

#131

( R-98-404)

RESOLUTION NUMBER R- 289442

ADOPTED ON NOV 18 1997

APPLICATION TO THE MORTGAGE BOND TAX CREDIT ALLOCATION COMMITTEE FOR ISSUANCE OF MORTGAGE CREDIT CERTIFICATES.

WHEREAS, Chapters 1-5 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the "Act") authorize cities and counties to incur indebtedness for the purpose of financing home mortgages; and

WHEREAS, Section 146 of the Internal Revenue Code of 1936 limits the amount of mortgage credit certificates that may be issued in any calendar year by entities within a state and authorizes the legislature of such state to provide the method of allocation within the state; and

WHEREAS, Chapter 3.5 of Part 1 of Division 31 of the Act governs the allocation among governmental units in the state having the authority to issue Mortgage Credit Certificates (MCCs); and

WHEREAS, Section 50191 of the Act requires a local agency to file an application with the Mortgage Bond Tax Credit Allocation Committee prior to the issuance of mortgage credit certificates; and

WHEREAS, homeownership stabilizes neighborhoods, and MCCs are our most effective and efficient means to facilitate homeownership; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, as follows:

1. That the Council recommend to the California Debt Limit Allocation Committee

that an increased level of private activity bond allocation be made available to local Mortgage Credit Certificate programs.

2. That the Executive Director of the San Diego Housing Commission is hereby authorized, on behalf of The City of San Diego, to submit applications between December 1, 1997 and December 31, 1998, the form of which is on file in the office of the City Clerk as Document No. RR-285395, to the California Debt Limit Allocation Committee for allocations totaling \$75,000,000, or the maximum amount allowed by the state, with respect to mortgage credit certificates to be issued by The City of San Diego in an aggregate principal amount not to exceed the maximum allowed by the state.

3. That an amount of one percent (1%) of the requested Mortgage Credit Certificate Authority amount be deposited with the state and 0.00025 of the amount be paid to the state as the application fee, with said amounts to come solely and exclusively from available budgeted Housing Commission funds.

APPROVED: CASEY GWINN, City Attorney

By Prescilla Dugard  
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PD:cdk  
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