



City of San Rafael Housing Successor Agency (HSA)

SB 341 Report – HSC 34176.1

Fiscal Year 2021-22

Introduction

On October 13, 2013, the Governor approved Senate Bill 341 (SB 341) which amended provisions of the CRL relating to the functions to be performed by the housing successor and required new annual reporting. SB 341 went into effect on January 1, 2014. In September 2014, AB 1793 was approved by the Governor, amending SB 341 to add additional annually reporting requirements for homeownership units.

Reporting Requirements

SB 341 and AB 1793 changed the former annual reporting requirements of redevelopment agencies previously provided to both the State Controller's Office (SCO) and the State Department of Housing and Community Development (HCD). The requirement to report annually to the SCO has been eliminated. By December 31st each year, housing successors are now required to provide an independent financial audit to its governing body within six months after the end of each fiscal year; report specified housing financial and activity information as an addendum to the Annual Housing Element Progress Report submitted to HCD; and post specific information on the housing successor's website.

Low Income Housing Activity

The follow information required by SB 341 and AB 1793 is contained in Exhibit #1 of this Housing Successor Agency Annual Report (Annual Report) for FY 2021-22.

1. The amount the city, county or city and county received pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 34191.4.
2. The amount deposited to the Low and Moderate Income Housing Fund (LMIHF). LMIHF, distinguishing between amounts deposited pursuant to subparagraphs (B) and (C) of paragraph (3) of subdivision (b) of Section 34191.4, amounts deposited for other items listed on the Recognized Obligation Payment Schedule (ROPS), and other amounts deposited.
3. A statement of the balance in the fund as of the close of the fiscal year, distinguishing any amounts held for items listed on the ROPS from other amounts.
4. A description of expenditures from the fund by category, including, but not limited to, expenditures.
 - a. Monitoring and preserving the long-term affordability of unit's subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor.
 - b. Administering the activities described in paragraphs (2) and (3) of subdivision (a)
 - c. Homeless prevention and rapid re-housing services for the development of housing described in paragraph (2) of subdivision (a).
 - d. development of housing pursuant to paragraph (3) of subdivision (a).
5. As described in paragraph (1) of subdivision (a), the statutory value of real property owned by the housing successor, the value of loans and grants receivable, and the sum of these two amounts.
6. A description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous fiscal year and, if still unencumbered, in earlier fiscal years and a description of and status update on any project for which transferred funds have been or will be expended if that project has not yet been placed in service.

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7. A description of any project for which the housing successor receives or holds property tax revenue pursuant to the ROPS and the status of that project.
8. For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16. For interests in real property acquired on or after February 1, 2012, a status update on the project.
9. A description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include in the report posted on its Internet Web site the implementation plans of the former redevelopment agency the information required by subparagraph (B) of paragraph (3) of subdivision (a).
10. 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.
11. The amount of any excess surplus, the amount of time that the successor agency has had excess surplus, and the housing successor's plan for eliminating the excess surplus Housing successors are required to report (A) the amount of any excess surplus, (B) the amount of time that the successor agency has had the excess surplus, and (C) the housing successor's plan for eliminating the excess surplus. Excess surplus is defined by HSC Section 34176.1(d) as "an unencumbered amount in the account that exceeds the greater of one million dollars, or the aggregate amount deposited into the account during the housing successor's preceding four fiscal years, whichever is greater." Excess surplus calculations were once performed by redevelopment agencies on an annual basis and were intended to ensure that funds are expended to benefit low-income households in a timely manner. SB 341 reinstates this calculation for housing successors. According to SB 341, if there is an excess surplus in the Housing Asset Fund, the Housing Successor Agency must expend or encumber excess surplus within three fiscal years. If the Housing Successor Agency fails to comply, it must transfer any excess surplus to HCD within ninety days of the end of the third fiscal year. The Housing Asset Fund has no excess surplus for Fiscal Year 2021-22, See Exhibit A for calculation.
12. 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 LMIHF pursuant to subdivision (f) of Section 33334.3. This information shall include all the following information:
 - a. The number of those units
 - 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.
 - 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 LMIHF.
 - 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.

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SB 341 Report – HSC 34176.1 Schedule of Housing Activity **Exhibit #1**

1	Loans repayment recieved by the City	\$	636,537
2	Items listed on ROPS		None
	Other amounts deposited	\$	153,882
3	Total Balance of Housing Fund at Close of Fiscal Year	\$	1,872,570
	Balance available for programes	\$	951,744
	A) Monitoring & preserving existing affordable units	\$	85,766
4	B) Administration	\$	55,273
	C) Homeless prevention & rapid re-housing		-
	D) Development of affordable units		-
5	Value of housing assets owned by the Successor Agency		None
	Value of loans/Grants by the Successor Agency	\$	920,826
6	Transfer of housing assets		None
7	Properties held by HSA receiving property tax revenue		None
8	HSA interest in real property (HSC 33334.16)		None
9	Outstanding obligations pursuant to (HSC 33413)		None
	Total number of deed restricted units		1,315
10	Total number of deed restricted units restricted to Seniors		395
	Percentage of senior units to non-senior units		30%
11	Amount of Excess Surplus retained (HSC 33334.12) From Exhibit A		None
12	Amount of Inventory of homeownership units subject to covenants or restrictions per subdivision (f) of Section 33334.3		None

SB 341 Report – HSC 34176.1 Exess Surplus Calculation **Exhibit A**

Fiscal Year	2017-18	2018-19	2019-20	2020-21	Last 4 Deposits
Deposits	\$ 346,822	\$ 79,396	\$ 104,008	\$ 436,415	\$ 966,641
FY 21-22 Beginning Cash					\$ 961,805
Less: Encumbered Funds					\$ -
Unencumbered Amount					\$ 961,805
Step 1					
\$ 1 Million or					\$ 1,000,000
Last 4 Deposits					\$ 966,641
Result: Larger Number					\$ 1,000,000
Step 2					
Unencumbered Amount					\$ 961,805
Larger Number from Step 1					\$ 1,000,000
Excess Surplus as of July 1, 2022					\$ -