

**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*

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**Applicant:** City and County of San Francisco

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**Contact Information:**

**Name:** Jeanne Lu  
**Address:** 1 South Van Ness Avenue, 5th Floor  
San Francisco, CA 94103  
**Phone:** (415) 701-5548

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**Allocation Amount Requested:** \$5,391,249      **Converted MCC Authority:** \$1,347,812

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**Applicant's Fair Share Amount:** \$5,391,249      **Converted MCC Authority:** \$1,347,812

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**Participating Jurisdictions:**

City and County of San Francisco

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**Allocation Information:**

**Date MCCs will be advertised:** October 18, 2013  
**Expected issue date of first MCC:** January 18, 2014  
**Program Status:** Existing  
**Certificate tax credit rate:** 15%

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

New construction units: 15 units (56%) with an average mortgage amount of \$300,000  
Existing resale units: 12 units (44%) with an average mortgage amount of \$400,000  
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000  
Total units: 27 units with an average mortgage amount of \$344,444

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

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**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.

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**Recommendation:**

Staff recommends that the Committee approve an amount of \$5,391,249 in tax-exempt bond allocation to the City and County of San Francisco for the Mortgage Credit Certificate Program. This is the Applicant's 2013 fair share amount.



**MAXIMUM INCOME LIMITATIONS:**

Area median income on which maximum program limits are based: \$126,600

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): 40%

Proposed maximum income limits:

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$126,600	\$151,920
3+ persons	\$145,590	\$177,240

**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>
2010	\$17,520,369	\$17,514,913	100	\$1,364
2011	\$5,537,757	\$5,531,917	28	\$1,460
2012	\$5,415,899	\$4,224,250	22	\$297,912

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.