

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

October 16, 2020

December 11, 2019 Application Consideration Process

Action Item

(Agenda Item No. 5)

Staff expects the December 11, 2019 allocation round to be oversubscribed. We have consulted with several of the large issuers (CalHFA, CMFA, LACDA, CSCDA, and GSFA) regarding their pipeline. A large portion of the pipeline is acquisition/rehabilitation projects (including resyndication) given the legislative initiatives to promote new construction in 2020.

The following process is being used with the December 11th allocation round: Applications are time stamped. The first 20 applications will be assigned to analysts for a cursory review. If key threshold items are missing, incomplete, or unsatisfactory, the applicant will have 24 hours to correct the issue. Otherwise the application will fall out of the December round queue and replaced with an application out of the next 20 applications (in time-stamp order). This process will continue until 2019 Volume Cap runs out. The final complete and shovel-ready projects will be brought to the December 11th Board Meeting.

It should also be noted that 2019 State Tax Credits may be unavailable for this round. Also, the 2019 October and December round bond allocation projects will be ineligible for 2020 State Tax Credits.

CDLAC will not defer any applications for allocation that do not make it to the December 11, 2019 Board Meeting.

Prepared by Evan Kass