

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
July 22, 2009
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Sarah Lester

Applicant: County of Ventura

Contact Information:

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Allocation Amount Requested: \$5,463,855 **Converted MCC Authority:** \$1,365,964

Applicant's Fair Share Amount: \$5,463,855 **Converted MCC Authority:** \$1,365,964

Participating Jurisdictions:

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

Allocation Information:

Date MCCs will be advertised: May 8, 2009
Expected issue date of first MCC: August 21, 2009
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: 21 units (100%) with an average mortgage amount of \$325,000
Rehabilitation units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 21 units with and average mortgage amount of \$325,000

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 \$5,463,855 in tax-exempt bond allocation to the for the Mortgage Credit Certificate Program. This is the Applicant's 2009 fair share amount.

DESCRIPTION OF PROPOSED PROGRAM:

- **Population to be served by the proposed Program (family size, income levels, etc.):**
According to the Applicant, the proposed Program expects to serve families of low to moderate income households. The Applicant states that about 35% of the participants will be ethnic minorities. The average family size is 2-3 persons.

- **Estimated number of first-time homebuyers to be assisted:** 21

- **Housing stock to be purchased (types, unit sizes, etc.):**
According to the Applicant, the housing stock to be purchased will consist of 2-3 bedroom 1,600 square foot homes with an average price in the mid \$300,000 range.

- **Specific reservations of MCCs for purposes such as low-income targeting, new construction, etc.:**
According to the Applicant, the program will reserve 20% of the certificates for federally designated target areas and 40% of the MCCs for families with incomes 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, MCCs are expected to be available for five (5) months and the anticipated monthly rate of issuance is four (4) MCCs per month.

- **Other homebuyers assistance programs offered by participating jurisdiction(s):**
None indicated.

- **Additional features unique to the proposed Program:**
None indicated.

PURCHASE PRICE INFORMATION:

The proposed maximum limits are:

Unit Type	Average Area Purchase	Non-Target Area Max Purchase Price	Target Area Max Purchase Price
New Units	\$ 680,621	\$ 612,559	\$ 748,683
Existing Units	\$ 651,913	\$ 586,722	\$ 717,104

*This is established by (check one): _____ IRS Safe Harbor limitations
 _____ X As determined by special survey
 _____ Cal HFA Sales Price limits (High Cost Area only)

Expected average sales prices of the estimated units to be assisted:

New Units	N/A
Existing Units	\$334,000
Rehabilitated Units	N/A

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$86,100

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): 20%

Proposed maximum income limits:

Household Size	Non-Target Area	Target Area
1-2 persons	\$ 86,100	\$ 103,320
3+ persons	\$ 99,015	\$ 118,818

DESCRIPTION OF PUBLIC BENEFITS:

Past Program Performance:

Year	Amount of Allocation	Amount of Allocation Used	Number of MCCs Issued	Outstanding MCC Authority
2006	\$ 5,000,000	\$ 5,000,000	17	\$ 0
2007	\$ 3,072,229	\$ 3,072,229	17	\$ 0
2008	\$ 5,479,665	\$ 3,846,410	18	\$ 408,314

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.