

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
September 20, 2017**

***CONSIDERATION OF STAFF'S RECOMMENDATION TO TRANSFER UNUSED 2017 ALLOCATION TO
AND FROM VARIOUS PROGRAM POOLS***

ACTION:

Approve the transfer of unused 2017 Allocation to and from various program pools.

BACKGROUND:

Demand in the Qualified Residential Rental Project program pool continues to remain high. Since July 19, 2017, the Committee has awarded \$828,263,027 in 2017 allocation and \$966,925,092 in past year unused carryforward allocation to various 2017 Qualified Residential Rental Projects (QRRP). As a result, various QRRP reservation pool balances approved by the Committee in January 2017 are now extremely low or exhausted.

As of the September 20, 2017 round, balances from the QRRP General Pool and unused past year carryforward will not provide sufficient allocation to fund \$313,210,437 in QRRP General Pool requests. With only a balance of \$256,321,081 in unused 2017 QRRP General Pool allocation and \$50,897,953 in unused eligible past year carryforward available, additional allocation is needed. To provide adequate QRRP General Pool allocation for the September 20, 2017 projects and other anticipated, but not yet received allocation requests expected in November and December of this year, staff requests approval to reduce the QRRP 2015 Expiring DDA General and Mixed Income Pool Reservation amounts to reflect the actual number of allocation requests that remain outstanding for 2017. The reductions from each of these pools will be transferred to the respective QRRP General and Mixed Income Pools. At this time, those transfers will result in \$142 million more in the General Pool and \$291 million more allocation to the Mixed Income Pool.

Staff has also received a reversion of \$15 million in unused Industrial Development Bond (IDB) allocation that will not be utilized by the California Industrial Development Financing Advisory Commission (CIDFAC) prior to its December 31, 2017 deadline. Staff requests the transfer of this unused IDB allocation to the QRRP General Pool.

Finally, in an effort to fully utilize the 2017 bond allocation, staff requests the authority to transfer any additional unused allocation that should be identified after CDLAC's October 13 final application deadline to any allocation pool that should require additional allocation with a priority placed on General and Rural Pool QRRP projects. Any changes to the allocation pools made by staff would be reported to the Committee at the next scheduled allocation meeting.

COMMENT: Staff's proposal will ensure that all QRRP requests are funded in the event that unused allocation is available in other program pools.

RECOMMENDATION:

Staff recommends the transfer of unused 2017 allocation to and from various program pools as noted above.

Prepared by Misti Armstrong/Laura Whittall-Scherfee