THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE July 15, 2015 Staff Report

REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Brian Clark				
Applicant:	City	y of Oceanside		
Contact Information:				
Na	ame: Cec	cilia Barandiaran		
Address:		Nevada Street Annex, 300 North Coast Highway		
	Oceanside, CA 92054			
Ph	one: (76	0) 435-3385		
Allocation Amount Requested:	\$1,123,400	Converted MCC Authority:	\$280,850	
Applicant's Fair Share Amount:	\$1,339,458	Converted MCC Authority:	\$334,865	
Participating Jurisdictions:	City of O	ceanside		
Allocation Information:				
Date MCCs will be	e advertised:	April 8, 2015		
Expected issue date o	f first MCC:	August 15, 2015		
Pro	gram Status:	Existing		
Certificate tax	x credit rate:	20%		
Type of housing units t	o be assisted/a	verage mortgage amount:		
New construction units:) with an average mortgage amount	of \$000,000	
Existing resale units:				
Rehabilitated units:				
Total units:				
The above numbers	of units are:	X Estimates		
	_	Actual requirements imposed by	the Issuer	
Past Performance:				
	the applicant i	met the 2014 minimum performance	requirement that at	
		re lower-income households or loca	-	
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Tract.				
The application indicates	s the applicant of	expects to meet the 2015 minimum p	performance	

Recommendation:

Staff recommends that the Committeeapprove the requested amount of \$1,123,400 in tax-exempt bond allocation to the City of Oceanside for the Mortgage Credit Certificate Program.

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: 5
- Housing stock to be purchased (types, unit sizes, etc.):

According to the Applicant, at least half of the housing stock to be purchased will consist of detatched units having 3 bedrooms and 1.5 bathrooms with square footage ranging from 1,100 to 1,400 square feet. The remainder of the housing stock to be purchased will consist of somewhat smaller condominium units.

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 4 months and the anticipated monthly rate of issuance is 1-2 MCCs per month.

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

According to the Applicant, participants may receive downpayment assistance through the City of Oceanside, the State's CalHome Program or Federal downpayment assistance.

• 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 (c		RS Safe Harbor limitations As determined by special sur	vey

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

New Units N/A
Existing Units \$268,850
Rehabilitated Units N/A

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$73,000							
Applicable standard that defines the area median income:							
	HUD statewide median	X HUD county MSA median	1				
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				

Target Area

\$87,600

\$102,200

DESCRIPTION OF PUBLIC BENEFITS:

1-2 persons

3+ persons

Past Program Performance:

Year	Amount of Allocation	Amount of Allocation Used	Number of MCCs Issued	Outstanding MCC Authority
2012	\$1,180,000	\$1,150,261	7	\$7,434
2013	\$1,123,444	\$1,123,444	5	\$0
2014	\$0	\$0		\$0

Non-Target Area

\$73,000

\$83,950

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
- 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.