

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 16, 2015

***CONSIDERATION OF STAFF'S RECOMMENDATION TO TRANSFER AND AWARD UNUSED
ALLOCATION TO VARIOUS ISSUERS***

ACTION:

Approve the transfer and award of all unused allocation remaining in program pools on December 16, 2015 to various Qualified Residential Rental Project (QRRP) Programs and Single Family Housing Programs (SFH).

BACKGROUND:

After the December 16, 2015 allocations have been made, there will be a 2015 volume cap balance of approximately \$2.2 billion remaining. This amount is likely to increase as Projects that have received bond authority may issue only a portion of their allocation or fail to issue bonds entirely.

Staff surveyed 14 of CDLAC's most active QRRP and SFH Applicants. Of the six Applicants that responded to the survey, three Applicants responded with interest in receiving a lump sum of 2015 carryforward allocation for immediate use in 2016. CalHFA and the County of Marin will convert their awards of lump sum allocation for immediate SFH Mortgage Credit Certificate (MCC) use. In addition, the City and County of San Francisco will submit application requests for an estimated 19 QRRP projects in the first quarter of 2016. Staff recognizes that some of the anticipated 2016 demand identified by the Applicants is based on program volume that may or may not ultimately come to fruition. However, staff is comfortable with these program assumptions and feels that the 2016 projected amounts are reasonable at this point in time.

In order to ensure that no amount of 2015 allocation is lost, staff is recommending that the remaining allocation as of December 16, 2015 be made available to the following issuers in the following amounts for immediate use:

NAME OF ISSUER	RECOMMENDED TRANSFER AMOUNT
City and County of San Francisco	\$1 billion
California Housing Finance Agency (MCC)	\$1 billion
County of Marin (MCC)	\$2,998,000

*This carryforward allocation will be applied to future individual QRRP requests for allocation made by the issuer to the Committee until the amounts are exhausted.

COMMENT: Staff's proposal will ensure that no amount of the 2015 State Ceiling is unallocated.

RECOMMENDATION: Staff recommends that the remaining \$2.2 billion in unused 2015 allocation be transferred to the three aforementioned issuers; and all allocation remaining thereafter be transferred to the California Housing Finance Agency for the SFH Mortgage Credit Certificate Program; all on a carryforward basis.

Prepared by Misti Armstrong