

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**July 18, 2012**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**MORTGAGE CREDIT CERTIFICATE PROGRAM**  
**SINGLE FAMILY HOUSING BONUS POOL**

Prepared by: Crystal Alvarez

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**Applicant:** County of Santa Clara

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**Contact Information:**

**Name:** Tracy Cunningham  
**Address:** 70 West Hedding Street, 7th Floor  
San Jose, CA 95110  
**Phone:** (408) 299-5765

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**Allocation Amount Requested:** \$12,013,877    **Converted MCC Authority:** \$3,003,469

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**Applicant's Fair Share Amount:** \$12,013,877    **Converted MCC Authority:** \$3,003,469

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**Participating Jurisdictions:**

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

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**Comments:**

On **January 18, 2012** the Committee awarded to the Applicant \$12,013,877 in tax-exempt bond allocation, which was the Applicant's fair share amount. Due to the continued interest for its Mortgage Credit Certificate Program, the Applicant is requesting additional tax-exempt bond allocation from the Single Family Housing Bonus Pool.

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**Minimum Requirement:**

Pursuant to Section 5281 of the Committee's regulations, the Applicant has:

1. Demonstrated that a minimum of 25% of program participants are households earning 60% or less of the Family Income of the area in which the program is located. (5 points)    **Applicable**
2. Demonstrated that the program has exceeded its prior year's program performance (based on the most recent yearly data that is available) by 10% in assisting households earning 60% or less of the Applicable Median Family of the area in which the program is located. (5 points)    **Not Applicable**
3. Demonstrated that the program will address a demonstrable imbalance between jobs and housing in the community or neighborhood based on sufficient evidence provide to the Committee.    **Not Applicable**
4. Demonstrated that at least twenty-five percent (25%) of the program activity will occur in a Community Revitalization Area. (5 points)    **Applicable**
5. Demonstrated that at least twenty-five (25%) of the program activity will occur in rural locations to assist units that will be developed under a low-income self-help ownership program or be restricted for sale to low-income households engaged in agricultural employment as described in Section 7202 of the California Health and Safety Code. (5 points)    **Not Applicable**
6. Demonstrated that the program is augmented with a down-payment assistance program provided by the Applicant or by the other participating jurisdictions. (5 points)    **Applicable**

**TOTAL POINTS EARNED: 15 POINTS**

**Allocation Information:**

**Date MCCs will be advertised:** November 18, 2011  
**Expected issue date of first MCC:** February 20, 2012  
**Program Status:** Existing  
**Certificate tax credit rate:** 15%

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

New construction units: 12 units (19%) with an average mortgage amount of \$296,218  
Existing resale units: 54 units (81%) with an average mortgage amount of \$305,294  
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000  
Total units: 66 units with and average mortgage amount of \$303,608

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

**DESCRIPTION OF PUBLIC BENEFITS:**

**Past Program Performance:**

Year	Amount of Allocation	Amount of Allocation Used	Number of MCCs Issued	Outstanding MCC Authority
2010	\$ 12,127,779	\$ 12,042,200	66	\$ 21,395
2010 Bonus	\$ 12,127,779	\$ 12,124,614	76	\$ 791
2011	\$ 12,166,681	\$ 12,061,837	71	\$ 26,211
2011 Bonus	\$ 12,166,681	\$ 12,128,461	68	\$ 9,555
2012	\$ 12,013,877	\$ 8,199,383	45	\$ 953,624

**Recommendation:**

Staff recommends that the Committee approve an amount of \$12,013,877 in tax-exempt bond allocation to the County of Santa Clara from the Single Family Housing Bonus Pool. This is the Applicant's 2012 Fair Share amount.