

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

December 12, 2018

Staff Report

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

Prepared by: Sarah Lester

Applicant: County of Contra Costa

Contact Information:

Name: Alicia Smith
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Martinez, CA 94553
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Allocation Amount Requested: \$7,182,224 **Converted MCC Authority:** \$1,795,556

Applicant's Fair Share Amount: \$7,182,224 **Converted MCC Authority:** \$1,795,556

Participating Jurisdictions:

County of Contra Costa

Allocation Information:

Date MCCs advertised: September 17, 2018
Expected issue date of first MCC: December 17, 2018
Program Status: Existing
Certificate tax credit rate: 20%

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

New construction units: 5 units (25%) with an average mortgage amount of \$400,000
Existing resale units: 16 units (75%) with an average mortgage amount of \$425,000
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000
Total units: 21 units with an average mortgage amount of \$418,750

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 \$7,182,224 in tax-exempt bond allocation to the County of Contra Costa for the Mortgage Credit Certificate Program. This is the Applicant's 2018 fair share amount on a carryforward basis.

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$139,440

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	\$139,440	\$139,440
3+ persons	\$162,680	\$162,680

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	\$8,505,523	\$8,468,336	32	\$9,297
2016	\$11,429,201	\$11,423,321	37	\$1,470
2017	\$7,154,526	\$5,544,358	24	\$402,542

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.