

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**

**November 15, 2017**

**Staff Report**

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

*Prepared by: Sarah Lester*

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**Applicant:** Sacramento Housing & Redevelopment Agency on behalf of the County of Sacramento

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**Contact Information:**

**Name:** Susan Perry  
**Address:** 801 12th Street  
Sacramento, CA 95814  
**Phone:** (916) 440-1386

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**Allocation Amount Requested:** \$9,522,757      **Converted MCC Authority:** \$2,380,689

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**Applicant's Fair Share Amount:** \$9,522,757      **Converted MCC Authority:** \$2,380,689

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**Participating Jurisdictions:**

County of Sacramento and the Cities of Sacramento, Citrus Heights, Elk Grove, Folsom, Galt, Isleton and Rancho Cordova

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**Allocation Information:**

**Date MCCs will be advertised:** October 15, 2017  
**Expected issue date of first MCC:** January 15, 2018  
**Program Status:** Existing  
**Certificate tax credit rate:** 20%

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

New construction units: 6 units (11%) with an average mortgage amount of \$225,000  
Existing resale units: 49 units (89%) with an average mortgage amount of \$215,000  
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000  
Total units: 55 units with an average mortgage amount of \$216,091

**The above numbers of units are:**  Estimates  
 Actual requirements imposed by the Issuer

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**Past Performance:**

The application indicates the applicant met the 2016 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 2017 minimum performance requirement that at least **40%** of program participants will be lower-income households.

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**Recommendation:**

Staff recommends that the Committee approve an amount of \$9,522,757 in tax-exempt bond allocation to the Sacramento Housing & Redevelopment Agency on behalf of the County of Sacramento for the Mortgage Credit Certificate Program. This is the Applicant's 2017 fair share amount.



**MAXIMUM INCOME LIMITATIONS:**

Area median income on which maximum program limits are based: \$89,040

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): 20%

Proposed maximum income limits:

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$89,040	\$89,040
3+ persons	\$103,880	\$103,880

**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>
2014	\$11,368,467	\$11,366,552	70	\$479
2015	Did Not Apply	N/A	N/A	N/A
2016	\$15,247,070	\$11,686,560	68	\$890,128

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.