

HOUSING SUCCESSOR ANNUAL REPORT

December 2023



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
VISTA HOUSING SUCCESSOR AGENCY

INTRODUCTION

This Housing Successor Annual Report (Report) addresses California Health and Safety Code Section 34176.1(f) requirements regarding the Low- and Moderate-Income Housing Asset Fund (LMIHAF). This Report outlines the financial and housing covenant details of the Vista Community Development Commission (Housing Successor) for Fiscal Year 2022-23. 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).

This report includes discussion on the deposits to, ending balance of, and expenditures from the LMIHAF. A description of the Housing Successor's assets, and any transfers of assets to other housing successor agencies are addressed as well. The report also discusses the Housing Successor's current projects, acquisitions of any real property since February 1, 2012, or any outstanding obligations. Finally, as required by law, three separate tests are discussed – the income test, senior housing test, and excess surplus test.

The following Report is based upon information prepared by Community Development Commission staff and information contained within the independent financial audit of the Low and Moderate Income Housing Asset Fund for Fiscal year 2022-2023 as prepared by Davis Farr LLP Certified Public Accounts, which Audit is separate from this annual summary Report; further, this Report conforms with and is organized into sections I. through XII., inclusive, pursuant to Section 34176.1 (f) of the Dissolution Law:

In addition, this Report and the former redevelopment agency's pre-dissolution Implementation Plans are to be made available to the public on the [City's website](#).

The Report is organized into the following sections pursuant to HSC Section 34176.1(f):

I. LOAN REPAYMENT PER SECTION 34191.4(B)(3)(A)

This section provides the total amount of funds paid to the City and the amount deposited into the LMIHAF allocable to 20% of the repayments on the reinstated City/Agency loan per Section 34191.4.

During the fiscal year, the City of Vista received a total \$2,563,927 for reinstated loan agreements under Code section 34191.4(b)(3)(A), 20 percent \$512,785.40 of which was deposited into the LMIHAF in accordance with Code Section 34191.4(b)(3)(C), as set forth in section II below.

II. AMOUNT DEPOSITED INTO LMIHAF

This section provides the total amount of funds deposited into the LMIHAF during the Fiscal Year. Any amounts deposited pursuant to Code section 34191.4(b)(3)(B) or (C), and any amounts deposited for items listed on the Recognized Obligation Payment Schedule (ROPS), must be distinguished from other deposited amounts.

A total of \$512,785.40 was deposited into the LMIHAF during the Fiscal Year. Of the total funds deposited into the LMIHAF, a total of \$0 was held for items listed on the ROPS, a total

of \$0 was deposited as a SERAF Loan repayment listed on ROPS, and \$512,785.40 was deposited from reinstated loan agreements listed on ROPS.

III. 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 held for items listed on the ROPS must be distinguished from the other amounts held in the LMIHAF.

At the close of the Fiscal Year, the ending balance in the LMIHAF was \$7,724,904 of which \$0 is held for items listed on the ROPS.

IV. DESCRIPTION OF EXPENDITURES FROM LMIHAF

This section provides a description of the expenditures made from the LMIHAF during the Fiscal Year by category.

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

Monitoring and Administration Expenditures	\$250,995.32
Homeless Prevention and Rapid Rehousing Services Expenditures	\$35,777.82
Housing Development Expenditures	\$29,432.50
Expenditures on Low Income Units	\$0
Expenditures on Very Low-Income Units	\$14,716.25
Expenditures on Extremely Low-Income Units	\$14,716.25
Total LMIHAF Expenditures in Fiscal Year	\$316,205.64

V. 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 (HATS) 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 Authority, as housing successor, pursuant to Section 34181(f), and the purchase price of property(ies) purchased by the Housing Authority, as 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:

FY 2022-2023	
Value of properties formerly held by the former redevelopment agency as listed on the Housing Asset Transfer (HAT) scheduler	\$ 13,834,511
Value of property acquired by Housing Authority	\$ 5,807,687
Value of Loans and Grants Receivable	\$ 1,506,323
Total	\$ 21,148,521

VI. DESCRIPTION OF TRANSFERS TO OTHER HOUSING SUCCESSORS

This section describes any transfers from the LMIHAF to another housing successor made in previous Fiscal Years pursuant to Code section 34176.1(c)(2), including whether the funds are unencumbered and the status of any projects for which the transferred funds will be used.

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

VII. 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.

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

VIII. STATUS OF COMPLIANCE WITH SECTION 33334.16

Section 33334.16 requires that real property acquired using the LMIHF must initiate activities consistent with the development of the property for the purpose for which it was acquired within five years from the date it first acquired the property. As and if applicable, 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.

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:

No.	Assessor Parcel No.	Street Address	Status
1	APN 175-274-10	230 S. Santa Fe Avenue	Sold 1/13/2015
2	APN 179-051-11	657 S. Santa Fe Avenue	Sold 12/27/2016
3	APN 179-022-22	603 S. Santa Fe Avenue	Sold 4/1/2016
4	APN 179-023-11	531 Mercantile Street	Traded for City Property
5	APNs 175-302-04, 06, 07, 15, 16 & 25	201 S. Santa Fe Avenue	Ground Lease for Paseo Pointe, 69 unit Affordable Housing Project
6	APNs 175-300-54 & 55	751 E. Vista Way	Sold 7/30/18
7	APNs 179-022-02, 05 & 06	505, 515, & 517 S. Santa Fe Avenue	Property exchange with the City for property on N. Santa Fe for the development of affordable housing
8	APNs 179-041-05, 06, 07 & 08	514 - 526 S. Santa Fe Avenue	Property exchange with the City for property on N. Santa Fe for the development of affordable housing
9	APNs 179-093-18, 23, 30, 32 & 34	420 Lado de Loma	Sold 07/12/18

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(s) 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 period 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 of DOF approved such property as a housing asset.

The following provides a status update on the project(s) for property or properties that have been acquired by the Housing Successor using LMIHAF on or after February 1, 2012:

No.	Assessor Parcel No.	Street Address	Status
1	APN 175-277-03	133 S. Santa Fe Avenue	Ground Lease for Paseo Pointe, 69 unit Affordable Housing Project
2	APNs 175-131-23 & 24	345 N. Santa Fe Avenue	Ground Lease for N. Santa Fe Apartments, 68 unit Affordable Housing Project
3	APNs 179-022-01, 02, 05, 06, 07, 23, 24, & 25	501 – 503, 505, 517 - 523 S. Santa Fe Avenue	DDA to construct Paseo Artist Village, 60 units of Affordable Housing.
4	APN 175-323-33	815 Civic Center Drive	Constructed 81 units of senior affordable housing

IX. DESCRIPTION OF OUTSTANDING OBLIGATIONS PURSUANT TO SECTION 33413

This section provides a description of any outstanding inclusionary and replacement housing obligations pursuant to Section 33413 that remained to transfer to the Housing Successor on February 1, 2012; the Housing Successor’s progress in meeting those obligations; and of the Housing Successor’s plans to meet unmet obligations.

Replacement Housing: According to the 2010-2014 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:

<https://www.cityofvista.com/departments/housing-homeless-services/successor-agency>.

Inclusionary/Production Housing: According to the 2010-2014 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:

<https://www.cityofvista.com/departments/housing-homeless-services/successor-agency>.

X. EXTREMELY - LOW INCOME TEST

This section provides the information required by Section 34176.1(a)(3)(B), or a description of expenditures by income restriction for a five-year period, with the time period beginning January 1, 2014, and whether the statutory thresholds have been met.

Section 34176.1(a)(3)(B) requires that the Housing Successor must expend at least 30% of the remaining funds in the LMIHAF for the 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.

EXTREMELY LOW-INCOME TEST	2022-2023 PERIOD
LMIHAF Spent on Extremely Low-Income Households	\$ 4,193,569.26
Total LMIHAF (Five Year Total)	\$ 14,313,963.20
Extremely Low-Income Test	29%

XI. SENIOR HOUSING TEST

Section 34176.1(f)(11) requires that the Housing Successor provide 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.

If the percentage of assisted senior rental housing is more than 50 percent of the total of all assisted rental housing, no additional senior rental housing can be assisted until the percentage falls to 50 percent or less.

Project	Units	Senior or Family
Cedar Nettleton Apartments	68	Family
The Grove	81	Senior
North Santa Fe	67	Family
Paseo Pointe	68	Family
Paseo Artist Village	60	Family
344 Total Units		24 Percent Senior Housing

XII. 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.

As reported in the December 2023 Audit performed by Davis Farr Certified Public Accountants, the LMIHAF does not have an Excess Surplus.

XIII. HOMEOWNERSHIP UNITS IN HOUSING SUCCESSOR LOAN PORTFOLIO

An inventory of homeownership units assisted by the former redevelopment agency or the housing successor that are subject to covenants or restrictions or to an adopted program that protects the former redevelopment agency's investment of moneys from the Low- and Moderate-Income Housing Fund pursuant to subdivision (f) of Section 33334.3. This inventory shall include all the following information:

A. The number of those units

- 45 units as of February 1, 2012.

B. In the first report pursuant to this subdivision, the number of units lost to the portfolio after February 1, 2012, and the reason or reasons for those losses. For all subsequent reports, the number of the units lost to the portfolio in the last fiscal year and the reason for those losses.

- 38 units were lost from the portfolio since February 1, 2012, due to repayment of the loans.
- Eleven (6) loans were repaid in Fiscal Year 2022-2023.

C. Any funds returned to the Housing Successor as part of an adopted program that protects the former redevelopment agency's investment of moneys from the Low- and Moderate-Income Housing Fund.

- In Fiscal Year 2022-2023 the Housing Authority received \$413,734.63.

D. Whether the Housing Successor has contracted with any outside entity for the management of the units and, if so, the identity of the entity.

- The Housing Authority of the City of Vista has not contracted with an outside entity for the management of the units.