

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

May 16, 2018

Staff Report

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

Prepared by: Sarah Lester

Applicant: City and County of San Francisco

Contact Information:

Name: Jeanne Lu
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Allocation Amount Requested: \$5,556,364 **Converted MCC Authority:** \$1,389,091

Applicant's Fair Share Amount: \$5,556,364 **Converted MCC Authority:** \$1,389,091

Participating Jurisdictions:

City and County of San Francisco

Allocation Information:

Date MCCs will be advertised: June 15, 2018
Expected issue date of first MCC: September 13, 2018
Program Status: Existing
Certificate tax credit rate: 15%

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

New construction units: 16 units (52%) with an average mortgage amount of \$250,000
Existing resale units: 15 units (48%) with an average mortgage amount of \$350,000
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 31 units with an average mortgage amount of \$300,000

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

Past Performance:

The application indicates the applicant met the 2017 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 2018 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 \$5,556,364 in tax-exempt bond allocation to the City and County of San Francisco for the Mortgage Credit Certificate Program. This is the Applicant's 2018 fair share amount.

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$145,067

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): 40%

Proposed maximum income limits:

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$145,067	\$174,080
3+ persons	\$200,192	\$280,269

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>
2015	Did Not Apply	N/A	N/A	N/A
2016	\$8,829,698	\$8,829,623	61	\$19
2017	\$5,518,810	\$5,452,073	32	\$16,684

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.