

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

May 18, 2011

**Consideration and Approval of an Award Revision to Various Qualified Residential Rental
Project Resolutions**
(Agenda Item No. 6)

ACTION:

Approve the revision to various CDLAC Resolutions for the purpose of releasing the performance deposit without forfeit.

BACKGROUND:

Over time, the Committee has awarded private activity bond allocation to multiple Projects that have recently issued their bonds. However, some of these Projects did not issue 100% of the awarded allocation amount, yet greater than 80% of the allocation awarded. Under Section 8869.84(e) of the California Government Code, for any awarded allocation amount not issued, a proportional share of the applicant/issuer's performance deposit shall be subject to forfeiture to CDLAC.

DISCUSSION:

Projects often encounter justifiable reasons for issuing bonds in amounts slightly less than the original awarded allocation amounts from CDLAC. To avoid a forfeit, staff recommends revising the current CDLAC Resolutions for the Projects, listed below, to reflect the actual amount used.

RECOMMENDATION:

Staff recommends approval of a revision to the CDLAC Resolutions for all five (5) projects listed below:

<u>Reso. #</u>	<u>App.#</u>	<u>Project Name</u>	<u>Orig. Resolution Amount</u>	<u>Revised Resolution Amount</u>
09-124	09-144	New Hope Home Apts.	\$9,101,900	\$8,384,000
10-92	10-103	Forestwood at Folsom Family Apts.	\$6,600,000	\$6,100,000
11-06	11-003	Sunrise Pointe Apartments	\$16,500,000	\$14,625,000
11-26	11-031	Windam Village Apartments	\$4,680,000	\$4,250,000
11-28	11-033	Sunwest Villas Apartments	\$4,800,000	\$4,710,000

Prepared by Richard C. Fischer