

**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: John Weir

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**Applicant:** County of Alameda

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**Contact Information:**

**Name:** Michelle Starratt  
**Address:** 224 West Winton Ave., Rm. 108  
Hayward, CA 94544  
**Phone:** (510) 670-5207

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**Allocation Amount Requested:** \$10,000,000    **Converted MCC Authority:** \$2,500,000

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**Applicant's Fair Share Amount:** \$10,138,120    **Converted MCC Authority:** \$2,534,530

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**Participating Jurisdictions:**

Cities of Alameda, Dublin, Emeryville, Hayward, Newark, Oakland, Pleasanton, San Leandro, and the unincorporated area of Alameda County.

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**Allocation Information:**

**Date MCCs will be advertised:** November 1, 2009  
**Expected issue date of first MCC:** February 1, 2010  
**Program Status:** Existing  
**Certificate tax credit rate:** 15%

**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: 56 units (100%) with an average mortgage amount of \$300,000  
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000  
Total units: 56 units with an average mortgage amount of \$300,000

**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 \$10,000,000 in tax-exempt bond allocation to the County of Alameda for the Mortgage Credit Certificate Program on a carryforward basis.



**MAXIMUM INCOME LIMITATIONS:**

**Area median income on which maximum program limits are based:** \$89,300

**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):** N/A

**Proposed maximum income limits:**

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$ 89,300	\$ N/A
3+ persons	\$ 102,695	\$ N/A

**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>
2007	\$ 5,664,060	\$ 5,585,107	16	\$ 19,738
2007*	\$ 2,022,879	\$ 1,996,963	9	\$ 6,479
2008	\$ 10,130,417	\$ 7,947,396	36	\$ 545,755
2009	\$ 10,138,120	\$ 2,401,372	12	\$ 1,934,187

\*2007 Bonus Pool

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.