

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Estimated Public Benefits
Qualified Residential Rental Project Pool
November 17, 2010 Allocation

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 2010, California's State ceiling is \$3.326 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 2010, the Committee reserved approximately \$1.12 billion or 33.7% of the State ceiling for the Rental Project Pool. The \$1.12 billion of bond authority will be allocated throughout the calendar year 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 authorized the use of \$57,779,146 of available 2009 carryforward; and \$128,460,000 of available 2008 H.R. 3221 carryforward allocation increasing the total authorized allocation awarded to \$186,239,146 on November 17, 2010 for multifamily rental housing. This allocation will fund 14 multifamily rental housing projects.

The allocations awarded on November 17, 2010 will finance 1,450 total units, of which all 1,115 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 1,115 Restricted Rental Units, 543 units will be restricted to very low income households with incomes at or below 50% of the area median income and 572 units will be restricted to low income households with incomes between 51% and 60% of the area median income. Of the total 1,450 units to be financed with the allocation, 501 will be new construction units, and 243 will be large family (3 or more bedroom) units. In addition, this allocation will preserve 481 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
14	4	10	10	4
% of Total:	29%	71%	71%	29%

SUMMARY OF UNITS												
Total # of Units	# of Restricted Units	Units @ 50%	Units @ 60%	Market Rate Units	# of New Constr. Units	# of Acq. & Rehab. Units	# of At-Risk Units	# of Family units	# of Large Family Units	# of Sr. Citizen Units	# of Special Need Units	
1,450	1,115	543	572	335	501	949	481	900	243	550	0	
% of Total:	77%	37.5%	39.5%	23%	35%	65%	33%	62%	17%	38%	0%	

SUMMARY OF POOL CATEGORIES																	
Pool Type	Total # of Projects	Total # of Units	# of Restr. Units	Units @ 50%	Units @ 60%	Market Rate Units	# of Family Units	# of Large Family Units	# of Sr. Citizen Units	# of Special Needs Units	# of At-Risk Units	# of NC Units	# of Acq. & Rehab Units	# of NC Projs.	# of Acq. & Rehab. Projs.	# of Fam. Projs.	# of Sr. Projs.
GENERAL	11	950	950	413	537	0	610	231	340	0	401	86	864	2	9	9	2
MIXED INCOME	2	415	85	85	0	330	290	12	125	0	0	415	0	2	0	1	1
RURAL	1	85	80	45	35	5	0	0	85	0	80	0	85	0	1	0	1
Totals:	14	1,450	1,115	543	572	335	900	243	550	0	481	501	949	4	10	10	4