

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**December 12, 2018**  
***CONSIDERATION OF STAFF'S RECOMMENDATION TO TRANSFER AND AWARD UNUSED***  
***ALLOCATION TO VARIOUS ISSUERS***

**ACTION:**

Approve the transfer and award of all unused 2018 bond allocation volume cap remaining in program pools through December 31, 2018 to various issuers.

**BACKGROUND:**

After the December 12, 2018 allocation meeting, there will be a remaining unused 2018 volume cap that will be available for allocation in 2019. The amount of the allocation made on December 12, 2018 is expected to be approximately \$900 million. After the December round, we are expecting the remaining 2018 volume cap (2018 state ceiling availability and reversions) to be \$1.2 billion available for carryforward into 2019.

Staff surveyed eleven (11) of CDLAC's multifamily Qualified Residential Rental Project (QRRP) issuers that are the most active. In addition, Staff surveyed eight (8) active issuers involved in single family housing and one (1) active issuer for exempt facilities. Staff received requests for carryforward allocation from each group: five (5) responses from QRRP issuers, two (2) responses for single family housing issuers, and one (1) response for the exempt facility issuer. Staff acknowledges that some of the anticipated 2019 demand identified by the issuers is based upon program volume that may or may not ultimately come to fruition.

The five (5) QRRP issuers, two (2) single family issuers, and one (1) exempt facility issuer provided Staff with requested carryforward amounts and information on their expected pipeline. This information, along with past experience with carryforward usage, is the basis for the calculation used to determine the amount of the recommended carryforward. The final amount available for carryforward allocation will likely increase, as Projects that have received bond authority may issue only a portion of their allocation or fail to issue bonds entirely. In order to ensure that no amount of 2018 bond allocation is lost, Staff is recommending that the remaining 2018 state ceiling, as of December 31, 2018, be made available to the California Municipal Finance Authority (CMFA) using any excess 2018 carryforward amounts identified beyond this action item.

**RECOMMENDATION:**

Staff recommends that any 2018 state allocation that is unused effective December 31, 2018 be transferred to eight (8) issuers on a carryforward basis in the following amounts:

<b>Issuer</b>	<b>Type</b>	<b>Recommended Transfer Amount (in millions)</b>
California Housing Finance Agency	QRRP	\$103
California Municipal Finance Authority	QRRP	\$341*
City and County of San Francisco	QRRP	\$330
Los Angeles Housing + Community Investment Department	QRRP	\$84
California Statewide Communities Development Authority	QRRP	\$103
Golden State Finance Authority	MCC	\$50
Contra Costa County Department of Conservation and Development	MCC	\$10
California Pollution Control Financing Authority	Exempt	\$173
<b>2018 Lump Sum Carryforward</b>		<b>\$1,194</b>

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\*Any additional excess 2018 unused allocation reverted by December 31, 2018 will be added to CMFA's allotment of 2018 carryforward.

This carryforward allocation will be applied to future individual QRRP, Single Family, and Exempt Facility requests for allocation made by the issuer to the Committee until the amounts are exhausted.

*Prepared by Evan Kass*