

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**September 24, 2008**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**MORTGAGE CREDIT CERTIFICATE PROGRAM**  
**SINGLE FAMILY HOUSING BONUS POOL**

*Prepared by Sarah Lester*

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**Applicant:** County of Santa Clara

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**Contact Information:**

**Name:** Tracy Cunningham  
**Address:** 1735 North First Street, #265  
San Jose, CA 95112  
**Phone:** (408) 441-4323

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**Allocation Amount Requested:** \$2,998,306      **Converted MCC Authority:** \$749,576

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**Applicant's Fair Share Amount:** \$1,784,899      **Converted MCC Authority:** \$446,225

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**Participating Jurisdictions:** Cities of Campbell, Cupertino, Gilroy, Los Gatos, Milpitas, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, Sunnyvale, and the unincorporated areas of Santa Clara County

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**Allocation Information:**

On January 23, 2008, the Committee awarded to the Applicant \$12,001,694 in tax-exempt bond allocation, which was the Applicant's fair share amount. Due to the excess allocation in the Single Family Housing Program pool reservation amount this year, the Applicant is requesting additional tax-exempt bond allocation from the Single Family Housing Bonus Pool for its Mortgage Credit Certificate Program.

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**Minimum Requirement:**

Pursuant to CDLAC Procedures Section 18.II.B.1.,2., the Applicant has:

1. Certified that a minimum of twenty-five percent (25%) of program participants are households earning sixty percent (60%) or less of the Applicable Median Family Income of the area in which the program is located (5 points)
2. Certified that at least twenty-five percent (25%) of the program activity will occur in a Community Revitalization Area. (5 points)
3. Certified that the program is augmented with a down-payment assistance program provided by the Applicant or by the other participating jurisdictions. (5 points)

**TOTAL POINTS EARNED: 15 POINTS**

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**ALLOCATION INFORMATION:**

**Program Status:** Existing program  
**Certificate tax credit rate:** 15%

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

New construction units: 2 units (28%) with an average mortgage amount of 422,210  
Existing resale units: 5 units (72%) with an average mortgage amount of \$407,743  
Rehabilitation units: 0 units ( %) with an average mortgage amount of \$0  
Totals units: 7 units with an average mortgage amount of \$412,806

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**DESCRIPTION OF PUBLIC BENEFITS:**

**Past Program Performance:**

<u>Year</u>	<u>Amount of Allocation Awarded</u>	<u>Amount of Allocation Used</u>	<u>Number of MCCs Issued</u>	<u>Status of Outstanding MCC Authority</u>
2005	\$20,210,322	\$20,210,322	104	\$0
2006	\$11,950,336	\$11,950,336	54	\$0
2007	\$6,699,580	\$6,699,580	28	\$0
2008	\$12,001,694	\$12,001,694	62	\$0

**RECOMMENDATION:**

Staff recommends that the Committee approve a reduced amount of \$1,784,899 in tax-exempt bond allocation to the County of Santa Clara for the Mortgage Credit Certificate Program. This is the Applicant's 2008 pro-rata share of the Single-Family Housing Program Bonus Pool.