

LOMA LINDA HOUSING AUTHORITY

AGENDA

REGULAR MEETING OF JANUARY 12, 2016

A regular meeting of the Housing Authority of the City of Loma Linda is scheduled to be held at 7:00 p.m. or as soon thereafter as possible, Tuesday, January 12, 2016 in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Reports and Documents relating to each agenda item are on file in the Office of the City Clerk and are available for public inspection during normal business hours. The Loma Linda Branch Library is also provided an agenda packet for your convenience. The agenda and reports are also located on the City's Website at www.lomalinda-ca.gov.

Materials related to an item on this Agenda submitted to the Housing Authority Board after distribution of the agenda packet are available for public inspection in the City Clerk's Office, 25541 Barton Road, Loma Linda, CA during normal business hours. Such documents are also available on the City's website at www.lomalinda-ca.gov subject to staff's ability to post the documents before the meeting.

Persons wishing to speak on an agenda item are asked to complete an information card and present it to the City Clerk prior to consideration of the item. When the item is to be considered, please step forward to the podium, the Chair will recognize you and you may offer your comments. The Housing Authority meeting is recorded to assist in the preparation of the Minutes, and you are therefore asked to give your name and address prior to offering testimony.

The Oral Reports/Public Participation portion of the agenda pertains to items NOT on the agenda and is limited to 30 minutes; 3 minutes allotted for each speaker. Pursuant to the Brown Act, no action may be taken by the Housing Authority at this time; however, the Housing Authority Board may refer your comments/concerns to staff or request that the item be placed on a future agenda.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (909) 799-2819. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Later requests will be accommodated to the extent feasible.

Agenda item requests for the JANUARY 26, 2016 meeting must be submitted in writing to the City Clerk no later than NOON, MONDAY, JANUARY 11, 2016.

A. Call To Order

B. Roll Call

C. Items To Be Added Or Deleted

D. Oral Reports/Public Participation - Non-Agenda Items (Limited to 30 minutes; 3 minutes allotted for each speaker)

E. Closed Session- 6:30 p.m. - Conference with real Property Negotiator – Government Code Section 54956.8

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|----------------------|---|
| Property: | 10522 Poplar Street (APN 0283-114-49) |
| Negotiating Parties: | T. Jarb Thaipr, Pamela Byrnes-O'Camb, Mohamad Farha |
| Under Negotiation: | Price and Terms |

F. Conflict of Interest Disclosure - Note agenda item that may require member abstentions due to possible conflicts of interest

G. **Consent Calendar**

1. Demands Register
2. Minutes of December 8, 2015
3. LLHA Bill #R-2016-01 – Limitation on gifts pertaining to qualification for purchase of an affordable unit [**Secretary**]

H. **Chair and Member Reports**

I. **Reports of Officers**

J. **Adjournment**



City of Loma Linda Official Report

Rhodes Rigsby, Chairman
Phill Dupper, Vice-Chairman
Ovidiu Popescu, Member
Ronald Dailey, Member
John Lenart, Member

HOUSING AUTHORITY AGENDA: January 12, 2016
TO: Housing Authority Members
VIA: T. Jarb Thaipejr, Executive Director
FROM: Pamela Byrnes-O'Camb, Secretary
SUBJECT: Minutes of December 8, 2015

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| Approved/Continued/Denied By: Housing Authority Date _____ |
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RECOMMENDATION

It is recommended that the Housing Authority Board approve the Minutes of December 8, 2015.

Loma Linda Housing Authority

Minutes

Regular Meeting of December 8, 2015

A regular meeting of the Loma Linda Housing Authority was called to order by Chairman Rigsby at 7:46 p.m., Tuesday, December 8, 2015, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

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|------------------------|---|
| Board Members Present: | Chairman Rhodes Rigsby Vice-Chairman Phill Dupper Ovidiu Popescu Ron Dailey John Lenart |
| Board Members Absent: | Nonoe |
| Others Present: | Executive Director T. Jarb Thaipejr General Counsel Richard Holdaway |

No items were added or deleted; no public participation comments were offered upon invitation of the Chair; and no conflicts of interest were noted.

Scheduled Items

CC-2015-093

LLHA-2015-025 - Joint meeting of the City Council and Housing Authority regarding presentation of Audit Report for Fiscal Year 2014-2015

The Loma Linda Housing Authority Board was called to order at 8:08 p.m. with all members present. Terry Shea of Rogers, Anderson, Malody & Scott presented the report, noting that the responsibilities of the City were to present the City's financial position and operations fairly and in conformity with generally accepted accounting principles; adopt sound accounting policies; provide reasonable accounting estimates; establish and maintain internal controls and prevent and detect fraud.

He went on to say that the responsibilities of the auditing firm included obtaining reasonable assurance that the financial statements were free of material misstatement; examining on a test basis evidence supporting amounts and disclosures; assessing accounting principles used, estimates made, and evaluating the overall financial statement presentation; reviewing the City's internal control policies and procedures and expressing an opinion on the City's financial statements.

He then stated that the auditor's opinion was that the financial statements were fairly presented in all material respects; significant accounting policies were consistently applied; estimates were reasonable; and disclosures were properly reflected in the financial statements. Mr. Shea elaborated that there were no disagreements with management; no material errors or irregularities or significant accounting issues discovered; findings for a single audit-internal control/compliance were made; and GASB 68 was implemented.

He then responded to questions.

Finance Director DeAnda presented the Comprehensive Annual Financial Report (CAFR) which included a Letter of Transmittal, GFPA Certificate of Achievement for Excellence in Financial Reporting, a listing of principal officers and Organization Chart in addition to the Independent Auditors' Report, Management's Discussion and Analysis, Basic Financial Statements, and Supplementary Information, Financial Trends, Revenue Capacity, Debt Capacity, Demographic, Economic, and Operating Information.

She then presented the Financial Statements for the City, the Loma Linda Housing Authority (Special Revenue Fund) and Successor Agency (Private Purpose Trust Fund). She reviewed City funds which included the General Fund, Special Revenue Fund and Enterprise fund. She also indicated that the report showed the booking of unfunded liability for pensions. She then responded to questions.

The Housing Authority Board recessed at 8:08 p.m. to allow completion of the City Council Agenda and reconvened at 8:46 p.m. with all members present.

LLHA 2015-026 – Consent Calendar

Motion by Lenart, seconded by Dupper and unanimously carried to approve the following items.

The Demands Register dated December 8, 2015 with commercial demands totaling \$4,121.74.

The Minutes of November 24, 2015 as presented.

The meeting adjourned at 8:47 p.m.

Approved at the meeting of _____, 2016.

Secretary



City of Loma Linda Official Report

Rhodes Rigsby, Chairman
Phillip Dupper, Vice-Chairman
Ovidiu Popescu, Member
Ronald Dailey, Member
John Lenart, Member

HOUSING AUTHORITY AGENDA: January 12, 2016

TO: Housing Authority

FROM: Pamela Byrnes-O'Camb, Secretary *ptb*

VIA: T. Jarb Thaipejr, Executive Director

SUBJECT: LLHA Bill No. R-2016-01 - Limitation upon gifts in connection with determining qualification for affordable units

Approved/Continued/Denied
By Housing Authority
Date _____

RECOMMENDATION:

It is recommended that the Housing Authority Board adopt the resolution submitted herewith, thereby establishing a policy concerning limitations upon gifts in connection with determining qualifications for affordable units. Alternatively, the Board could approve a different limitation on gifts or decline to adopt the policy. Staff recommends adoption of the resolution to promote clarity, reduce potential arguments and provide greater assurance that the purposes of the affordable housing programs will be directed to households of limited income.

BACKGROUND

The Loma Linda Housing Authority ("Authority"), acting under its statutory authority as a housing authority and acting as housing successor to the former Loma Linda Redevelopment Agency ("Former Agency"), from time to time is called upon to determine the income qualification of households for the purchase or rental of housing units; in most cases, the Authority (and sometimes the City) has covenants in place which restrict the ownership or ability to rent units to households of limited income.

From time to time, questions arise from prospective purchasers of ownership units subject to covenants concerning the amount of gifts which an applicant can receive. The California statutes and regulations which define allowable incomes and affordability are open to various interpretations concerning the amount of gifts which an applicant for an income-restricted unit may receive. In order to assure that ownership housing units are made available to households with limited financial resources, and thereby implement the mission of the Authority as a housing authority and as a housing successor to the Former Agency, it is proposed that the Board adopt the accompanying resolution which will establish a limitation upon gifts in connection with determining qualifications for affordable ownership units. The limitation is proposed to be a one-time limitation of Fourteen Thousand Dollars (\$14,000).

ANALYSIS

The proposed policy would establish and memorialize a policy which the Authority staff would administer in connection with determining the qualifications of households for ownership units.

FINANCIAL IMPACT

None. Staff does not anticipate that the policy will result in any increased costs of administration.

Attachments: Resolution

LLHA AGENDA ITEM 3

RESOLUTION NO. ____

A RESOLUTION OF THE LOMA LINDA HOUSING AUTHORITY ADOPTING A POLICY CONCERNING LIMITATIONS UPON GIFTS IN CONNECTION WITH DETERMINING QUALIFICATIONS FOR AFFORDABLE UNITS

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.6 authorized and directed the Loma Linda Redevelopment Agency (the "Agency") to expend a certain percentage of all taxes which are allocated to the Agency pursuant to Section 33670 for the purposes of increasing, improving and preserving the community's supply of low and moderate income housing available at affordable housing cost to persons and families of low- and moderate-income, lower income, and very low income;

WHEREAS, pursuant to applicable law the Agency established a Low and Moderate Income Housing Fund (the "Housing Fund");

WHEREAS, pursuant to California Health and Safety Code Section 33334.2(e), in carrying out its affordable housing activities, the Agency was authorized to provide subsidies to or for the benefit of very low income and lower income households, or persons and families of low or moderate income, to the extent those households cannot obtain housing at affordable costs on the open market, and to provide financial assistance for the construction and rehabilitation of housing which will be made available at an affordable housing cost to such persons;

WHEREAS, in connection with the dissolution of all redevelopment agencies in the State of California, including the Agency, the housing assets of the Agency were transferred to the Loma Linda Housing Authority (the "Authority");

WHEREAS, in connection with the administration of rental programs and programs involving the purchase of units that are restricted to ownership or occupancy based upon the income of a household not exceeding particular levels, such as 50% of median income (Very Low Income) or 80% (Low Income), the Authority is from time to time called upon to determine or verify the conformity of a particular household to a limitation upon income and to determine whether a particular rent or sales price does not exceed affordable rent or affordable housing cost. As part of such review, from time to time a particular applicant, a prospective buyer or seller will assert that a buyer has secured a gift from a private party which gift expands the ability of the particular household to purchase a residence at a higher cost, thereby endangering the ongoing availability of the unit to other households of a like income category at affordable housing cost;

WHEREAS, the intention of the Agency (and, later, the Authority) in engaging in activities which created new and/or rehabilitated dwelling units was, in part, to contribute units to the affordable housing market, with such dwelling units being made available to households of limited income at housing cost which is affordable, and securing the ongoing availability of such units for such purposes;

WHEREAS, while the receipt of gifts, particularly from family members, occasionally occurs in connection with the purchase of a dwelling, including an affordable unit, the excessive use of gifts would tend to cause units to cease to be available at affordable housing cost and such a practice

distorts the availability of such units to households of the applicable restricted income classification while creating windfalls for a seller;

WHEREAS, the use a one-time gift limitation of Fourteen Thousand Dollars (\$14,000.00)(the "Gift Limit"), as aggregated from gifts from all donors, per purchasing household will afford prospective purchasers an opportunity to benefit from a gift or gifts which cumulate at such amount but will avoid causing distortions in the ongoing affordable housing activities of the Authority;

NOW, THEREFORE, THE LOMA LINDA HOUSING AUTHORITY DOES RESOLVE AS FOLLOWS:

Section 1. The Authority finds and determines that each of the recitals set forth above is true and correct.

Section 2. The Authority adopts by this Resolution the Gift Limit as a limitation upon all gifts which a household may receive (as any gifts are cumulated) for the purposes of purchasing a residence that is subject to affordability restrictions that are administered by the Authority.

Section 3. A copy of this Resolution shall be maintained by the Authority Secretary among the official records of the Authority.

APPROVED AND ADOPTED this 12th day of January 2016 by the following vote:

Ayes:
Noes:
Absent:

By: _____
Rhodes Rigsby, Chairman

ATTEST:

Pamela Byrnes-O'Camb, Authority Secretary