

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**July 25, 2007**  
**Executive Summary**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**MORTGAGE CREDIT CERTIFICATE PROGRAM**

*Prepared by Brady Hill.*

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**Applicant:** County of Ventura

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**Contact Information:**

**Name:** Christy Madden  
**Address:** 800 South Victoria Avenue  
Ventura, CA 93009  
**Phone:** (805) 654-2679

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**Allocation Amount Requested:** \$5,000,000      **Converted MCC Authority:** \$1,250,000

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**Applicant's Fair Share Amount:** \$3,072,229      **Converted MCC Authority:** \$768,057

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**Participating Jurisdictions:**

Cities of Camarillo, Fillmore, Moorpark, Ojai, Oxnard, Port Hueneme, San Buenaventura, Santa Paula, Simi Valley, Thousand Oaks and the unincorporated areas of Ventura County

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**Allocation Information:**

**Date MCCs will be advertised:** February 28, 2007  
**Expected date of issuance of first MCC:** August 15, 2007  
**Program Status:** Existing program  
**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 \$N/A  
Existing resale units: 19 units (100%) with an average mortgage amount of \$325,000  
Rehabilitation units: 0 units (0%) with an average mortgage amount of \$N/A  
Totals units: 19 units with an average mortgage amount of \$325,000

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**Past Performance:**

The Applicant indicates that 6 MCCs were issued in 2006, of which 3 (50%) were issued to households with income at or below 80% of the area median income. This satisfies the 2006 minimum performance requirement that at least **40%** of the program participants are lower-income households.

The application indicates the applicant expects to meet the 2007 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 a reduced amount of \$3,072,229 in tax-exempt bond allocation, which is the Applicant's 2007 fair share amount.

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**STAFF REPORT**  
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**CONVERTED MCC AUTHORITY:** \$1,250,000

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<b>New construction units:</b>	0 units (0%) with an average mortgage amount of \$N/A
<b>Existing resale units:</b>	19 units (100%) with an average mortgage amount of \$325,000
<b>Rehabilitated units:</b>	<u>0</u> units (0%) with an average mortgage amount of \$ N/A
<b>Total units:</b>	<b>19</b> units with an average mortgage amount of \$325,000

**The above numbers of units are:**  estimates  
 actual requirements imposed by the Issuer

**DESCRIPTION OF PROPOSED PROGRAM:**

- ***Population to be served by the proposed Program (family size, income levels, etc.):***  
The proposed Program expects to serve a diverse ethnic composition. According to the Applicant, about 40% of the participants will be ethnic minorities. The average family size is 2-3 persons. Purchase opportunities for low income persons are difficult to find in Ventura County, thus there is a challenge in meeting the requirement that 40% of the MCC funding be used for those families. However, six of the participating jurisdictions offer down payment assistance to low income purchasers, and they will make every effort to ensure that those recipients be offered an MCC provided it benefits their tax situation.
  
- ***Estimated number of first-time homebuyers to be assisted:*** 19  
However, based on the information contained in the application, the County’s fair share amount will provide approximately 11 MCCs.
  
- ***Housing stock to be purchased (types, unit sizes, etc.):***  
According to the Applicant, half of the homes are expected to detached, and half of the homes are expected to be attached. Homes will average 3 bedrooms and about 1500 square feet.
  
- ***Specific reservations of MCCs for purposes such as low-income targeting, new construction, etc.:***  
The program will reserve 20% of the certificates for federally designated target areas and 40% for families with incomes of at or below 80% of the area median income adjusted for family size.
  
- ***Expected duration MCCS will be available and anticipated monthly rate of issuance:***  
According to the Applicant, it is anticipated that approximately 1 MCC will be issued monthly during an 18-month period. However, based on the County’s fair share amount and the information contain in the application, it is anticipated that MCCs will be issued at a rate of 1 per month during a 12-month period.
  
- ***Other homebuyers assistance programs offered by participating jurisdiction(s):***  
Six of the participating jurisdictions offer down payment assistance to low income purchasers, and they will make every effort to ensure that those recipients be offered an MCC provided it benefits their tax situation.
  
- ***Any other features unique to the proposed Program:***  
None indicated.

**PURCHASE PRICE INFORMATION:**

The proposed maximum limits are:

<u>Unit Type</u>	<u>Average Area Purchase Price*</u>	<u>Non-Target Area Maximum Purchase Price</u>	<u>Target Area Maximum Purchase price</u>
New Units	\$717,704	\$645,934	\$789,474
Existing Units	\$616,782	\$555,104	\$678,460

\*This is established by (check one):

- IRS safe harbor limitations  
 As determined by special survey  
 (See application attachment “H” attached)



