Loma Linda Housing Authority
and Successor Housing Agency to the
Loma Linda Redevelopment Agency

Annual Housing Report
Fiscal Year 2021-22

April 2023

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Introduction

This document constitutes the "Annual Housing Report" for fiscal year 2021-22 of the Loma Linda Housing Authority ("Authority"), acting as Successor Housing Agency to the former Loma Linda Redevelopment Agency ("SHA") as required pursuant to §§ 34328 and 34176.1 of the California Health and Safety Code ("HSC"). HSC § 34328 requires housing authorities to generally report on their activities for the preceding year. Additional reporting requirements for successor housing agencies were added during 2013 by SB 341, which, among other matters, amended HSC § 34176 and added § 34176.1. Further modifications to the reporting requirements specified in § 34176.1 were added during 2015 by SB 107. As currently written, HSC §§ 34176 and 34176.1 require successor housing agencies to cause the preparation of annual audited financial statements and report on specific additional activities of successor housing agencies. The City of Loma Linda consolidates all of its constituent entities (inclusive of the Housing Authority) within its Annual Comprehensive Financial Report ("ACFR"), which for the fiscal year ending June 30, 2022 was previously approved. As further explained below, in this instance the Authority and the SHA ("HA/SHA") are one and the same. Therefore, the reporting obligations described within the applicable provisions of the HSC are consolidated into this single report.

Background

Pursuant to HSC § 34172 (a) (1), the Loma Linda Redevelopment Agency ("Former Agency"), was dissolved on February 1, 2012. Consistent with the applicable provisions of the HSC, the Loma Linda City Council: i) elected to serve in the capacity of the Successor Agency to the Loma Linda Redevelopment Agency ("Successor Agency") (a separate legal entity); and ii) appointed the Authority to serve in the capacity of the Successor Housing Agency to the Loma Linda Redevelopment Agency ("SHA") (a functional responsibly and not a separate legal entity).

HSC § 33334.2 (e) describes how LMIHAF may be used. HSC § 33334.3 describes the requirements for affordability covenants (of either 55 years [for rental housing] or 45 years [home ownership units]). It is important to mention that affordability covenants for rehabilitation projects that are determined to be "non-substantial" are not required. In that regard, HSC § 33413 (b) (2) (iv) defines "substantial rehabilitation" to be rehabilitation, the value of which constitutes 25 percent or more of the after-rehabilitation value of the dwelling, inclusive of the land value. In such cases, a 45-year affordability covenant is required. However, any rehabilitation wherein the actual cost of the rehabilitation is less than 25 percent of the after-rehabilitation value of the dwelling, inclusive of the land value, is exempt from the affordability covenant requirement.

Consistent with HSC § 34176.1 and the foregoing, the following "summarizes" how the SHA may use LMIHAF:

1. **Monitoring Affordability and Administration:** For the purpose of monitoring and preserving affordability covenants and restrictions and administering affordable housing activities, the SHA may expend per fiscal year up to an amount equal to five (5) percent of the statutory value of real property owned by the SHA and of loans and grants receivable, including real property and loans and grants transferred to the SHA pursuant to the applicable portions of the HSC and real property purchased and loans and grants made by the SHA. If this amount is less than two hundred thousand dollars ($200,000) for any given fiscal year, the SHA may expend up to two hundred thousand dollars ($200,000) in that fiscal year for these purposes, subject to the availability of funds.

2. **Homeless Assistance:** If the SHA has fulfilled all obligations pursuant to HSC §§ 33413 (i.e., replacement housing obligations) and 33418 (i.e., monitoring affordability covenants and restrictions), the SHA may expend up to two hundred fifty thousand dollars ($250,000) per fiscal year for homeless prevention and rapid rehousing services for individuals and families who are homeless or would be homeless but for such assistance, including the provision of short-term or medium-term rental assistance, contributions toward the construction of local or regional homeless shelters, housing relocation and stabilization services including housing search, mediation, or outreach to property owners, credit repair, security or utility deposits, utility payments, rental assistance for a final month at a location, moving cost assistance, and case management, or other appropriate activities for homelessness prevention and rapid rehousing of persons who have become homeless.

3. **Developing, Improving, Increasing and Preserving of Affordable Housing:** For purposes of the following paragraphs, "development" means new construction, acquisition and rehabilitation, substantial rehabilitation as described in HSC § 33334.2, rehabilitation, the acquisition of long-term affordability covenants on rental units as described in HSC § 33413, or the preservation of an assisted housing development that is eligible for prepayment or termination or for which within the expiration of rental restrictions is scheduled to occur within five years, as those terms are defined in Government Code § 65863.10. Units described in this paragraph may be counted towards any outstanding obligations pursuant to HSC § 33413, provided that the units meet the requirements of that section and are counted as provided in that section.

The SHA shall expend all funds remaining in the LMIHAF after the expenditures allowed per paragraphs 1 and 2 above, for the development of housing affordable to and occupied by low-income households earning 80 percent or less of the area median income, with at least 30 percent of these remaining funds expended for the development of rental housing affordable to and occupied by households earning 30 percent or less of the area median income and no more than 20 percent of these remaining funds expended for the development of housing affordable to and occupied by households earning between 60 percent and 80 percent of the area median income. The SHA needs to demonstrate in the annual report described in HSC § 34176.1 (f) (beginning for FY 2019), and every five years thereafter, that the SHA expenditures from January 1, 2014, through the end of the latest fiscal year covered in the Annual Report comply with these requirements.

If the SHA does not comply with the extremely- low-income requirement in any five-year Annual Report, then the SHA shall ensure that at least 50 percent of these remaining funds expended in each fiscal year following the latest fiscal year following the five-year Annual Report are expended for the development of rental housing affordable to, and occupied by, households earning 30 percent or less of the area median income until the SHA demonstrates compliance with the extremely- low-income requirement in an annual report described in HSC § 34176.1 (f).

If the SHA exceeds the expenditure limit for households earning between 60 percent and 80 percent of the area median income in any five-year annual report, the SHA shall not expend any of the remaining funds for households earning between 60 percent and 80 percent of the area median income until the SHA demonstrates compliance with this limit in an annual report described in HSC § 34176.1 (f).

In addition, per HSC § 34176.1 (b), if the aggregate number of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the SHA, its former redevelopment agency, and its host jurisdiction within the previous 10 years exceeds 50 percent of the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the SHA, its former redevelopment agency, and its host jurisdiction within the same time period, then the SHA shall not expend these funds to assist additional senior housing units until the SHA or its host jurisdiction assists, and construction has commenced, a number of units available to all persons, regardless of age, that is equal to 50 percent of the aggregate number of units of deed-restricted rental housing units assisted individually or jointly by the SHA, its former redevelopment agency, and its host jurisdiction within the time period described above.

At the time the Former Agency was dissolved, the SHA received the non-cash housing assets of the Former Agency and assumed responsibility for monitoring and maintaining existing low- and moderate-income housing assets, management of the LMIHAF and meeting certain other enforceable and outstanding affordable housing-related requirements of the Former Agency. In addition to non-cash housing assets, the Authority/City was able to retain cash that was encumbered for specific housing obligations. Under the Redevelopment Agency Dissolution Act (i.e., "ABX1 26"), successors housing agencies do not have any ongoing revenue source except for program income (revenue generated by non-cash housing assets) and twenty (20) percent of loan repayments received by the host jurisdiction pursuant to the Recognized Obligation Payment Schedule (i.e., ROPS) process, if any, as repayment of loans that the host jurisdiction made to the former redevelopment agencies under the special repayment provisions of the HSC § 34191.4. Pursuant to that certain Settlement Agreement by and between the City of Loma Linda, the Successor Agency, the California Department of Finance and the California State Controller's Office, the City of Loma Linda is not subject to the 20% diversion of loan repayments related to

HSC § 34191.4 and, therefore, is not subject to the reporting requirements of subdivision (f) of Section 34176.1.

HSC § 34328

HSC § 34328 requires that housing authorities prepare annual reports that contain information adequate for the City and the HCD to determine that its activities meet the requirements of the laws governing housing authorities' powers, specifically HSC § 34312. HSC § 34312.3 allows housing authorities to: i) issues bonds; ii) make or undertake construction or mortgage loans; iii) purchase construction or mortgage loans; iv) develop, rehabilitate, or finance housing projects; v) purchase, sell, lease to own, operate or manage housing projects; and vi) convey surplus land it acquires from another public agency to a private entity for the development of single-family homes.

HSC § 34328 requires that at least once a year, an authority shall file with the clerk of the respective city or county and with the HCD a report of its activities for the preceding year. This report shall contain information adequate for the city, county, or department to determine that the requirements of HSC § 34312.3 (describing the powers and duties of housing authorities) have been met for any activity undertaken pursuant to that section. An authority shall make either directly or through any national, regional, or state housing association or organization of which it may be a member, recommendations with reference to additional legislation or other action which it deems necessary to carry out the purposes of the applicable sections of the HSC, to the respective legislative bodies having jurisdiction thereof. Therefore, in accordance with the requirements of HSC § 34328, the activities of the HA/SHA for the FY 2021-22 are summarized below and quantified in the attached tables.

Housing Authority/Successor Housing Agency Activities 2021-22

The AH/SHA's only ongoing source of revenues are funds received from loans and other assistance provided in previous years by either the Former Agency or the Authority. These sources have generated revenue in the range of approximately $200,000 per year. These funds have been used for general administration and reporting, as well as the costs of maintaining, monitoring, and preserving the HA/SHA’s assets. As such, the HA/SHA's current and future efforts are focused on preserving and monitoring previously assisted low- and moderate-income housing units and when financially feasible, improving, increasing and preserving affordable housing. Highlights of the HA/SHA’s FY 2021-22 projects include the following:

Improving, Increasing and Preserving of Affordable Housing

1. **Scattered Site Housing:** The HA/SHA's real property assets included single family residential lots, which, together are referred to as Scattered Site Housing because the location and dimensions of the vacant properties will not realistically accommodate consolidation or individual multi-unit residential projects. These properties were purchased by the former redevelopment agency before dissolution with a plan to acquire additional properties which

would have allowed for lot consolidation for a multi-family project. Given the post-dissolution limitation of powers and scarcity of funding, development of the lots as affordable single-family homes was determined to be the most feasible option.

During 2016, an agreement was reached with Mary Erickson Community Housing, Inc. ("MECH"), a non-profit housing developer, to use the proceeds from the market-rate sale of some of the lots to build affordable single-family homes on the remaining lots ("Agreement"). The newly constructed detached, single-family dwelling units are required to be sold to households with incomes no greater than 80 percent of adjusted median income. The HA/SHA's costs involved in this project include the transfer of the lots to MECH at less than the Former HA/SHA's prior year acquisition costs and the incurrence of relatively minor fees and charges incurred with respect to the land transfer process. Subsequent to the approval of the Agreement, due to certain unanticipated financial feasibility issues, the parties amended the Agreement to reduce the number of lots to be developed. As a result, four lots were subsequently developed as low-income housing. All four have been transferred to the developer; construction commenced during FY 2018-19 and was completed during FY 2020-21. FY 2021-22 is considered the project's first full operational year.

2. **MECH Fourplex:** The HA/SHA has implemented a creative way of assisting MECH, a non-profit housing developer, create new affordable housing units by combining the transfer of certain undevelopable properties and financial resources that together with developer resources enabled the acquisition and rehabilitation of a 4-unit apartment building located at 11254 San Mateo Drive, Loma Linda. An affordable housing agreement was entered into with MECH on October 13, 2020 providing for the rehabilitation of the four apartments for occupancy by very-low- and low-income households (two dwelling units in each affordability category). This included two (2) HA/SHA loans equaling $975,000 in total. Therefore, the loan funding is divided between the two targeted affordable income categories based on the degree of subsidy (i.e., the low-income requires a greater level of subsidy to offset lower potential rental receipts). Escrow closed on this property on February 12, 2021. FY 2021-22 is considered the project's first full operational year.

3. **Poplar Senior Housing Phase 2:** The majority of the balance of the property owned by the HA/SHA (i.e., APN 02830121-68-0000) is subject to approved entitlements for a second phase of the senior housing project completed during 2013 ("Poplar Senior Housing Phase 2"). The Former Agency assisted with the private development of 49 affordable senior housing units on Poplar Street adjacent to the vacant site using land that had been previously assembled by the Former Agency, using a variety of funding sources. Due to the developer's determination that the Poplar Senior Housing Phase 2 is not financially viable, the developer, which holds the entitlements for the Poplar Senior Housing Phase 2 Site, has withdrawn its interest in the property. Therefore, the HA/SHA has determined to declare the land identified in Table 2 of this report (i.e., land held for resale) to be surplus land in accordance with requirement to the California Surplus Land Act (the "SLA"), Government Code (the "GC") §§ 54220-54333 (the "Act"), as amended by AB 1486 (Chapter 664, Statutes of 2019; "AB 1486") and SLA Guidelines promulgated thereunder by the California Department of Housing

and Community Development (the "HCD") dated as of April 2021 (the "SLA Guidelines"). As a result, the HA/SHA will issue a notice of availability for its properties (i.e., for APNs 0283-121-68-0000 and 0283-121-53-0000) that will be distributed to local agencies and to all of the housing sponsors that are named on HCD's list of housing sponsors. HCD's housing sponsors list includes hundreds of entities requesting such notices of interest. The goal is to identify housing sponsors that have the interest in and the capability to development the properties.

4. **Owner Occupancy Program:** Prior to its dissolution, the Former Agency offered the single-family residential units it owned to low-income households. From time to time, the Former Agency purchased such units for resale at affordable housing costs, providing the financing to qualifying buyers through Housing Disposition Agreements. Subsequent to the dissolution of the Former Agency, the HA/SHA became the owner of these assets and continues the program. Each of the units incorporates long-term affordability covenants. Under this program, 48 dwelling units have been developed which are restricted by long-term affordability convents to low-income households at affordable housing costs. The HA/SHA actively manages the loans and/or the properties.

<u>Current Reporting Requirements</u>

SB 341 was enacted during 2013 and established certain housing requirements on entities acting as successor housing agencies to former redevelopment agencies beginning January 1, 2014. Specifically, SB 341 amended HSC § 34176 and added HSC § 34176.1. These amendments apply to unencumbered funds held by successor housing agencies and provides that these funds must be used as previously required for monies kept in former redevelopment agencies' low- and moderate-income housing funds. In addition, SB 341 eliminated the use of LMIHAF money to assist moderate income households and provides new targets as to which income levels housing successors are required to spend their funds to assist, both of which are more particularly described above. The statutes were amended during 2015 by SB 107, which among other matters provides more funding for administrative costs (5 percent of assets) and added additional reporting requirements, as more particularly described above.

<u>Specific Reporting per HSC § 34176.1 (f)</u>

HSC § 34176.1 (f) reporting requirements include 13 separate items on which the HA/SHA must report. Many of the requirements involve simply reporting data included in the HA/SHA's latest audited financial statements, which are included within the City's Annual Comprehensive Financial Report (ACFR). The City's most recent ACFR covers FY 2021-22 and includes specific reporting for the HA/SHA. For the convenience of the reader, responses to all 13 items are summarized below (listed in the sequence order they are referenced within HSC § 34176.1 (f)). Supporting data are provided within the attached Tables 1 through 6.2.

1. **Diversion of Loan Repayments per HSC § 34191.4:** Pursuant to HSC § 34191.4 (b) (3) (C), twenty (20) percent of any loan repayment (funded pursuant to the ROPS process) shall be

deducted from the loan repayment amount and shall be transferred to the LMIHAF, after all outstanding loans from the Low- and Moderate-Income Housing Fund for purposes of the Supplemental Educational Revenue Augmentation Fund ("SERAF") have been paid. Transfers to the LMIHAF are subject to the reporting requirements of HSC § 34176.1 (f). Pursuant to that certain Settlement Agreement by and between the City of Loma Linda, the Successor Agency, the California Department of Finance and the California State Controller's Office, the City of Loma Linda is not subject to the 20% diversion of loan repayments related to HSC § 34191.4 and, therefore, is not subject to the reporting requirements of HSC § 34176.1 (f).

2. **LMIHAF Deposits:** See Table 1 for the amount deposited into the LMIHAF (the amounts listed on the ROPS are to be differentiated from other amounts deposited in the LMIHAF).

3. **LMIHAF Fund Balance:** Balance in the fund as of the close of the fiscal year. The value associated with the HA/SHA's outstanding housing loans and land owned by the HA/SHA are not included in this balance as they do not represent cash available to the HA/SHA. See Table 1.

4. **Annual Expenditures:** A description of expenditures from the LMIHAF by category. See "Housing Authority Activities 2021-22" above and Table 1.

5. **Non-Cash Assets:** The statutory value of real property owned by the HA/SHA and the amount of loans and grants receivable. The HA/SHA continues to own properties under several multifamily housing projects that were completed a number of years ago, as well as properties held for resale. The statutory value, as defined in § 34176.1 is to equal the value reported to the California Department of Finance during 2012 for properties owned at that time. For properties acquired after 2012, the statutory value is to equal the purchase price paid by the SHA. The value for both on these assets is included in Table 1 in addition to the current amount of loans receivable.

6. **Transit Housing:** A description of transferred funds, if any made pursuant to a provision of HSC § 34176 that allows two successor housing agencies to develop transit housing under certain circumstances. The HA/SHA has not participated in a transit housing project.

7. **ROPS Funding for Housing:** A description of any project(s) for which the successor housing agencies receives or holds property tax revenue pursuant to the ROPS and a status update of that project. The HA/SHA does not have any housing projects it is funding through the ROPS process. The proceeds of the Former Agency's 2008 Tax Allocation Housing Bonds were spent long before dissolution and the required debt service is included as an obligation of the Successor Agency not the HA/SHA.

8. **Duration of Land Held:** A status update of the HA/SHA's compliance with restrictions on the length of time land purchased for housing purposes can be held by the HA/SHA without being developed for housing (Land Held for Resale or "LHR"). Specifically, activities

consistent with the development of the properties for low- and moderate-income housing have to be initiated within 5 years of the acquisition date, unless certain findings are made. Redevelopment dissolution has changed the effective acquisition date of these properties from the dates the properties were originally purchased by a given redevelopment agency to the date the properties were approved as housing assets by the state Department of Finance.

The LHR that is owned by the HA/SHA includes the Poplar Senior Housing Phase 2 site (i.e., APN 0283-121-68-0000) and one nearby lot (i.e., APN 0283-121-53-0000). Details on property currently held by the HA/SHA and disposition plans are included in Table 2.

For the HA/SHA, the effective acquisition date for all of the LHR that it owns is November 9, 2012, meaning that development activities should have commenced by November 9, 2017. For reasons related to the lack of funding and/or other feasibility issues, the HA/SHA has not yet initiated activities related to the development of its LHR for housing purposes. This will likely result in the Poplar Senior Housing Phase 2 site (i.e., APN 0283-121-68-0000) and one nearby lot (i.e., APN 0283-121-53-0000) remaining vacant and in the HA/SHA's ownership for some time. As a result, during December 2017 the City Council granted the HA/SHA's request to extend the time it can hold the property to November 9, 2022, as allowed by HSC § 33334.16.

However, due to the developer's determination that the Poplar Senior Housing Phase 2 is not financially viable, the developer, which holds the entitlements for the Poplar Senior Housing Phase 2 Site, has withdrawn its interest in the property. Therefore, the HA/SHA has determined to declare the land identified in Table 2 of this report (i.e., land held for resale) to be surplus land in accordance with requirement to the California Surplus Land Act (the "SLA"), Government Code (the "GC") §§ 54220-54333 (the "Act"), as amended by AB 1486 (Chapter 664, Statutes of 2019; "AB 1486") and SLA Guidelines promulgated thereunder by the California Department of Housing and Community Development (the "HCD") dated as of April 2021 (the "SLA Guidelines"). As a result, the HA/SHA will issue a notice of availability for the property that will be distributed to local agencies and to all of the housing sponsors that are named on HCD's list of housing sponsors. HCD's housing sponsors list includes hundreds of entities requesting such notices of interest. The goal is to identify housing sponsors that have the interest in and the capability to development the property.

9. **Housing Production and Housing Replacement:** The Former Agency had no replacement housing obligations when it dissolved in 2012. The HA/SHA intends to cause the production of additional affordable housing units as a part of the Poplar Senior Housing Phase 2 project. However, sufficient funds are not currently available to the HA/SHA or the City to affect the development of the Poplar Senior Housing Phase 2 without the developer receiving additional financial assistance from another entity outside of the City's control. Therefore, the Poplar Senior Housing Phase 2 project is temporarily on hold.

10. **Expenditure Targeting by Income Level:** HSC § 34176.1 (a) (3) (B) involves targeting expenditures of unencumbered funds from the LMIHAF mainly towards households with

extremely-low and low-incomes. Compliance with the specific targeting requirements included in the statute is required to be demonstrated every 5 years, beginning during 2019 and then again in 2024. See Table 3 for a summary of annual expenditures from the LMIHAF.

As shown in Table 3, the HA/SHA's expenditures for 2021-22 were focused on preserving, monitoring, and maintaining existing units and on providing financing for MECH for its 4-plex acquisition and rehabilitation project. The HA/SHA anticipates the future development of the Poplar Senior Housing Phase 2 resulting from following the SLA Guidelines described above.

11. **Expenditure Targeting by Age:** Compliance with limitations on the number of assisted units that are restricted for seniors and assisted individually or jointly by the successor housing agency, its former redevelopment agency and/or the city within the previous 10 years. The Former Agency was very involved in assisting the development of affordable housing over a 5-year period from 2007 to 2013, Affordable housing totaling 239 multi-family units were constructed, with only slightly less than 21 percent, or 49 units, restricted to seniors. Further, the HA/SHA has assisted MECH in created four (4) affordable family housing units. See Table 4 for details on the senior housing requirements.

12. **Excess Surplus:** Table 5 concerns compliance with new regulations restricting the amount of money that a successor housing agency can accumulate in the LMIHAF. Per HSC § 34176.1 (d), excess surplus is defined as the unencumbered amount in the LMIHAF that exceeds the greater of $1 million or the total amount deposited to the LMIHAF in the previous four years. If it is determined that excess surplus exists for a fiscal year, the HA/SHA must either encumber the excess surplus funds or transfer such funds to an eligible local entity within the following three fiscal years. If the HA/SHA fails to comply with HSC § 34176.1 (d), within 90 days of the end of the third fiscal year, it shall transfer any excess surplus to the Department of Housing and Community Development. The unencumbered cash balance in the LMIHAF as of June 30, 2022, was $1,221,342, which is $221,342 above the excess surplus threshold. As such, the HA/SHA does have an excess surplus as of June 30, 2022. In addition, the HA/SHA anticipates committing funding for affordable housing purposes during FY 2023-24 as a component of the SLA process as more particularly described in section 8 above.

13. **Homeownership Unit Inventory:** Tables 6.1 and 6.2 concern an inventory of deed restricted homeownership units assisted by the HA/SHA or Former Agency, including the number, reason and dollars received by the HA/SHA as a result of the loss of any of those units that has occurred annually. The single family homes the Agency has assisted largely have long-term restrictions that run with the land. Sale of the units typically does not result in the loss of the homes as affordable housing. The HA/SHA currently has 48 homeownership units.

Listing of Tables

Table 1
Loma Linda Housing Authority
Annual Report Required by SB 341
Fiscal Year 2021-22

Description	H & S Code	Timeframe	Rops Related	Other	Total	
Low and Moderate Income Asset Fund						
1. Amount Received per Speci	34176.1 (f) (1)				Not Applicable	(A)
2. Amount Deposited During F	34176.1 (f) (2)	2021-22		150,379	150,379	
3. Cash Balance in Fund as of F	34176.1 (f) (3)	2021-22		1,221,342	1,221,342	(B)
Bond Proceeds					-	
Other Funds				1,221,342	1,221,342	
4. Expenditures by Category	34176.1 (f) (4)	2021-22				
Administration				46,866		
Housing Preservation/Monitoring						(C)
Other Projects						
Total Expenditures				46,866	-	
Allowable Administ	34176.1 (a) (2)	2021-22				
Other Reporting Requirements						
5. Non-Cash Assets - Total	34176.1 (f) (5)	2021-22			20,122,486	
Statuary Value of Real Property (Land)				2,535,695		(D)
Loans and Grants Receivable				17,586,791		
6. Transferred Funds to Develc	34176.1 (f) (6)	2021-22			None	
7. Projects with Funding Incluc	34176.1 (f) (7)	2021-22			None	
8. Duration of Property Held	34176.1 (f) (8)	2021-22			See Table 2	
9. Obligations Outstanding pe	34176.1 (f) (9)	2021-22				
Housing Production					N/A	
Housing Replacement					None	(E)
10. Expenditure Targeting Req	34176.1 (f) (10)	From 1/1/2014			See Table 3	(F)
11. Rental housing Units Restri	34176.1 (f) (11)	2021-22			See Table 4	
12. Excess Surplus Calculation/	34176.1 (f) (12)	2021-22			See Table 5	
13. Homeownership Unit Inve	34176.1 (f) (12)	2021-22			Table 6.1 & 6.2	
AUDITED FINANCIAL STATEME	34176.1	2021-22		See Pages 20-24 of CAFR		

Notes:

(A) The loan between the City and the Successor Agency is not a loan subject to the requirements of H&SC Section 34191.4.

(B) Cash Balance includes an adjustment made Fair Market Value at Year End 06/30/2022.
Excluded from the fund balance(s) shown above are restricted cash, loans receivable, and the value for land held for resale.

(C) Costs associated with maintaining and preserving the Authority's low and moderate income assets are not separately identified from other administrative costs.

(D) Includes the statutory value, as defined by Section 34176.1, of both land held for resale and land held for operating leases for two affordable housing developments effected by the Former Agency.

(E) The Former Agency had no outstanding housing replacement requirement when it was dissolved on February 1. 2012

(F) Pertains to requirements to target expenditures towards households earning 80% or less of the median income, as outlined in Health and Safety Code 34176.1 (a) (3). See Table 3

Table 2
Loma Linda Housing Authority
Land Held for Resale (1)
As of June 30, 2022

Site Nos.	Address	Original APNs	Current APNs (2)	Original Acq. Date	Effective Acq. Date	Status	Future (3) Disposition Plans	ACFR (4) (6) 21-22 Carrying Asset Value	HAT (5) (6) Carrying Asset Value	HAT No.
1	10814 Poplar St.	0283-121-39	0283-121-68	3/17/2000	11/9/2012	Vacant	Poplar Street /senior - Ph 2	$ 128,872	$ 128,872	14
2	10836-10838 Poplar St.	0283-121-15 & 56	0283-121-68	10/23/2002	11/9/2012	Vacant	Poplar Street /senior - Ph 2	167,765	167,765	15
3	10846-10848 Poplar St.	0283-121-16	0283-121-68	2/20/2004	11/9/2012	Vacant	Poplar Street /senior - Ph 2	252,817	252,817	16
4	10860 Poplar St.	0283-121-18	0283-121-68	6/30/2000	11/9/2012	Vacant	Poplar Street /senior - Ph 2	62,542	62,542	17
5	10870 Poplar St.	0283-121-48	0283-121-68	FY 2006	11/9/2012	Vacant	Poplar Street /senior - Ph 2	182,302	182,302	18
6	25138 Poplar Drive	0283-121-46	0283-121-68	5/1/7/2005	11/9/2012	Vacant	Poplar Street /senior - Ph 2	246,329	246,329	10
7	25139, 49, 59 Palm Dr.	0283-121-53	0283-121-53	9/25/2007	11/9/2012	Vacant	Pending	460,946	459,161	7
8	25154 Poplar Drive	0283-121-17	0283-121-68	3/22/2006	11/9/2012	Vacant	Poplar Street /senior - Ph 2	342,497	342,497	11
9	25166 Poplar Drive	0283-121-44	0283-121-68	FY 2006 -07	11/9/2012	Vacant	Poplar Street /senior - Ph 2	284,291	277,490	12
10	25178 Poplar Drive	0283-121-47	0283-121-68	8/11/2003	11/9/2012	Vacant	Poplar Street /senior - Ph 2	166,091	166,091	13
11	West Side Poplar St	0283-121-09 40.41.55	0283-121-68	1/17/2002	11/9/2012	Vacant	Poplar Street /senior - Ph 2	61,504	61,504	19
12	West Side Poplar St	0293-121-12	0283-121-68	5/13/2003	11/9/2012	Vacant	Poplar Street /senior - Ph 2	132,525	132,525	22
13	West Side Poplar St	0283-121-35	0283-121-68	4/29/2002	11/9/2012	Vacant	Poplar Street /senior - Ph 2	14,899	14,899	20
14	West Side Poplar St	0283-121-10	0283-121-68	4/30/2003	1/9/2012	Vacant	Poplar Street /senior - Ph 2	32,314	32,314	21
	Total Valuation of Land Held for Resale							**$2,535,695**	**$2,527,108**	

Notes:

1 Table 2 shows the remaining real property assets of the HA/SHA that are held for resale.

2 Site Nos. 1 through 6 and 8 through 14 were combined into a single parcel (i.e., APN 0283-121-68) on 11-30-2012. Therefore, the HA/SHA has two (2) parcels on its LHR List.

3 During FY 23-24, the HA/SHA intends to declare the remaining real property assets as surplus land under the California Surplus

4 The values shown are based on the ACFR for the period ending June 30, 2022.

5 The values shown tie to the Housing Asset Transfer ("HAT") form filed with and approved by the California Department of Finance as of November 16, 2012.

6 The difference between the ACFR-based total and the HAT-based total is $8,587, is considered to be de minimis.

Table 3
Loma Linda Housing Authority
Expenditure Targeting Requirements
by Income Group

Description	Year 1 Carryover (1)	Year 2 2020 - 21	Year 3 2021-22	Year 4 2022-23	Year 5 2023-24	5 Year Cumulative Total
DOLLARS EXPENDED BY PROGRAM (1)						
Administrative / Preservation	$ 80,950	$ 20,335	$ 46,866			$ 148,151
TOTAL ADMIN / PRESERVATION	$ 80,950	20,335	46,866			148,151
MECH 4-Plex Project (2)						
Extremely Low (30% or Below)						
Very Low (30% to 60%))		610,000				610,000
Low (60% to 80%)		365,000				365,000
TOTAL SCATTERED SITE SFR (MECH 4-Plex Project (3)		975,000				975,000
Poplar Street Senior Project - Phase 2 (On Hold) (3)						
Extremely Low (30% or Below)						
Very Low (30% to 60%)						
Low (60% to 80%)						
TOTAL POPLAR STREET SENIOR PROJECT						
MEMO - GRAND TOTALS	$ 80,950	$ 995,335	$ 46,866			$ 1,123,151

Notes:

1 The annual maximum for administration is $200,000 (per HSC Sec. 34176.1)
2 The $975,000 of funding was divided between the two targeted affordable income categories based on degree of subsidy.

3 During FY 23-24, the Poplar Street Senior Project - Phase 2 site will be declared surplus land under the California Surplus Land Act ("SLA") to assist in selecting a housing developer.

Table 4
Loma Linda Housing Authority
Senior Housing Targeting /Requirements
As of June 30, 2022

# Address	Type	Approval /Date	Year Built	Affordable Unit Total (1)	10 Year Total 2010-2022 (2)
10 - Year Period for Test Required by 34176.1 (b): (3)					
Housing Production/City/Other					
None					
Housing Production / Authority and Former RDA					
No Age Restrictions (4)					
10777 Poplar Street	MFA	2008	2009	43	0
10799 Poplar Street	MFA	2009	2010	119	0
25421 Cole Street (Rehab Units) (5)	MFA	2008	2009	24	0
11254 San Mateo Drive (Acq. & Rehab.)	MFA	2020	2021	4	4
Total Families / Non-Age Restricted				190	4
Senior Projects					
10846 Poplar Street	MFA	2012	2013	49	49
Total Senior Units				49	49
Total Assisted Rental Units				**239**	**53**
Percentage Restricted for Seniors				**20.5%**	**92.5%**
Maximum Percentage Allowable				**50%**	**50%**

Notes:

1 Excludes units that are occupied by on-site manager and are not age restricted.

2 The targeting requirement applies to units constructed in the last 10 years. As the Authority has not assisted in the construction of any multi-family units since redevelopment dissolution, over time the percent of senior units to total units will become skewed.

3 The targeting requirement only applies to multi-family rental housing not for-sale units. As a result, the single family residential units with which the Former Agency and/or Authority assisted are not included in the above calculation.

4 "No Age Restrictions" means units which are available to rent to all persons regardless of age.

5 The units were built in 1967, but were rehabilitated and income restricted approximately a year after the agreement was executed.

Table 5
Loma Linda Housing Authority
Computation of Housing Successor Excess/Surplus (HSC 34176.1)
As of June 30, 2022

Fiscal Year Ending	**June 30, 2021**		**June 30, 2022**	
Year End Fund Balance (1)		$ 20,517,458		$ 21,383,778
Less Unavailable Amounts (1)				
Land Held for Resale	$ (2,535,695)		$ (2,535,695)	
Contracts & Loans	$ (17,090,665)		$ (17,586,791)	
Other Assests - Accounts & Prepaid & Interest	$ (3,736)	$ (19,630,096)	$ (39,950)	$ (20,162,436)
Available Housing Successor Funds (1)		$ 887,362		1,221,342

Limitation (greater of $1,000,000 or four years deposits) -- Aggregate deposited for the last four years (2)

Fiscal Years	**Deposits**	**Deposits**
2021-2022		$ 150,379
2020-2021	$ 165,051	$ 165,051
2019-2020	$ 198,134	$ 198,134
2018-2019	$ 202,519	$ 202,519
2017-2018	$ 210,562	
Totals	**$ 776,266**	**$ 716,083**

Notes:

1 The data related to year-end fund balance, land held for resale, contracts & loans, other assets - accounts & prepaid & interest and available uncumbered housing successor funds ties to the ACFR for each FY (See Balance Sheet Governmental Funds).

2 The data related to the aggregate deposited for the last four FYs ties to the ACFR for each FY (See Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds).

Table 6.1
Loma Linda Housing Authority
Homeownership Inventory Reporting
As of June 30, 2022

34716.1 (f) (13), subsection:

A.	An Inventory of homerownership units assisted by the Former Agency (See Table 6.2)	48 Units (1)
B.1	Number of Units lost during the fiscal year	No Units Lost
B. 2	Reasons for the Losses	Not Applicable
C.	Any funds returned to the Housing Successor	Not Applicable
D.	Management of Single-Family Housing Units:	Authority Staff

Notes:

1 Includes 4 Units completed by 2020 through the Scattered Site Housing Program and 48 units where the former Agency provided mortage and/or down payment assistance. See Table 6.2.

The Former Agency's Single Family Housing Programs resulted in the single-family residential units that contained covenants requiring the home to remain in low and moderate income homeownership even after the units are sold by the original homeowners. Neither the former Agency or the Authority have equity sharing or similar types of loan agreements with low and moderate income homeowners. As such, while some assited units have changed ownership since 2012, no units returned to market rate housing during the period. (one of the 48 units was foreclosed during 2018-19 and is private ownership not approved by the Authority, but the Authority is continuing to pursue the enforcement of covenants for this unit and is assumed to be successful in these efforts.) Thus no revenues that were received by the Authority from any refinancings are revenues received as the result of losses to the portfolio.

Table 6.2
Loma Linda Housing Authority
Inventory of Affordable Homeownership Units (1)
As of June 30, 2022

No. Units	Street Address		Agency Assistance	Loan Status	Downpayment Assistance	Mortgage Loan	Covenant Date (3)
1	Cabrillo Loop	10914	Yes	Open	x		6/6/2002
1		10916	Yes	Open	x		6/4/2002
1		10918	No	Foreclosed (2)		Private	6/7/2002
1		10926	No			Private	5/29/2002
1		10934	Yes	Open		x	5/30/2002
1		10938	Yes	Open		x	7/9/2002
1		10942	Yes	Open		x	7/8/2002
1		10946	Yes	Open		x	6/11/2002
1		10958	Yes	Open	x		8/14/2001
1	Durango Loop	23568	Yes	Open		x	4/29/2002
1		25370	Yes	Paid	x		4/26/2002
1		25372	Yes	Open	x		4/19/2002
1		25384	Yes	Open		x	4/25/2002
1		25388	Yes	Open		x	4/19/2002
1		25392	Yes	Open		x	4/19/2002
1		25396	Yes	Open	x		4/26/2002
1		25400	Yes	Open	x		4/25/2002
1		25408	Yes	Open		x	4/19/2002
1		25412	Yes	Paid 5-6-16	x		4/29/2002
1		25414	Yes	Open	x		4/26/2002
1		25416	Yes	Paid	x		6/6/2002
1	Portola Loop	25502	Yes	Paid 5-01-20		x	3/21/2001
1		25518	Yes	Paid 11-25-15	x		3/8/2001
1		25526	Yes	Open	x		3/21/2001
1		25530	Yes	Open		x	3/8/2001
1		25546	No			Private	6/5/2001
1	Sonora Loop	25430	Yes	Paid	x		4/8/2002
1		25434	Yes	Open	x		4/26/2002
1		25438	Yes	Open		x	4/8/2002
1		25450	Yes	Open		x	3/29/2002
1		25454	Yes	Open		x	3/9/2002
1		25458	Yes	Open		x	3/29/2002
1		25470	Yes	Paid	x		4/6/2002
1		25474	Yes	Open		x	3/29/2002
1		25478	Yes	Open		x	4/8/2002
1	Prospect Avenue	25575	Yes	Open	x		5/30/2001
1		25577	Yes	Open	x		5/9/2001
1		25581	Yes	Open	x		5/9/2001
1		25613	Yes	Open		x	1/31/2002
1		25615	Yes	Open		x	11/30/2001
1		25637	Yes	Open		x	4/8/2002
1		25639	Yes	Open		x	3/12/2002
1	Court Street	24966	Yes	Open		x	1/29/2007
1	Lind Avenue	10599	Yes	Open		x	12/7/2006
1		10605	Yes	Open		x	3/29/2007
1		10655	Yes	Open		x	6/6/2008
1	Van Leuven Street	25256	Yes	Open	x		10/31/2001
1		25564	Yes	Open			6/6/2008
48							

"X" shown in above indicates the type of assistance provided by the Housing Authority. Down payment Assistance of Mortgage Loan.

Notes:

1 All properties carry long-term affordability covenants; covenants for 48 units were in place as of 2/1/2012 and remain in place to date even after property sales. The Scattered Site Project, which was completed in 2019, also have long-term affordability covenants.

2 The majority of the loans privately financed are active loans. One property, 10918 Cabrillo Loop was foreclosed during 2018-2019, but the authority is continuing efforts to ensure covenants are respected and the unit continues to be available to low income households at affordable costs.

3 Date shown is the date the property first became subject to affordability covenants.