



CITY OF NORWALK

HOUSING SUCCESSOR ANNUAL REPORT

**LOW AND MODERATE INCOME HOUSING ASSET
FUND**

FOR FISCAL YEAR 2015/16

HOUSING SUCCESSOR ANNUAL REPORT TABLE OF CONTENTS

INTRODUCTION	2
AMOUNT DEPOSITED INTO LMIHAF	2
ENDING BALANCE OF LMIHAF	2
DESCRIPTION OF EXPENDITURES FROM LMIHAF	2
STATUTORY VALUE OF ASSETS OWNED BY THE HOUSING SUCCESSOR	3
DESCRIPTION ON TRANSFERS	4
PROPERTY TAX REVENUE	4
STATUS OF COMPLIANCE WITH SECTION 33334.16	4
DESCRIPTION OF OUTSTANDING OBLIGATIONS UNDER SECTION 33413	5
INCOME TEST	5
SENIOR HOUSING TEST	5
EXCESS SURPLUS TEST	6

INTRODUCTION

The City of Norwalk serves as the former Redevelopment Agency's Housing Successor (Housing Successor). 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 34176.1(f). This report sets forth certain details of the Housing Successor activities during Fiscal Year 2015/2016. 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 in financial records of the Low and Moderate Income Housing Asset Fund for Fiscal Year 2015-16. This Report conforms with and is organized into sections I through XI, inclusive, pursuant to Section 34176.1(f) of the Dissolution Law.

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.

A total of \$176,688 (Interest earned on Housing Bond Proceeds) was deposited in 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.

ENDING BALANCE OF LMIHAF

This section provides a statement of the balance in the LMIHAF at the close of the Fiscal Year. Any amounts deposited for items listed on the ROPS must be distinguished from the other amounts deposited.

At the close of the Fiscal Year, the ending balance in the LMIHAF was \$11,164,202 (Housing Bond Proceeds), of which \$0 is held for items listed on the ROPS.

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.

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

FY 2015/16 LMIHAF Expenditures	
Activity	Amount
Maintenance, monitoring, and administrative expenditures	\$9,255
Homeless Prevention and Rapid Rehousing Services Expenditures	\$0
Housing Development Expenditures	
• Expenditures on very low income units	\$0
• Expenditures on low income units	\$0
Total LMIHAF Expenditures in Fiscal Year	\$9,255

STATUTORY VALUE OF ASSETS OWNED BY HOUSING SUCCESSOR IN LMIHAF

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.

Under the Dissolution Law and for purposes of this Report, the “statutory value of real property” means the value of properties formerly held 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 prices of property(ies) purchased by the Housing Successor. Further, the value of loans and grants receivable are included in this report as assets held in the LMIHAF.

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

	As of Fiscal Year End
Statutory Value of Real Property Owned by Housing Successor	\$0
Value of Loans and Grants Receivable	\$0
Total Value of Housing Successor Assets	\$0

DESCRIPTION OF TRANSFERS

This section describes transfers, if any, to another housing successor agency made in previous Fiscal Years, 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.

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

PROPERTY TAX REVENUE

This section describes any project for which the Housing Successor receives or holds property tax revenue pursuant to the ROPS and the status of the project.

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

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.

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 with five years of the date the DOF approved such property as a housing asset.

No real property was acquired by the former redevelopment agency prior to February 1, 2012 that is now held by the Housing Successor in the LMIHAF.

No real property was acquired on or after February 1, 2012.

DESCRIPTION OF OUTSTANDING OBLIGATIONS UNDER SECTION 33413

This section describes any 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 Housing Successor's progress in meeting those prior obligations, if any, of the former redevelopment agency and the Housing Successor's plan to meet unmet obligations if any.

Replacement Housing: According to the FY 2010-2011 through FY 2014-2015 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 www.norwalkca.gov

Inclusionary/Production Housing: According to the FY 2010-2011 through FY 2014-2015 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 www.norwalkca.gov

EXTREMELY LOW INCOME TEST

Section 34176.1(a)(3)(B) requires that the Housing Successor must require at least 30% of the LMIHAF to be expended for development of rental housing affordable to and occupied by households earning 30% or less of the Area Median Income (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 not required to be reported until 2019 for the 2014-2019 period.

SENIOR HOUSING TEST

The Housing Successor is to calculate the percentage of units of deed-restricted rental housing restricted to senior 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 7/1/2006 – 6/30/2016.

Senior Housing Test	7/1/2006 – 6/30/2016
# of Assisted Senior Rental Units	0
# of Total Assisted Rental Units*	5
Senior Housing Percentage	0%

* City assisted five deed restricted rental units under the HOME program.

EXCESS SURPLUS TEST

For the purpose of this report, pursuant to Section 34176(d), “excess surplus shall mean an unencumbered amount that exceeds the greater of one million dollars (\$1,000,000) or the aggregate amount deposited in to the account during the housing successor’s preceding four fiscal years, whichever is greater.” If the unencumbered amount does not exceed the greater of the aggregate amount deposited into the LMIHAF during the preceding four fiscal years or \$1,000,000, whichever is greater, there is no excess surplus.

Since the Excess Surplus calculation relates to a four year calculation and the Housing Successor has not been in existence for that period, the determination is that during this period, the Housing Successor has no excess surplus as of 7/1/2015.

1	2	3	4	5
Four prior and current FY	Deposits	Aggregate deposits	Unencumbered balance on <u>first day</u> of current FY	Excess surplus (Column 4 minus Column 3)*
FY 11-12	\$0			
FY 12-13	\$0			
FY 13-14	\$0			
FY 14-15	\$10,996,768.54			
FY 15-16	N/A	\$10,996,768.54	\$10,996,768.54	\$0