

FISCAL PROCEDURES APPROVED
 ROBERT E. BYRD, AUDITOR-CONTROLLER
 BY *Samuel Wong* 10/25/10
 SAMUEL WONG
 FORM APPROVED COUNTY COUNSEL
 BY *Dale A. Gardner* 10/25/10
 DALE A. GARDNER
 DATE
 Departmental Concurrence

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

549



FROM: Economic Development Agency

SUBMITTAL DATE:
October 21, 2010

SUBJECT: Resolution No. 2010-292 - Mortgage Credit Certificate (MCC) Program Application

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and adopt Resolution No. 2010-292 authorizing the Economic Development Agency (EDA) to submit an application to the California Debt Limit Allocation Committee (CDLAC) for private activity bond allocation to be used for Mortgage Credit Certificates;
2. Authorize the Assistant County Executive Officer/EDA, or designee, to execute the application and take all necessary steps to implement this Resolution, including signing subsequent essential and relevant documents;
3. Upon MCC application approval by CDLAC, authorize EDA to continue implementation of MCC program; and

(Continued)

Robert Field

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 4,817	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: MCC Application Fees	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE
 BY: *Jennifer L. Sargent*
 County Executive Office Signature Jennifer L. Sargent

Policy
 Policy
 Consent
 Consent
 Dept's Recomm.:
 Per Exec. Ofc.:

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Benoit and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Benoit and Ashley
 Nays: None
 Absent: Tavaglione
 Date: November 2, 2010
 xc: EDA, Auditor

Kecia Harper-Ihem
 Clerk of the Board
 By: *Kecia Harper-Ihem*
 Deputy

Prev. Agn. Ref.: N/A District: ALL Agenda Number:

3 20

RECOMMENDED MOTION: (Continued)

4. Upon MCC application approval by CDLAC, authorize EDA's designee to sign relevant documents related to MCC assisted homebuyers and CDLAC in order to continue MCC program implementation.

BACKGROUND: On December 22, 1987, the Board established a Mortgage Credit Certificate (MCC) Program which entitles low and moderate income first time homebuyers to a federal income tax credit for a specified percentage of the interest paid on their mortgage. The tax credit is utilized by lenders to increase the homebuyer's cash flow, thereby allowing the homebuyer to qualify more easily for the mortgage. Over 800 low and moderate income homebuyers have been assisted by the Mortgage Credit Certificate program in the County of Riverside.

Due to the level of demand and the success of the MCC program in assisting first-time homebuyers, EDA desires to continue the program. The County must apply to CDLAC for a private activity bond allocation to be applied towards Mortgage Credit Certificates. EDA will apply to CDLAC on or before April, 2011. CDLAC also requires a resolution from the issuer's governing body authorizing the application.

CDLAC's allocation policy favors the California Housing Finance Agency over local programs, thus funds for the Mortgage Credit Certificates will continue to be limited. However, it is the County's intention to obtain the maximum possible allocation. As in the previous allocation year, staff will continue to offer the MCC Credit at 15% of the tax credit rate.

As part of the application process, the County must certify that it has on deposit an amount equal to one half of one percent of the amount of private activity bond allocation being requested to a maximum of \$100,000 irrespective of the dollar amount of the bond allocation. EDA will use MCC application fees received as the deposit. If for any reason only a portion of the allocation granted is actually used, then a pro rata portion of the deposit will be forfeited. The County has approximately two years to use its allocation. Existing demand indicates it will be used within approximately one year. In addition to the deposit, CDLAC requires a filing fee in the amount of .00035 of the Mortgage Credit Certificate allocation which will be paid from MCC application fees received. The total projected filing fee based on the allocation being requested is equal to \$4,816.05, of which \$600 must be paid at time of application submission to CDLAC.

The Mortgage Credit Certificate program is an important component of the County's housing strategy, and staff recommends the Board approve the attached Resolution authorizing EDA to submit an application for allocation to continue its program.

County Counsel has approved the attached Resolution 2010-292 as to form.

BOARD OF SUPERVISORS

COUNTY OF RIVERSIDE

RESOLUTION NO. 2010-292

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
AUTHORIZING SUBMISSION OF AN APPLICATION FOR A PRIVATE ACTIVITY BOND
ALLOCATION FROM THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE TO BE
APPLIED TOWARD MORTGAGE CREDIT CERTIFICATES**

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of private activity bonds that may be issued in any calendar year by entities within a state and authorizes the Governor or the Legislature of such state to provide a method for the allocation or private activity bond authorization within the state; and

WHEREAS, Section 50199.8 et seq. of the Health and Safety Code of the State of California and the procedures adopted pursuant thereto require a local agency to file an application with the California Debt Limit Allocation Committee (the "Committee") prior to the issuance of private activity bonds; and

WHEREAS, the Board of Supervisors (the "Board") of the County of Riverside (the "County") hereby finds and declares that it is necessary, essential and a public purpose for the County to issue Mortgage Credit Certificates for persons and families within the income limitation established by Division 31, Part 1, Chapter 3.5, Article 3.4 by Section 50197 et seq. of the Health and Safety Code of the State of California (the "Act"); and

WHEREAS, the Board has established, by Resolution No. 87-564, and adopted on December 22, 1987, a Mortgage Credit Certificate Program (the "Program") and desires at this time to take certain preliminary steps toward securing sufficient authority to be able to issue Mortgage Credit Certificates through the Program; and

WHEREAS, the Board desires to authorize the Assistant County Executive Officer of the Economic Development Agency or designee to apply to the Committee for a private activity bond allocation that is to be applied to the issuance of Mortgage Credit Certificates; and

Resolution No. 2010-292

Mortgage Credit Certificate

FORM APPROVED COUNTY COUNSEL
BY: *Dale A. Gardner* 10/20/10
DATE
DALE A. GARDNER

1 **WHEREAS**, the County may, on behalf of the cities with which it has entered into
2 Cooperative Agreements, apply to the Committee for a private activity bond allocation to be
3 applied toward Mortgage Credit Certificates; and

4 **WHEREAS**, the Board hereby finds and declares that this Resolution is being adopted
5 pursuant to the powers granted to it by the Act.

6 **BE IT RESOLVED, FOUND , DETERMINED, AND ORDERED** by the Board of
7 Supervisors of the County of Riverside in regular session assembled on November 2, 2010, as
8 follows:

- 9 1. That the Board hereby finds and declares that the above recitals are true and correct;
10 and
- 11 2. That the Assistant County Executive Officer of Economic Development Agency (the
12 “Director”) or designee is hereby authorized to apply to the Committee for a private
13 activity bond allocation in the maximum amount possible, and the allocation received
14 is to be applied to the Program; and
- 15 3. That the County hereby authorizes the Director to accept the transfer, to the extent
16 offered, from any city in the County that has entered into a Cooperative Agreement
17 with the County, of the private activity bond allocation granted to such city by the
18 Committee for the issuance of Mortgage Credit Certificates; and
- 19 4. That the Director is hereby authorized, on behalf of the County, to assist cities located
20 within the County and desiring to cooperate with the County in the Program in
21 applying to the Committee for allocations to be used for the issuance of Mortgage
22 Credit Certificates by the County; and
- 23 5. That the County hereby authorizes the Director to use any allocation received to
24 issue Mortgage Credit Certificates for eligible homebuyers within the unincorporated
25 County and within the jurisdiction of any city in the County that has entered into a
26 Cooperative Agreement with the County; and
- 27 6. That the Director is hereby authorized, on behalf of the County, to certify to the
28 Committee that the required amounts have been placed in an escrow account
 established to comply with the requirements of the Committee; and

- 1 7. That the Director is hereby authorized and directed, for and in the name and on
2 behalf of the County, to do any and all things and take any and all actions and
3 execute and deliver any and all certificates, agreements, and other documents which
4 the Director or designee may deem necessary or advisable in order to carry out the
5 purposes of this Resolution. All actions heretofore taken by the Director with respect
6 to the Program and the application are hereby approved, confirmed and ratified; and
7 8. This Resolution shall take effect immediately upon its adoption.

8 ROLL CALL:

9 Ayes: Buster, Stone, Benoit, and Ashley
10 Nays: None
11 Absent: Tavaglione

12
13 The foregoing is certified to be a true copy of a resolution duly
14 adopted by said Board of Supervisors on the date therein set forth.

15 KECIA HARPER-IHEM, Clerk of said Board

16 By: _____

17 Deputy

**Riverside County Board of Supervisors
Request to Speak**

Submit request to Clerk of Board (right of podium),
Speakers are entitled to three (3) minutes, subject
Board Rules listed on the reverse side of this form.

SPEAKER'S NAME: GARRY GRANT

Address: 97068 JARVIS ST
(only if follow-up mail response requested)

City: PARVIS **Zip:** 92570

Phone #: _____

Date: Nov 2nd **Agenda #** 3-20-

PLEASE STATE YOUR POSITION BELOW:

Position on "Regular" (non-appealed) Agenda Item:

Support Oppose Neutral

Note: If you are here for an agenda item that is filed
for "Appeal", please state separately your position on
the appeal below:

Support Oppose Neutral

I give my 3 minutes to: _____

BOARD RULES

Requests to Address Board on "Agenda" Items:

You may request to be heard on a published agenda item. Requests to be heard must be submitted to the Clerk of the Board before the scheduled meeting time.

Requests to Address Board on items that are "NOT" on the Agenda:

Notwithstanding any other provisions of these rules, member of the public shall have the right to address the Board during the mid-morning "Oral Communications" segment of the published agenda. Said purpose for address must pertain to issues which are under the direct jurisdiction of the Board of Supervisors. YOUR TIME WILL BE LIMITED TO THREE (3) MINUTES.

Power Point Presentations/Printed Material:

Speakers who intend to conduct a formalized Power Point presentation or provide printed material must notify the Clerk of the Board's Office by 12 noon on the Monday preceding the Tuesday Board meeting, insuring that the Clerk's Office has sufficient copies of all printed materials and at least one (1) copy of the Power Point CD. Copies of printed material given to the Clerk (by Monday noon deadline) will be provided to each Supervisor. If you have the need to use the overhead "Elmo" projector at the Board meeting, please insure your material is clear and with proper contrast, notifying the Clerk well ahead of the meeting, of your intent to use the Elmo.

Individual Speaker Limits:

Individual speakers are limited to a maximum of three (3) minutes. Please step up to the podium when the Chairman calls your name and begin speaking immediately. Pull the microphone to your mouth so that the Board, audience, and audio recording system hear you clearly. Once you start speaking, the "green" podium light will light. The "yellow" light will come on when you have one (1) minute remaining. When you have 30 seconds remaining, the "yellow" light will begin flash, indicating you must quickly wrap up your comments. Your time is up when the "red" light flashes. The Chairman adheres to a strict three (3) minutes per speaker. **Note: If you intend to give your time to a "Group/Organized Presentation", please state so clearly at the very bottom of the reverse side of this form.**

Group/Organized Presentations:

Group/organized presentations with more than one (1) speaker will be limited to nine (9) minutes at the Chairman's discretion. The organizer of the presentation will automatically receive the first three (3) minutes, with the remaining six (6) minutes relinquished by other speakers, as requested by them on a completed "Request to Speak" form, and clearly indicated at the front bottom of the form.

Addressing the Board & Acknowledgement by Chairman:

The Chairman will determine what order the speakers will address the Board, and will call on all speakers in pairs. The first speaker should immediately step to the podium and begin addressing the Board. The second speaker should take up a position in one of the chamber aisles in order to quickly step up to the podium after the preceding speaker. This is to afford an efficient and timely Board meeting, giving all attendees the opportunity to make their case. Speakers are prohibited from making personal attacks, and/or using coarse, crude, profane or vulgar language while speaking to the Board members, staff, the general public and/or meeting participants. Such behavior, at the discretion of the Board Chairman may result in removal from the Board Chambers by Sheriff Deputies.