

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
July 20, 2011
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM
SINGLE FAMILY HOUSING BONUS POOL

Prepared by: Sarah Lester

Applicant: County of Santa Clara

Contact Information:

Name: Tracy Cunningham
Address: 2310 No. First Street, #100
San Jose, CA 95131
Phone: (408) 441-4323

Allocation Amount Requested: \$12,833,319 **Converted MCC Authority:** \$3,208,330

Applicant's Fair Share Amount: \$12,166,681 **Converted MCC Authority:** \$3,041,670

Participating Jurisdictions:

The Cities of Campbell, Cupertino, Gilroy, Los Gatos, Milpitas, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, Sunnyvale and the County of Santa Clara.

Allocation Information:

On January 26, 2011, the Committee awarded to the Applicant \$12,166,681 in tax-exempt bond allocation, which was the Applicant's 2011 fair share amount. At the time of application, the Applicant had an outstanding MCC Authority balance of \$646,896, which should provide tax credits to approximately 14 households. Based upon the issuance rate of 5 MCCs per week, the outstanding authority should now be depleted. Due to the increase in activity of the County's Mortgage Credit Certificate Program, the Applicant is requesting additional tax-exempt bond allocation from the Single Family Housing Bonus Pool for its Program.

Minimum Requirement:

Pursuant to CDLAC Regulations Section 5281, the Applicant has:

1. Certified that a minimum of twenty-five percent (25%) of program participants will be households earning sixty percent (60%) or less of the Applicable Median Family Income in which the program is located.
2. Certified that at least twenty-five percent (25%) of the program activity will occur in a Community Revitalization Area.
3. Certified that the program is augmented with a downpayment assistance program provided by the Applicant or by the other participating jurisdictions.

TOTAL POINTS EARNED: 15 POINTS

Allocation Information:

Date MCCs will be advertised: Published November 4, 2011 for the 2011 program year
Expected issue date of first MCC: August 8, 2011
Program Status: Existing
Certificate tax credit rate: 15%

Type of housing units to be assisted/average mortgage amount:

New construction units: 26 units (12%) with an average mortgage amount of \$278,062
Existing resale units: 43 units (88%) with an average mortgage amount of \$297,850
Total units: 69 units with an average mortgage amount of \$295,410

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>
2011	\$ 12,127,779	\$ 12,042,200	66	\$ 21,395
2011B	\$ 12,127,779	\$ 12,124,614	76	\$ 791
2011	\$ 12,166,681	\$ 9,579,097	54	\$ 646,896

* Bonus Round

Recommendation:

Staff recommends that the Committee approve a reduced amount of \$12,166,681 in tax-exempt bond allocation to the County of Santa Clara for the Mortgage Credit Certificate Program. This is the Applicant's 2011 pro-rata share of the Single-Family Housing Program Bonus Pool.

Prepared by Sarah Lester