

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Public Benefit Analysis Qualified Residential Rental Project Pool Round 1 2003

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 lower the interest rate paid by the developers. These developers 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 2003, California's State ceiling is \$2.633 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. For calendar year 2003, the Committee reserved approximately \$1.436 billion, or 54.6% of the State ceiling for the Qualified Residential Rental Project Pool. The \$1.436 billion of bond authority will be allocated in three allocation rounds and to three sub-pools i.e., General Pool (Projects having more than 50% of total units designated as Restricted Rental Units); Mixed Income Pool (Projects having 50% or fewer of total units designated as Restricted Rental Units); and the Rural Project Pool (Projects located in a rural area as defined by California Health and Safety Code Section 50199.21 but shall not include a Mixed Income Project).

The Committee awarded a total of \$417,225,140 for rental project in the First Allocation Round of 2003. Of this amount, \$347,885,140 was allocated to the General Pool, \$61,100,000 was allocated to the Mixed Income Pool and \$8,240,000 was allocated to the Rural Project Pool. These allocations will finance 4,605 total units, of which 4,000 or 87% 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 Area Median Family Income. Of the 4,000 Restricted Rental Units, 1,144 units will be restricted to very low income households with incomes at or below 50% of the Applicable Area Median Family Income and 2,856 units will be restricted to low income households with incomes at or below 60% of the Applicable Area Median Family Income. Of the total 4,605 units to be financed with the allocation, 3,131 will be new construction units, 1,159 will be senior citizen units, 556 will be large family (3-4 bedroom) units, and 42 units will be special needs units designed for handicapped, Alzheimer, AIDS and other residents with distinctive needs. In addition, this allocation will preserve 423 income and rent restricted units that were at-risk of losing their affordability restrictions.

SUMMARY OF PROJECTS				
Total # of Projects	# of New Constr. Projects	# of Acq. & Rehab. Projects	# of Family Projects	# of Senior Citizen Projects
39	27	12	27	12
% of Total:	69.2%	30.8%	69.2%	30.8%

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
4,605	3,131	1,474	4,000	1,144	2,856	423	42	605	556	1,159
% of Total:	68%	32%	86.9%	24.8%	62%	9.2%	1%	13.3%	12.1%	25.2%

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	33	4,041	3,741	1,041	2,700	300	503	23	2,689	10	1,352	301	23	10	982	18
MIXED INCOME	3	383	78	78	0	305	25	3	383	0	0	0	2	1	118	24
RURAL	3	181	181	25	156	0	28	1	59	2	122	122	2	1	59	0
Totals:	39	4,605	4,000	1,144	2,865	605	556	27	3,131	12	1,474	281	27	12	1,159	42