

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
May 16, 2012
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Sarah Lester

Applicant: Housing Authority of the City of San Diego

Contact Information:

Name: Vicki Monce
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Allocation Amount Requested: \$25,000,000 **Converted MCC Authority:** \$6,250,000

Applicant's Fair Share Amount: \$9,155,293 **Converted MCC Authority:** \$2,288,823

Participating Jurisdictions:

City of San Diego

Allocation Information:

Date MCCs will be advertised: March 1, 2012
Expected issue date of first MCC: August 1, 2012
Program Status: Existing
Certificate tax credit rate: 18% (15% for Target and 20% for Non-Targeted)

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: 64 units (100%) with an average mortgage amount of \$205,725
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 64 units with an average mortgage amount of \$205,725

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

Past Performance:

The application indicates the applicant met the 2011 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 2012 minimum performance requirement that at least **40%** of program participants will be lower-income households.

Recommendation:

Staff recommends that the Committee approve a reduced amount of \$9,155,293 in tax-exempt bond allocation to the Housing Authority of the City of San Diego for the Mortgage Credit Certificate Program. This is the Applicant's 2012 fair share amount.

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$80,300

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): 0%

Proposed maximum income limits:

Household Size	Non-Target Area	Target Area
1-2 persons	\$80,300	\$96,360
3+ persons	\$92,345	\$112,420

DESCRIPTION OF PUBLIC BENEFITS:

Past Program Performance:

Year	Amount of Allocation	Amount of Allocation Used	Number of MCCs Issued	Outstanding MCC Authority
2009	\$8,793,731	\$8,732,124	66	\$15,402
2010	\$8,839,762	\$8,374,548	55	\$116,304
2011	\$8,901,947	\$5,161,308	34	\$935,160

Pursuant to Section 5269 of the CDLAC Regulations, 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.