applicant: Housing Authority of the County of Santa Cruz

Contact Information:

Name: Beth Ahlgren
Address: 2931 Mission Street
Santa Cruz, CA 95060-5709
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Allocation Amount Requested: \$1,753,840 **Converted MCC Authority:** \$438,460

Applicant's Fair Share Amount: \$1,753,840 **Converted MCC Authority:** \$438,460

Participating Jurisdictions:

County of Santa Cruz and the Cities of Santa Cruz, Capitola, Scotts Valley and Watsonville.

Allocation Information:

Date MCCs will be advertised: May 13, 2010
Expected issue date of first MCC: August 11, 2010
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: 6 units (100%) with an average mortgage amount of \$354,081
Total units: 6 units with and average mortgage amount of \$354,081

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

Past Performance:

The application indicates the applicant met the 2009 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 2010 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 \$1,753,840 in tax-exempt bond allocation to the Housing Authority of the County of Santa Cruz for the Mortgage Credit Certificate Program. This is the Applicant's 2010 fair share amount.

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$83,800

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	\$ 83,800	\$ N/A
3+ persons	\$ 96,370	\$ 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>
2007	\$ 984,764	\$ 781,854	5	\$ 50,728
2008	\$ 1,753,235	\$ 1,710,621	9	\$ 10,654
2009	\$ 1,751,135	\$ 1,513,363	7	\$ 59,443

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.