

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 12, 2012
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Crystal Alvarez

Applicant: County of Orange

Contact Information:

Name: Laurie Sachar
Address: 333 W. Santa Ana Boulevard, 3rd Floor
Santa Ana, CA 92701
Phone: (714) 834-6009

Allocation Amount Requested: \$20,250,639 **Converted MCC Authority:** \$5,062,660

Applicant's Fair Share Amount: \$20,250,639 **Converted MCC Authority:** \$5,062,660

Participating Jurisdictions:

County of Orange

Allocation Information:

Date MCCs will be advertised: October 8, 2012
Expected issue date of first MCC: February 1, 2013
Program Status: Existing
Certificate tax credit rate: 20%

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

New construction units: 7 units (9%) with an average mortgage amount of \$290,801
Existing resale units: 70 units (91%) with an average mortgage amount of \$332,008
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 77 units with an average mortgage amount of \$328,175

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 an amount of \$20,250,639 in tax-exempt bond allocation to the County of Orange for the Mortgage Credit Certificate Program. This is the Applicant's 2012 fair share amount on a carryforward basis.

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$85,300

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): 20%

Proposed maximum income limits:

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$85,300	\$102,360
3+ persons	\$98,095	\$119,420

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>
2009	\$14,000,000	\$13,912,121	77	\$21,970
2010	\$20,493,580	\$19,963,458	119	\$132,531
2011	\$20,482,649	\$16,546,507	94	\$984,036

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.