

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
September 18, 2013
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Sarah Lester

Applicant: County of Ventura

Contact Information:

Name: Christy Madden
Address: 800 S. Victoria Ave.
Ventura, CA 93009
Phone: (805) 654-2679

Allocation Amount Requested: \$5,526,816 **Converted MCC Authority:** \$1,381,704

Applicant's Fair Share Amount: \$5,526,816 **Converted MCC Authority:** \$1,381,704

Participating Jurisdictions:

County of Ventura Unincorporated Area and Cities of Camarillo, Fillmore, Moorpark, Ojai, Oxnard, Port Hueneme, Santa Paula, Simi Valley, Thousand Oaks and San Buenaventura

Allocation Information:

Date MCCs will be advertised: June 14, 2013
Expected issue date of first MCC: October 30, 2013
Program Status: Existing
Certificate tax credit rate: 20%

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: 26 units (100%) with an average mortgage amount of \$269,505
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 26 units with an average mortgage amount of \$269,505

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

Past Performance:

The application indicates the applicant met the 2012 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 2013 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 \$5,526,816 in tax-exempt bond allocation to the County of Ventura for the Mortgage Credit Certificate Program. This is the Applicant's 2013 fair share amount.

DESCRIPTION OF PROPOSED PROGRAM:

- **Population to be served by the proposed Program (family size, income levels, etc.):**
According to the Applicant, the proposed Program expects to serve all ethnic groups and family sizes with a minimum of 40% of the households at or below 80% of the median income adjusted by household size.
- **Estimated number of first-time homebuyers to be assisted:** 26
- **Housing stock to be purchased (types, unit sizes, etc.):**
According to the Applicant, the housing stock to be purchased will consist of existing two and three bedroom homes with an average of 1,600 square feet. The average family size will remain slightly higher than two members.
- **Specific reservations of MCCs for purposes such as low-income targeting, new construction, etc.:**
According to the Applicant, the program will reserve at least 20% of the certificates for federally designated target areas and at least 40% of the MCCs for families with incomes at or below 80% of the area median income adjusted for family size.
- **Expected duration MCCs will be available and anticipated monthly rate of issuance.:**
According to the Applicant, MCCs are expected to be available for 6 months and the anticipated monthly rate of issuance is an average of 5 MCCs per month.
- **Other homebuyers assistance programs offered by participating jurisdiction(s):**
None indicated.
- **Additional features unique to the proposed Program:**
None indicated.

PURCHASE PRICE INFORMATION:

The proposed maximum limits are:

Unit Type	Average Area Purchase Price*	Non-Target Area Max Purchase Price	Target Area Max Purchase Price
New Units	\$748,462	\$673,616	\$823,308
Existing Units	\$748,462	\$673,616	\$823,308

*This is established by (check one): IRS Safe Harbor limitations
 As determined by special survey

Expected average sales prices of the estimated units to be assisted:

New Units	N/A
Existing Units	\$288,370
Rehabilitated Units	N/A

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$86,700

Applicable standard that defines the area median income:

___ HUD statewide median X 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:

Household Size	Non-Target Area	Target Area
1-2 persons	\$86,700	\$104,040
3+ persons	\$99,705	\$121,380

DESCRIPTION OF PUBLIC BENEFITS:

Past Program Performance:

Year	Amount of Allocation	Amount of Allocation Used	Number of MCCs Issued	Outstanding MCC Authority
2010	Did not apply.	N/A	N/A	N/A
2011	\$5,464,132	\$5,464,132	30	0
2012	\$5,523,188	\$4,527,678	22	\$248,878

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.