

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
March 19, 2014
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Sarah Lester

Applicant: Housing Authority of the County of Santa Cruz

Contact Information:

Name: Beth Ahlgren
Address: 2931 Mission Street
Santa Cruz, CA 95018
Phone: (831) 454-5986

Allocation Amount Requested: \$2,131,950 **Converted MCC Authority:** \$532,988

Applicant's Fair Share Amount: \$2,131,950 **Converted MCC Authority:** \$532,988

Participating Jurisdictions:

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

Allocation Information:

Date MCCs will be advertised: December 28, 2013
Expected issue date of first MCC: March 24, 2014
Program Status: Existing
Certificate tax credit rate: 20%

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

New construction units: 1 units (13%) with an average mortgage amount of \$380,000
Existing resale units: 6 units (88%) with an average mortgage amount of \$370,000
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 7 units with and average mortgage amount of \$371,250

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

Past Performance:

The applicant did not apply for their 2013 single family housing fairshare amount, therefore, the minimum performance requirement is not applicable. However, the applicant has met this requirement in past performance years.

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:

Staff recommends that the Committee approve an amount of \$2,131,950 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 2014 fair share amount.

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$77,900

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): 0%

Proposed maximum income limits:

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$77,900	\$0
3+ persons	\$89,585	\$0

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	\$1,760,766	\$1,758,986	8	\$445
2012	\$1,761,800	\$1,722,884	9	\$9,729
2013	Did Not Apply	N/A	N/A	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.