THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

September 22, 2010 Staff Report

REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: John Weir						
Applicant:		Cou	inty of Solano			
Contact Information:						
	Name:	Larl	k Ferrell			
Ac	dress:	100	0 Webster Street, 1st Floor			
			rfield, CA 94553			
]	Phone:	(707	7) 428-7457			
Allocation Amount Requested:	\$2,156	5,280	Converted MCC Authority:	\$539,070		
Applicant's Fair Share Amount	\$2,156	5,280	Converted MCC Authority:	\$539,070		
Participating Jurisdictions:						
The Cities of Dixon, Fairfield	l, Rio Vista,	Suisu	n City and the County of Solano.			
Allocation Information:						
Date MCCs will	l be advertis	sed:	June 26, 2010			
Expected issue date	e of first M	CC:	September 24, 2010			
P	rogram Sta	tus:	Existing			
Certificate	tax credit r	ate:	15%			
Type of housing unit	s to be assis	ted/av	verage mortgage amount:			
Existing resale units:			%) with an average mortgage amou	nt of \$179,690		
Total units:			and average mortgage amount of \$			
The above number	ers of units	are.	Y Estimates			
The above number	or units		Actual requirements imposed by	the Issuer		
Past Performance:						
			met the 2009 minimum performance	-		
Tract.	ram particip	ants ai	re lower-income households or loca	teu iii a Quanneu Census		
			expects to meet the 2010 minimum p			
requirement that at lea	ıst 40% of p	rograi	m participants will be lower-income	households.		

Recommendation:

Staff recomends that the Committee approve an amount of \$2,156,280 in tax-exempt bond allocation to the County of Solano for the Mortgage Credit Certificate Program. This is the Applicant's 2010 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 all ethnic groups and family sizes similar to the County's overall composition, with a minimum of 40% of the households at or below 80% of the median income adjusted by household size.

- Estimated number of first-time homebuyers to be assisted: 20
- Housing stock to be purchased (types, unit sizes, etc):

According to the Applicant, the housing stock to be purchased will consist of existing, detached single-family homes. Based on the homes purchased under the County's 2009 allocation, homes are anticipated to have three bedrooms and two baths.

• Specific reservations of MCCs for purposes such as low-income targeting, new construction, etc.:

According to the Applicant, the program will reserve 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 10 months and the anticipated monthly rate of issuance is 2 MCCs per month.

• Other homebuyers assistance programs offered by participating jurisdiction(s):

According to the Applicant, the City of Dixon operates a down payment assistance program to help low and moderate income households by providing deferred loans to eligible homebuyers. The City of Fairfield also offers a first time homebuyer program that provides deferred loans up to \$40,000 to qualified buyers. The City of Suisun also operates a first time homebuyer program for eligible low income and moderate income buyers purchasing foreclosed properties.

• Additional features unique to the proposed Program:

None indicated.

PURCHASE PRICE INFORMATION:

The proposed maximum limits are:

Unit Type Average Are Purchase Price				Non-Target Area Max Purchase Price		Target Area Max Purchase Price	
New Units	\$	557,500		\$	501,750	\$	N/A
Existing Units	\$	557,500		\$	501,750	\$	N/A
This is established by	y (check	c one):	X	As de	afe Harbor limitation termined by special FA Sales Price lim	l survey	

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

New Units	\$ N/A
Existing Units	\$ 199,000
Rehabilitated Units	\$ N/A

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$79,200

Applicable standard that defines the area median income:

HUD statewide median	X HUD county MSA median
Local median as determined by	y a special study

Percent of MCCs reserved for IRS-designated target areas in the jurisdiction(s): N/A

Proposed maximum income limits:

Household Size		on-Target Area	 Target Area		
1-2 persons 3+ persons	\$	79,200 91,080	\$ N/A N/A		

DESCRIPTION OF PUBLIC BENEFITS:

Past Program Performance:

Year	_	Amount of Allocation	 Amount of Allocation Used	Number of MCCs Issued	 Outstanding MCC Authority
2007	\$	0	\$ 0	0	\$ 0
2008	\$	2,172,994	\$ 1,956,840	17	\$ 54,039
2009	\$	2,058,896	\$ 1,752,500	16	\$ 76,599

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.