

HOUSING AUTHORITY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA- 1776

DATE OF FINAL PASSAGE March 13, 2018

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING THE SAN DIEGO HOUSING COMMISSION TO SUBMIT AN APPLICATION FOR A MORTGAGE CREDIT CERTIFICATE PROGRAM ALLOCATION OF UP TO \$25,000,000 TO ASSIST FIRST-TIME HOMEBUYERS IN THE CITY OF SAN DIEGO, AND APPROVING RELATED ACTIONS.

WHEREAS, U.S. Internal Revenue Code section 146 limits the amount of tax-exempt private activity bonds that may be issued in any calendar year by entities within a state and authorizes the legislature of each state to provide the method of allocation within the state; and

WHEREAS, the California Debt Limit Allocation Committee (CDLAC) administers the tax-exempt private activity bond program in California, which includes CDLAC's annual allocation of Mortgage Credit Certificates (MCCs) to qualified local agencies, such as the San Diego Housing Commission (Housing Commission) acting on behalf of the Housing Authority of the City of San Diego (Housing Authority); and

WHEREAS, the Mortgage Credit Certificate Program (MCC Program) is designed primarily to benefit first-time homebuyers of new or existing housing units whose annual income is below a specified amount and who will incur acquisition costs for the home purchase below a specified amount; and

WHEREAS, the MCC Program allows each qualified homebuyer to reduce federal income tax liability by an amount equal to a portion of the interest paid during the year on a home mortgage, which effectively increases the homebuyer's net income and bolsters the homebuyer's capacity to qualify for a home loan; and

WHEREAS, under the MCC Program, an MCC is issued to the homebuyer after the close of escrow on the home purchase, is registered with the Internal Revenue Service, remains in effect for the life of the home mortgage, and is non-transferable; and

WHEREAS, the City Council supports the goal of increasing local homeownership, and the MCC Program is an effective, efficient means to advance that goal; and

WHEREAS, CDLAC collects an application fee from any agency that applies for an annual allocation of MCCs, and the Housing Commission collects an application fee of \$500 from any prospective homebuyer who applies for an MCC award; and

WHEREAS, Housing Commission staff has proposed to increase its MCC application fee to \$620 for each prospective homebuyer in order to cover the cost of CDLAC's application fee and the Housing Commission's own costs in administering the local MCC Program, including the review of prospective homebuyers' applications to ensure compliance with program requirements and the issuance of MCC commitments to homebuyers; NOW, THEREFORE,

BE IT RESOLVED, by the Housing Authority, as follows:

1. The Housing Commission President and Chief Executive Officer (President & CEO), or designee, is authorized, on behalf of the Housing Authority, to submit one or more applications to CDLAC during calendar year 2018 for MCC Program allocations in an aggregate total up to \$25,000,000 for use in the City of San Diego.
2. The Housing Commission is authorized to increase its MCC application fee to \$620 for each prospective homebuyer.

3. The Housing Commission President & CEO, or designee, is authorized to sign any and all documents necessary to effectuate the Housing Commission's application for the annual MCC allocation and to administer the local MCC Program, in a form approved by Housing Commission General Counsel, and to take such actions as are necessary, convenient, and appropriate to implement the intent of this Resolution, upon the advice of Housing Commission General Counsel.

APPROVED: MARA W. ELLIOTT, General Counsel

By Kevin Reisch  
Kevin Reisch  
Senior Chief Deputy General Counsel

KJR:jdf  
3/1/18  
Or.Dept: SDHC  
Doc. No. 1700157

Passed and adopted by the Housing Authority of the City of San Diego on March 13, 2018, by the following vote:

	<b>Yeas</b>	<b>Nays</b>	<b>Excused</b>	<b>Not Present</b>
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gomez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**AUTHENTICATED BY:**

**Myrtle Cole**

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Chair of the Housing Authority  
of the City of San Diego, California

**Richard C. Gentry**

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Executive Director of the Housing Authority  
of the City of San Diego, California

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. **1776** passed and adopted by the Housing Authority of the City of San Diego, California on March 13, 2018.

By:



**Scott Marshall**  
Deputy Secretary of the Housing Authority  
of the City of San Diego, California