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: Crystal Alvare					
<mark>Applicant:</mark>	Cou	unty of San Diego			
Contact Information:					
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Address:		3989 Ruffin Road			
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Allocation Amount Requested:	\$10,966,415	Converted MCC Authority:	\$2,741,604		
Applicant's Fair Share Amount:	\$10,966,415	Converted MCC Authority:	\$2,741,604		
Participating Jurisdictions:					
Cities of Carlsbad, Chula Vista	ı, Coronado, El C	Cajon, Encinitas, Escondido, Imperia	l Beach, Lemon Grove, National		
		iego County unincorporated area.			
City, San Wareos, Santee, Vist	a and the San Di	lego County unincorporated area.			
Allocation Information:					
Date MCCs will	he advertised:	June 25, 2013			
Expected issue date		October 30, 2013			
_	ogram Status:	Existing			
	ax credit rate:	20%			
Certificate ta	ix credit rate:	20%			
Type of housing units	to be assisted/a	verage mortgage amount:			
New construction units:) with an average mortgage amount (of \$000 000		
Existing resale units:		0%) with an average mortgage amount			
Rehabilitated units:) with an average mortgage amount (
Total units:	51 units with	n and average mortgage amount of \$2	270,000		
The above number	s of units are:	X Estimates			
The above number		Actual requirements imposed by	the Issuer		
	_	Actual requirements imposed by	the issuer		
Past Performance:					
	es the applicant i	met the 2012 minimum performance	requirement that at		
		are lower-income households or locat			
Tract.	1 F				

Recommendation:

Staff recomends that the Committee approve an amount of \$10,966,415 in tax-exempt bond allocation to the County of San Diego for the Mortgage Credit Certificate Program. This is the Applicant's 2013 fair share amount.

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.

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: 51
- Housing stock to be purchased (types, unit sizes, etc.):

According to the Applicant, the housing stock to be purchased will consist of 2-3 bedrooms detached homes ranging from 900-1400 square feet.

• 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 5-6 months and the anticipated monthly rate of issuance is 10 MCCs per month.

• Other homebuyers assistance programs offered by participating jurisdiction(s):

According to the Applicant, all jurisdictions participating in the MCC program offer a wide selection of downpayment assistance programs. In addition, the County of San Diego's downpayment and closing cost assistance program offeers deferred loans and subordinate financing.

• 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	\$715,385		\$643,847	\$786,924	
Existing Units	\$715,385		\$643,847	\$786,924	
*This is established by (ch	eck one):		RS Safe Harbor limitations As determined by special surve	y	

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

New Units \$0 Existing Units \$282,000 Rehabilitated Units \$0

> Agenda Item No. 8.3 Application No. 13-081

Area median income on which maximum program limits are based: Applicable standard that defines the area median income:							
Local median as determ	ined by a special study						
Percent of MCCs reserved for IR	S-designated target areas in the	jurisdiction(s):					
Proposed maximum income limits	:						
Household Size	Non-Target Area	Target Area					
1-2 persons	\$72,300	\$86,760					
3+ persons	\$83,145	\$101,220					

DESCRIPTION OF PUBLIC BENEFITS:

Past Program Performance:

Year	Amount of Allocation	Amount of Allocation Used	Number of MCCs Issued	Outstanding MCC Authority
2010	\$10,705,262	\$10,705,262	62	0
2011	\$10,771,321	\$10,771,321	57	0
2012	\$10,457,982	\$7,694,033	35	\$690,987

Pursuant to Section 5269 of the CDLAC Regulations, the Applicant has:

- 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.