

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**December 16, 2009**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**MORTGAGE CREDIT CERTIFICATE PROGRAM**

Prepared by:

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**Applicant:** County of Ventura

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**Contact Information:**

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**Phone:**

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**Allocation Amount Requested:** \$5,500,000      **Converted MCC Authority:** \$1,375,000

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

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**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

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**Allocation Information:**

**Date MCCs will be advertised:** November 2, 2009  
**Expected issue date of first MCC:** March 15, 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: 28 units (100%) with an average mortgage amount of \$250,000  
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000  
Total units: 28 units with an average mortgage amount of \$250,000

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

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**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.

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**Recommendation:**

Because there is sufficient allocation available to fund all December 16 allocation requests, staff recommends that the Committee waive the fairshare allocation cap.

Staff recommends that the Committee approve an amount of \$5,500,000 in tax-exempt bond allocation to the County of Ventura for the Mortgage Credit Certificate Program on a carryforward basis.

**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:** 28
- **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 Price*	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  
 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	\$280,000
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:**

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$86,100	\$103,320
3+ persons	\$99,015	\$120,540

**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>
2006	\$ 5,000,000	\$ 5,000,000	17	\$ 0
2007	\$ 3,072,229	\$ 3,072,229	17	\$ 0
2008	\$ 5,479,665	\$ 5,479,665	18	\$ 0
2009	\$ 5,463,855	\$ 1,922,644	9	\$ 885,303

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.