CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Estimated Public Benefits Qualified Residential Rental Project Pool May 21, 2014 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 taxexempt private activity bond program, known as "the annual State ceiling". For calendar year 2014, California's State ceiling is \$3.833 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 2014, the Committee reserved approximately \$1.25 billion or 32.6% of the State ceiling for the Rental Project Pool. The \$1.25 billion of bond authority will be allocated throughout the calendar year to three sub-pools i.e., <u>General Pool</u> (consists of projects having 50.1% or more of its total units designated as Restricted Rental Units); <u>Mixed Income Pool</u> (consists of projects having 50% or fewer of its total units designated as Restricted Rental Units); and the <u>Rural</u> <u>Project Pool</u> (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 \$53,763,854 of the 2014 State Ceiling and authorized the use of \$147,550,866 of 2011 carryforward allocation; \$166,290,914 of 2012 carryforward; and \$7,300,000 of 2013 carryforwad allocation for an aggregate total of \$374,905,634 allocated on May 21, 2014 for multifamily rental housing. This allocation will fund 30 multifamily rental housing projects.

The allocations awarded on May 21, 2014 will finance 2,237 total units, of which 2,227 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 2,227 Restricted Rental Units, 833 units will be restricted to very low income households with incomes at or below 50% of the area median income and 1,394 units will be restricted to low income households with incomes between 51% and 60% of the area median income. Of the total 2,237 units to be financed with the allocation, 219 will be large family (3 or more bedroom) units. In addition, this allocation will preserve 380 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								
30	12	18	14	16								
% of Total:	40%	60%	46.7%	53.3%								

SUMMARY OF UNITS													
						# of Acq.	# of		# of		# of		
Total #	# of	Units	Units	Market	# of New	&	At-	# of	Large	# of Sr.	Special		
of Units	Restricted	@	@	Rate	Constr.	Rehab.	Risk	Family	Family	Citizen	Need		
	Units	50%	60%	Units	Units	Units	Units	Units	Units	Units	Units		
2,237	2,227	833	1,394	10	969	1,268	380	1,027	219	1,210	58		
% of													
Total:	99.5%	37.2%	62.3%	.4%	43.3%	56.7%	17%	45.9%	9.8%	54.1%	2.6%		

	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	28	2,112	2,102	767	1,335	10	1,027	219	1,085	58	314	910	1,199	11	17	14	14
MIXED INCOME	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RURAL	2	125	125	66	59	0	0	0	125	0	66	59	69	1	1	0	2
Totals:	30	2,237	2,227	833	1,394	10	1,027	219	1,210	58	380	969	1,268	12	18	14	16