

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 11, 2013
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Crystal Alvarez

Applicant: Housing Authority of the County of Marin

Contact Information:

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Allocation Amount Requested: \$1,690,550 **Converted MCC Authority:** \$422,638

Applicant's Fair Share Amount: \$1,690,550 **Converted MCC Authority:** \$422,638

Participating Jurisdictions:

Town of Corte Madera, Town of Fairfax, City of Larkspur, City of Mill Valley, City of Novato, Town of San Anselmo, City of San Rafael, City Sausalito, Town of Tiburon and County of Marin

Allocation Information:

Date MCCs will be advertised: September 12, 2013
Expected issue date of first MCC: December 12, 2013
Program Status: Existing
Certificate tax credit rate: 18%

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

New construction units: 7 units (57%) with an average mortgage amount of \$200,500
Existing resale units: 5 units (43%) with an average mortgage amount of \$200,500
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 12 units with an average mortgage amount of \$200,500

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 \$1,690,550 in tax-exempt bond allocation to the Housing Authority of the County of Marin for the Mortgage Credit Certificate Program. This is the Applicant's 2013 fair share amount on a carryforward basis.

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:** 12

- **Housing stock to be purchased (types, unit sizes, etc.):**
 According to the Applicant, the housing stock to be purchased will consist of single family 1-3 bedroom homes. The homes will range in square footage from 1,200-2,000 square feet. All homes will fall under \$400,000 with most of the MCC's going to resale units under \$360,000.

- **Specific reservations of MCCs for purposes such as low-income targeting, new construction, etc.:**
 According to the Applicant, the program will reserve 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 9 to 12 months and the anticipated monthly rate of issuance is 1 to 2 MCCs per month.

- **Other homebuyers assistance programs offered by participating jurisdiction(s):**
 According to the Applicant, the County has a downpayment assistance funds specifically available for BMR units at Headlands II, Braun Court and Marin City.

- **Additional features unique to the proposed Program:**
 None indicated.

PURCHASE PRICE INFORMATION:

The proposed maximum limits are:

<u>Unit Type</u>	<u>Average Area Purchase Price*</u>	<u>Non-Target Area Max Purchase Price</u>	<u>Target Area Max Purchase Price</u>
New Units	\$748,462	\$673,616	N/A
Existing Units	\$748,462	\$673,616	N/A

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

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

New Units	\$250,000
Existing Units	\$250,000
Rehabilitated Units	\$0

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$101,200

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): N/A

Proposed maximum income limits:

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$101,200	N/A
3+ persons	\$116,380	N/A

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	\$1,688,429	\$1,308,472	8	\$94,989
2011	No Allocation Requested	\$0	0	Not Allocation Requested
2012	\$1,690,549	\$1,061,300	8	\$157,312

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.