

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Revised

Estimated Public Benefits
Qualified Residential Rental Project Pool
2004
Round 1

State and local governmental agencies and joint powers authorities can issue tax-exempt housing revenue bonds. These bonds assist developers of multifamily rental housing units to acquire land and construct new units or purchase and rehabilitate existing units. The tax-exempt bonds are used to fund a loan with a below market interest rate. The low interest rate loan is used by the Project Sponsor to develop the project. Project Sponsors produce market rate and affordable rental housing for low and very low-income households by reducing rental rates to these individuals and families.

The California Debt Limit Allocation Committee is responsible for administering California's annual tax-exempt private activity bond program, known as "the annual State ceiling". For calendar year 2004, California's State ceiling is \$2.838 billion. Each year the Committee divides the annual State ceiling among several bond programs, known as "Program Pools", including the Qualified Residential Rental Project Pool (Rental Project Pool). For calendar year 2004, the Committee reserved approximately \$1.552 billion, or 54.7% of the State ceiling for the Rental Project Pool. The \$1.552 billion of bond authority will be allocated in two allocation rounds and to three sub-pools i.e., General Pool (consists of projects having 50.1% or more of its total units designated as Restricted Rental Units); Mixed Income Pool (consists of projects having 50% or fewer of its total units designated as Restricted Rental Units); and the Rural Project Pool (consists of projects located in a rural area as defined by California Health and Safety Code Section 50199.21 and not including Mixed Income projects).

The Committee awarded a total of \$496.4 million of the 2004 State Ceiling and authorized the use of an additional \$8.42 million in available 2003 carryforward allocation, for a total allocation of \$504.82 million in the First Allocation Round of 2004. The Committee authorized one issuer to use its available 2003 carryforward bond allocation to fully fund one project and combine its 2003 and 2004 bond allocations to fund a second project. The \$504.82 million allocated in the First Allocation Round will fund 57 multifamily rental housing projects. Of the \$504.82 million allocation, \$430.57 million was allocated to General Pool projects, \$15 million was allocated to Mixed Income Pool projects, and \$59.25 million, which includes the 2003 carryforward allocation, was allocated to Rural Pool projects.

The allocations awarded in the First Allocation Round will finance 5,501 total units, of which 5,140, or 93.4% will be Restricted Rental Units. Restricted Rental Units are units within a Project that are restricted to households earning 60% or less of the Applicable Median Family Income. Of the 5,140 Restricted Rental Units, 2,134 units will be restricted to very low income households with incomes at or below 50% of the area median income and 3,006 units will be restricted to low income households with incomes between 51% and 60% of the area median income. Of the total 5,501 units to be financed with the allocation, 2,085 will be new construction units, 1,084 will be senior citizen units, 944 will be large family (3-4 bedroom) units and 85 will be special needs units. In addition, this allocation will preserve 777 income and rent restricted units that were at-risk of losing affordability restrictions.

SUMMARY OF PROJECTS				
Total # of Projects	# of New Constr. Projects	# of Acq. & Rehab. Projects	# of Family Projects	# of Senior Citizen Projects
57	30	27	45	12
% of Total:	53%	47%	79%	21%

SUMMARY OF UNITS										
Total # of Units	# of New Constr. Units	# of Acq. & Rehab. Units	# of Restricted Units	Units @ 50%	Units @ 60%	# of At-Risk Units	# of Special Need Units	Market Rate Units	# of Large Family Units	# of Senior Citizen Units
5,501	2,085	3,385	5,140	2,134	3,006	777	85	361	944	1,084
% of Total:	37.9%	61.5%	93.4%	38.8%	54.6%	14.1%	1.5%	6.6%	17.2%	19.7%

SUMMARY OF POOL CATEGORIES																
Pool Type	Total # of Projects	Total # of Units	# of Restricted Units	Units @ 50%	Units @ 60%	Market Rate Units	# of Large Family Units	# of New Constr. Projects	# of New Constr. Units	# of Acq. & Rehab. Projects	# of Acq. & Rehab. Units	# of At-Risk Units	# of Family Projects	# of Senior Citizen Projects	# of Senior Citizen Units	# of Special Needs Units
GENERAL	43	4,490	4,433	1,722	2,711	57	786	24	1,641	21	2,818	560	33	11	1,004	46
MIXED INCOME	1	381	77	77	0	304	0	0	0	1	381	31	1	0	0	0
RURAL	13	630	630	335	295	0	158	8	444	5	186	186	11	2	80	39
Totals:	57	5,501	5,140	2,134	3,006	361	944	32	2,085	27	3,385	777	45	13	1,084	85