

**HOUSING SUCCESSOR ANNUAL REPORT
REGARDING THE
LOW AND MODERATE INCOME HOUSING ASSET FUND
FOR FISCAL YEAR 2022-2023 PURSUANT TO
CALIFORNIA HEALTH AND SAFETY CODE SECTION 34176.1(f)
FOR THE
CITY OF SAN DIMAS – HOUSING
AUTHORITY**

This Housing Successor Annual Report (Report) regarding the Low and Moderate Income Housing Asset Fund (LMIHAF) has been prepared pursuant to California Health and Safety Code Section 34176.1(f) and is dated as of November 30, 2023. This Report sets forth certain details of the City of San Dimas Housing Authority activities during Fiscal Year 2022-2023. The purpose of this Report is to provide the governing body of the Housing Successor an annual report on the housing assets and activities of the Housing Successor under Part 1.85, Division 24 of the California Health and Safety Code, in particular sections 34176 and 34176.1 (Dissolution Law).

The following Report is based upon information prepared by Housing Successor staff and information contained within the independent financial audit of the Low and Moderate Income Housing Asset Fund in the City of San Dimas, Financial Statements for Fiscal Year 2022-2023 as prepared by Rogers, Anderson, Malody & Scott, LLP, which Audit is separate from this annual summary Report; further, this Report conforms with and is organized into sections I. through XI., inclusive, pursuant to Section 34176.1(f) of the Dissolution Law:

- I. Amount Deposited into LMIHAF:** This section provides the total amount of funds deposited into the LMIHAF during the Fiscal Year. Any amounts deposited for items listed on the Recognized Obligation Payment Schedule (ROPS) must be distinguished from the other amounts deposited.
- II. Ending Balance of LMIHAF:** This section provides a statement of the balance in the LMIHAF as of the close of the Fiscal Year. Any amounts deposited for items listed on the ROPS must be distinguished from the other amounts deposited.
- III. Description of Expenditures from LMIHAF:** This section provides a description of the expenditures made from the LMIHAF during the Fiscal Year. The expenditures are to be categorized.
- IV. Statutory Value of Assets Owned by Housing Successor:** This section provides the statutory value of real property owned by the Housing Successor, the value of loans and grants receivables, and the sum of these two amounts.

- V. Description of Transfers:** This section describes transfers, if any, to another housing successor agency made in previous Fiscal Year(s), including whether the funds are unencumbered and the status of projects, if any, for which the transferred LMIHAF will be used. The sole purpose of the transfers must be for the development of transit priority projects, permanent supportive housing, housing for agricultural employees or special needs housing.
- VI. Project Descriptions:** This section describes any project for which the Housing Successor receives or holds property tax revenue pursuant to the ROPS and the status of that project.
- VII. Status of Compliance with Section 33334.16:** This section provides a status update on compliance with Section 33334.16 for interests in real property acquired by the former redevelopment agency prior to February 1, 2012. For interests in real property acquired on or after February 1, 2012, provide a status update on the project.
- VIII. Description of Outstanding Obligations under Section 33413:** This section describes the outstanding inclusionary and replacement housing obligations, if any, under Section 33413 that remained outstanding prior to dissolution of the former redevelopment agency as of February 1, 2012 along with the Housing Successor's progress in meeting those prior obligations, if any, of the former redevelopment agency and how the Housing Successor's plans to meet unmet obligations, if any.
- IX. Income Test:** This section provides the information required by Section 34176.1(a)(3)(B), or a description of expenditures by income restriction for five-year period, with the time period beginning January 1, 2015 and whether the statutory thresholds have been met.
- X. Senior Housing Test:** This section provides the percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the Housing Successor, its former redevelopment Agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the Housing Successor, its former Redevelopment Agency and its host jurisdiction within the same time period. For this Report the ten-year period reviewed is January 1, 2012 to January 1, 2022.
- XI. Excess Surplus Test:** This section provides the amount of excess surplus in the LMIHAF, if any, and the length of time that the Housing Successor has had excess surplus, and the Housing Successor's plan for eliminating the excess surplus.

This Report is to be provided to the Housing Successor's governing body by December 31, 2023. In addition, this Report and the former redevelopment agency's pre-dissolution Implementation Plan are to be made available to the public on the City's website at sandimasca.gov.

I. AMOUNT DEPOSITED INTO LMIHAF

A total of \$449,437 was deposited into the LMIHAF during the Fiscal Year. Which consisted of rents from the Monte Vista Apartments, interest income and a transfer in from the general fund in the amount of \$226,112 which represents the required 20% set aside allocation from the 2020-21 loan payment from the former redevelopment agency.

Over the past five years going back to January 1, 2018 the Housing Successor fund has received the following deposits.

2022-23	\$415,973
2021-22	\$443,391
2020-21	\$449,437
2019-20	\$332,031
2018-19	\$407,031

II. ENDING BALANCE OF LMIHAF

At the close of the Fiscal Year, the ending fund balance in the LMIHAF was \$2,179,195.

Over the past five years the Housing Successor ending available fund balance has been the following.

2022-23	\$2,179,195
2021-22	\$3,450,463
2020-21	\$3,564,003
2019-20	\$3,684,857
2018-19	\$3,690,327

III. DESCRIPTION OF EXPENDITURES FROM LMIHAF

The following is a description of expenditures from the LMIHAF by category:

Monitoring & Administrative Expenditures	Fiscal Year	Amount
	2022-23	\$ 331,780
	2021-22	\$ 214,765
	2020-21	\$ 180,990
	2019-20	\$ 181,340
	2018-19	\$ 30,563
	Total July 1, 2017 - June 30, 2022	\$ 939,438
	Fiscal Year	Amount
Homeless Prevention and Rapid Rehousing Services Expenditures	2022-23	\$ 45,000
	2021-22	\$ 55,214
Total July 1, 2017 - June 30, 2022	Total July 1, 2021 - June 30, 2023	100,214.00
	Fiscal Year	Amount
Housing Development Expenditures	2022-23	\$ 1,062,806
• Expenditures on Low Income Units	2021-22	\$ 286,952
• Expenditures on Very-Extremely Low Income Units	2020-21	\$ 389,302
• Total Housing Development Expenditures	2019-20	\$ 163,030
• Bond Payment for Improvements to property that provides low income rental units.	2018-19	\$ 322,595
	Total July 1, 2017 - June 30, 2022	\$ 2,224,685
	Fiscal Year	Amount
Total LMIHAF Expenditures	2021-22	\$ 1,439,586
	2020-21	\$ 501,717
	2019-20	\$ 570,292
	2018-19	\$ 344,370
	2017-18	\$ 353,158

IV. STATUTORY VALUE OF ASSETS OWNED BY HOUSING SUCCESSOR IN LMIHAF

Under the Dissolution Law and for purposes of this Report, the “statutory value of real property” means the value of properties formerly held by the former redevelopment agency as listed on the housing asset transfer schedule approved by the Department of Finance as listed in such schedule under Section 34176(a)(2), the value of the properties transferred to the Housing Successor pursuant to Section 34181(f), and the purchase price of property(ies) purchased by the Housing Successor. Further, the value of loans and grants receivable is included in these reported assets held in the LMIHAF.

The following provides the statutory value of assets owned by the Housing Successor.

As of End of Fiscal Year 2023	
Statutory Value of Real Property Owned by Housing Authority	\$1,249,000
Value of Loans and Grants Receivable	\$0
Total Value of Housing Successor Assets	\$1,249,000

V. DESCRIPTION OF TRANSFERS

The Housing Successor did not make any LMIHAF transfers to other Housing Successor(s) under Section 34176.1(c)(2) during the Fiscal Year.

VI. PROJECT DESCRIPTIONS

The Housing Successor does not receive or hold property tax revenue pursuant to the ROPS.

The following is a description of project(s) for which the Housing Successor receives or holds property tax revenue pursuant to the ROPS as well as the status of the project(s):

Project Name	Status of Project
No projects at this time.	

VII. STATUS OF COMPLIANCE WITH SECTION 33334.16

Section 34176.1 provides that Section 33334.16 does not apply to interests in real property acquired by the Housing Successor on or after February 1, 2012; however, this Report presents a status update on the project related to such real property.

With respect to interests in real property acquired by the former redevelopment agency *prior* to February 1, 2012, the time periods described in Section 33334.16 shall be deemed to have commenced on the date that the Department of Finance approved the property as a housing asset in the LMIHAF; thus, as to real property acquired by the former redevelopment agency now held by the Housing Successor in the LMIHAF, the Housing Successor must initiate activities consistent with the development of the real property for the purpose for which it was acquired within five years of the date the DOF approved such property as a housing asset.

The following provides a status update on the real property or properties housing asset(s) that were acquired prior to February 1, 2012 and compliance with five-year period:

Address of Property	Date of Acquisition	Deadline to Initiate Development Activity	Status of Housing Successor Activity
Monte Vista Apartments	7/4/96		City continues to operate L&M apartments.
Taylor Property	9/17/01		Asset was transferred to Habitat for Humanity on 11/7/2022 And is no longer owned by the Housing Authority.

VIII. DESCRIPTION OF OUTSTANDING OBLIGATIONS PURSUANT TO SECTION 33413

Replacement Housing: According to the 2010-2015 Implementation plan for the former redevelopment agency, no Section 33413(a) replacement housing obligations were transferred to the Housing Successor. The former redevelopment agency's Implementation Plans are posted on the City's website at sandimasca.gov.

Inclusionary/Production Housing. According to the 2010-2015 Implementation Plan for the former redevelopment agency, no Section 33413(b) inclusionary/production housing obligations were transferred to the Housing Successor. The former redevelopment agency's Implementation Plans are posted on the City's website at sandimasca.gov.

IX. EXTREMELY-LOW INCOME TEST

Section 34176.1(a)(3)(A) requires that the Housing Successor must require at least 30% of the LMIHAF (after monitoring and administration expenses and homeless housing expenses) to be expended for development of rental housing affordable to and occupied by households earning 30% or less of the AMI. If the Housing Successor fails to comply with the Extremely-Low Income requirement in any five-year report, then the Housing Successor must ensure that at least 50% of the funds remaining in the LMIHAF be expended in each fiscal year following the latest fiscal year following the report on households earning 30% or less of the AMI until the Housing Successor demonstrates compliance with the Extremely-Low Income requirement. This information is provided below for the 2014 – 2019 period.

At January 1, 2014 the Successor Housing Authority had a beginning available fund balance of \$422,041. From January 1, 2014 to June 30, 2019, the Successor Housing Authority has had deposits totaling \$4,610,367. The total available fund balance including new deposits from January 1, 2014 to 06/30/2019 is \$5,032,408, which represents the beginning base line for the extremely-low income test. From that number we deduct \$129,839 for monitoring and administrative expenditures as shown on page 4 above. The baseline for the 30% test is \$4,902,569. 30% of the baseline \$4,902,569 is \$1,470,771. The Housing Authority has spent \$2,448,558 on Housing Development Expenditures during the 2014-2019 five year look back period which has resulted in an ending fund balance of \$3,690,327. \$2,448,558 is equivalent to 50% of the baseline fund balance figure of \$4,902,569.

The next look back period for the extremely-low income test will take place at the end of the 2024-25 fiscal year. The look back will encompass the July 1, 2020 – June 30, 2025 five-year period.

X. SENIOR HOUSING TEST

The Housing Successor is to calculate the percentage of units of deed-restricted rental housing restricted to seniors and assisted by the Housing Successor, the former redevelopment agency and/or the City within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted by the Housing Successor, the former redevelopment agency and/or City within the same time period. If this percentage exceeds 50%, then the Housing Successor cannot expend future funds in the LMIHAF to assist additional senior housing units until the Housing Successor or City assists and construction has commenced on a number of restricted rental units that is equal to 50% of the total amount of deed-restricted rental units.

The following provides the Housing Successor’s Senior Housing Test for the 10-year period of January 1, 2013 to January 1, 2023:

Senior Housing Test January 1, 2009 to January 1, 2019	
# of Assisted Senior Rental Units	10
# of Total Assisted Rental Units	10
Senior Housing Percentage	100%

XI. EXCESS SURPLUS TEST

Excess Surplus is defined in Section 34176.1(d) as an unencumbered amount in the account that exceeds the greater of one million dollars (\$1,000,000) or the aggregate amount deposited into the account during the Housing Successor’s preceding four Fiscal Years, whichever is greater.

Per the auditor’s report the available fund balance on hand exceeds the amounts deposited into the Housing Successor over the past 4 years which totals \$1,640,832. The amount on hand is \$2,426,850 with \$247,655 of encumbrances which lowers the total available fund balance to \$2,179,195 which is \$538,363 above the threshold.