HOUSING SUCCESSOR
ANNUAL REPORT

for the

City of Marina

Low and Moderate-Income Housing Asset Fund

Fiscal Year 2019-20

Pursuant to California Health and Safety Code Section 34176.1(f)

March 10, 2021

INTRODUCTION

The City of Marina serves as the “Housing Successor” to the former Marina Redevelopment Agency and is responsible for administration of the Low- and Moderate-Income Housing Asset Fund (LMIHAF). This Housing Successor Annual Report (Report) for the City of Marina Low- and Moderate-Income Housing Asset Fund has been prepared pursuant to California Health and Safety Code Section 34176.1(f). The Report describes the activities of the Housing Successor during Fiscal Year 2019-20 and the status of the LMIHAF as of June 30, 2020.

This Report is required to be provided to the California Department of Housing and Community Development by April 1, 2021. 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, http://cityofmarina.org/.

The Report is organized into thirteen brief sections conforming to California Health and Safety Code Section 34176.1(f), presented below. All statutory references in the Report are to the California Health and Safety Code.

(1) AMOUNT RECEIVED PURSUANT TO SECTION 34191.4(B)(3)(A)), FY 2019-20

The City did not receive any loan repayments under Section 34191.4(b)(3)(A) from the Successor Agency during FY 2019-20.

(2) AMOUNT DEPOSITED INTO LMIHAF, FY 2019-20

A total of $1,025 was deposited into the LMIHAF during the Fiscal Year. Of the total funds deposited, none was held for items listed on the ROPS. As previously noted, no funds were received pursuant to 34191.4(b)(3)(A).

Source	Amount
Interest Earnings	$1,025

(3) ENDING BALANCE OF LMIHAF

At the close of the Fiscal Year, the ending cash balance in the LMIHAF was $55,961 of which $0 is held for items listed on the ROPS.

Cash Balance of LMIHAF as of 6/30/20	$55,961

(4) DESCRIPTION OF EXPENDITURES FROM LMIHAF

A total of $15,072 in expenditures were made from the LMIHAF for monitoring and administration.

Expenditures	Amount
Monitoring and administration	$15,072

(5) STATUTORY VALUE OF ASSETS IN LMIHAF

The Housing Successor is required to report the statutory value of real property in the LMIHAF and the value of loans and grants receivable. The “statutory value of real property” means the value of properties as listed on the housing asset transfer schedule approved by the Department of Finance pursuant to Section 34176(a)(2), the value of the properties transferred to the Housing Successor pursuant to Section 34181(f), and the purchase price for properties purchased by the Housing Successor. The following table summarizes the statutory value of assets in the LMIHAF.

Asset Description	Statutory Value
Real Property Eight scattered sites used for stormwater percolation ponds with land area estimated to be sufficient for development of a combined twelve housing units.	$900,000
Loans and Grants Receivable	none
Total Statutory Value of Assets in LMIHAF	**$900,000**

(6) DESCRIPTION OF TRANSFERS TO OTHER HOUSING SUCCESSORS

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

(7) STATUS OF PROJECTS FOR WHICH THE HOUSING SUCCESSOR RECIEVES PROPERTY TAX

The Housing Successor is required to report on the status of any project for which it receives or holds property tax revenue pursuant to the ROPS.

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

(8) TIMELINE TO INITIATE DEVELOPMENT OF REAL PROPERTY

For real property acquired by the former redevelopment agency prior to February 1, 2012 and 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 table provides a status update on the properties owned by the Housing Successor:

Property	Transfer approval by DOF	Timeline to initiate activity	Status
Eight lots used for stormwater percolation ponds with land area estimated to be sufficient for a combined twelve units [(1)].	9/12/2012	9/12/2017	The Housing Successor is in the initial planning stages for disposition of the properties as affordable housing sites. Prior to development of affordable units, site work related to existing percolation ponds will need to be completed and funding sources will need to be identified.

(1) Lots include: 3310 Cardoza Ave (APN 033-062-016), 3296 Abdy Way (APN 033-076-091), 3298 Abdy Way (APN 033-076-094), 3265 Michael Drive (APN 032-431-003), 3111 Pleasant Circle (APN 032-222-010), 3113 Lynscott (APNs 032-232-046, 032-241-012), and 235 Barbara Circle (APN 032-042-014).

There is also a requirement to report on the status of any properties acquired by the Housing Successor on or after February 1, 2012; however, the Housing Successor has acquired no such properties.

(9) DESCRIPTION OF OUTSTANDING REPLACEMENT HOUSING AND PRODUCTION OBLIGATIONS PURSUANT TO SECTION 33413

Replacement Housing: No Section 33413(a) replacement housing obligations were transferred to the Housing Successor upon dissolution of the former redevelopment agency. According to the FY 2006-07 through 2010-11 Implementation Plan for the former redevelopment agency, no Section 33413(a) replacement housing obligations existed as of 2005. In addition, no affordable units were removed from 2006 through dissolution on February 1, 2012. Accordingly, no replacement housing obligations existed at the time of dissolution. The former redevelopment agency's Implementation Plans are posted on the City's website at http://cityofmarina.org/

There are no outstanding replacement housing obligations under Section 33413(a).

Inclusionary/Production Housing: The former agency had met its inclusionary housing production requirements at the time of dissolution; therefore, no affordable housing production obligations were transferred to the Housing Successor.

According to the final Implementation Plan prepared for the former redevelopment agency for the FY 2006-07 through 2010-11 period, there was a deficit to meet production requirements from the 2000-2005 period of 16 total affordable housing units and 22 Very Low units. During the subsequent 2006 to 2012 period, covenants were placed on 276 affordable units of which 204 units were for Very Low Income. The affordable units produced during the 2006 to 2012 period are sufficient to meet production requirements applicable to this period and to address the deficit carried forward from the previous period, as summarized in the table below. The affordable housing production requirements of Section 33413(b) were fully satisfied upon dissolution of the former redevelopment agency; therefore, no outstanding production requirements transferred to the Housing Successor.

There are no outstanding inclusionary production obligations under Section 33413(b).

Summary of Inclusionary / Housing Production Compliance Status Through 2012

		Covenanted Units	
	Total Units Produced	All Very Low to Moderate	Very Low Income
Deficit to Meet Production Requirement for 2000-2005 Period (1)		(16)	(22)
New and Substantially Rehabilitated Units (2006-2012) (2)	142		
Inclusionary Requirement (2006-2012) (15% affordable with 40% at Very Low)		21	9
Covenanted Units (2006-2012) (2)			
Placed on New Units		110	107
Placed on Existing Units		166	97
		276	204
Subtotal Excess of Covenanted Units for 2006 to 2012 Period		255	195
Cumulative Excess of Covenanted Units Through 2012		**239**	**173**

(1) Implementation Plan, Marina, Marina Municipal Airport and Former Fort Ord Project Areas Prepared for Redevelopment Agency of the City of Marina by Keyser Marston Associates, Inc. November 2006.

(2) City of Marina. Affordable unit production exceeds total unit production due to covenants placed on existing units at Abrams and Preston Park.

(10) EXTREMELY-LOW INCOME TEST

Section 34176.1(a)(3)(B) requires that at least 30% of LMIHAF expenditures, not including those for administration and monitoring, must be 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 will be included in this 2019-20 report and every five years thereafter.

The Housing Successor has utilized funds only for administration and monitoring of housing units consistent with Section 34176.1 (a) (1) and has not funded any new projects that require compliance with the requirements of Section 34176.1(a)(3)(B).

(11) 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 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. As no senior units were assisted during the 10-year period from 7/1/2010 to 6/30/2020, restrictions under Section 34176.1(b) do not apply.

No senior units were assisted by the former redevelopment agency, the City or the Housing Successor during the July 1, 2010 to June 30, 2020 period. Therefore, the percentage of deed-restricted rental housing that was restricted to seniors during the period is 0%.

(12) EXCESS SURPLUS TEST

Excess Surplus is defined in Section 34176.1(d) as an unencumbered amount in the LMIHAF 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. The unencumbered LMIHAF balance of $55,371 as of June 30, 2020 does not exceed the applicable excess surplus threshold of $1,000,000. As a result, the LMIHAF does not have an Excess Surplus.

Annual Deposits	**Amount Deposited**
FY 2016-17 LMIHAF Deposits	$45,875
FY 2017-18 LMIHAF Deposits	$1,106
FY 2018-19 LMIHAF Deposits	$46,347
FY 2019-20 LMIHAF Deposits	$1,025
Aggregate Deposits for four preceding fiscal years	$94,353
Greater of $1,000,000 and Aggregate Deposits for four preceding fiscal years	$1,000,000
Unencumbered LMIHAF Balance on Deposit	$55,371
Excess Surplus	**None** (unencumbered balance <$1,000,000)

(13) HOMEOWNERSHIP INVENTORY

This section contains 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.

There are two assisted homeownership units being monitored by the Housing Successor. No units were lost from the portfolio during the fiscal year and no units have been lost from the portfolio since February 1, 2012. No units have been removed from the Housing Successor's portfolio during the fiscal year.

No funds were returned as part of a program that protects the former agency's investment of funds from the LMIHAF. The Housing Successor did not receive program income associated with the housing successor's homeownership portfolio.

The Housing Successor did not contract with an outside entity for the management of the Housing Successor's homeownership portfolio.