

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**March 20, 2019**  
**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:** Gabriella Navarro  
**Address:** 801 12th Street  
Sacramento, CA 95814  
**Phone:** (916) 449-6253

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**Allocation Amount Requested:** \$10,160,133      **Converted MCC Authority:** \$2,540,033

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**Applicant's Fair Share Amount:** \$10,160,133      **Converted MCC Authority:** \$2,540,033

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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:** February 20, 2019  
**Expected issue date of first MCC:** May 20, 2019  
**Program Status:** Existing  
**Certificate tax credit rate:** 20%

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

New construction units: 7 units (14%) with an average mortgage amount of \$270,000  
Existing resale units: 44 units (86%) with an average mortgage amount of \$245,000  
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000  
Total units: 51 units with an average mortgage amount of \$248,500

**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 2018 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 2019 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 \$10,160,133 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 2019 fair share amount.



**MAXIMUM INCOME LIMITATIONS:**

Area median income on which maximum program limits are based: \$80,100

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	\$80,100	\$96,120
3+ persons	\$110,538	\$154,753

**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>
2016	\$15,247,070	\$15,212,004	85	\$8,767
2017	\$9,522,757	\$5,852,888	30	\$917,467
2018	Did Not Apply	\$0	0	\$0

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.