

**CITY OF IRVINE HOUSING SUCCESSOR ANNUAL REPORT
FOR
LOW AND MODERATE INCOME HOUSING ASSET FUND
FOR FISCAL YEAR 2014-2015**

The City of Irvine Housing Successor Annual Report (Report) for the Low and Moderate Income Housing Asset Fund (FUND) has been prepared pursuant to California Health and Safety Code Section 34176.1(f). This Report sets forth certain details of the City of Irvine Housing Successor (Housing Successor) activities during Fiscal Year 2014-2015 (Fiscal Year). 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 Report is based upon information prepared by Housing Successor staff and information contained within the independent financial audit of the Low and Moderate Income Housing Asset Fund for Fiscal Year 2014-2015 as prepared by Lance, Soll & Lunghard, LLP (Audit). The Audit is separate from this Report and is included as part of the City's Comprehensive Annual Financial Report submitted to the City Council on November 24, 2015. This Report conforms with and is organized into Sections I through XI inclusive pursuant to Section 34176.1(f) of the Dissolution Law:

- I. Amount Deposited into FUND:** This section provides the total amount of funds deposited into the FUND 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.
- II. Ending Balance of FUND:** This section provides a statement of the balance in the FUND as of the close of the Fiscal Year. Any amounts deposited for items listed on the ROPS must be distinguished from the other amounts deposited.
- III. Description of Expenditures from FUND:** This section provides a description of the expenditures made from the FUND during the Fiscal Year. The expenditures are to be categorized.
- IV. Statutory Value of Assets Owned by Housing Successor:** 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.

- V. Description of Transfers:** This section describes transfers, if any, to another housing successor agency made in previous fiscal year(s), including whether the funds are unencumbered and the status of projects, if any, for which the transferred FUND 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.
- VI. Project Descriptions:** This section describes any project for which the Housing Successor receives or holds property tax revenue pursuant to the ROPS and the status of that project.
- VII. 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.
- VIII. Description of Outstanding Obligations under Section 33413:** This section describes the 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 the Housing Successor's progress in meeting those prior obligations, if any, of the former Redevelopment Agency and how the Housing Successor's plans to meet unmet obligations, if any.
- IX. Income Test:** This section provides the information required by Section 34176.1(a)(3)(B), or a description of expenditures by income restriction for five year period, with the time period beginning January 1, 2014 and whether the statutory thresholds have been met. However, reporting of the Income Test is not required until 2019.
- X. Senior Housing Test:** This section provides 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. For this Report the 10-year period reviewed is January 1, 2005 to January 1, 2015.

XI. Excess Surplus Test: This section provides the amount of excess surplus in the FUND, if any, and the length of time that the Housing Successor has had excess surplus, and the Housing Successor’s plan for eliminating the excess surplus.

This Report is to be provided to the Housing Successor’s governing body. 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 www.cityofirvine.org.

I. AMOUNT DEPOSITED INTO FUND

No moneys were deposited into the FUND during the Fiscal Year.

II. ENDING BALANCE OF FUND

At the close of the Fiscal Year, the ending balance in the FUND was \$0.00

III. DESCRIPTION OF EXPENDITURES FROM FUND

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

	Fiscal Year
Monitoring and Administration Expenditures	\$0.00
Homeless Prevention and Rapid Rehousing Services Expenditures	\$0.00
Housing Development Expenditures	
➤ Expenditures on Low-Income Units	\$0.00
➤ Expenditures on Very Low-Income Units	\$0.00
➤ Expenditures on Extremely Low-Income Units	\$0.00
➤ Total Housing Development Expenditures	\$0.00
Total FUND Expenditures in Fiscal Year	\$0.00

IV. STATUTORY VALUE OF ASSETS OWNED BY HOUSING SUCCESSOR IN FUND

Under the Dissolution Law and for purposes of this Report, the “statutory value of real property” means the value of properties formerly held by 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 price of property(ies) purchased by the Housing Successor. Further, the value of loans and grants receivable is included in these reported assets held in the FUND.

The Housing Successor owned no assets as of the end of the Fiscal Year.

	As of End of Fiscal Year
Statutory Value of Real Property Owned by Housing Authority	\$0.00
Value of Loans and Grants Receivable	\$0.00
Total Value of Housing Successor Assets	\$0.00

V. DESCRIPTION OF TRANSFERS

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

VI. PROJECT DESCRIPTIONS

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

VII. STATUS OF COMPLIANCE WITH SECTION 33334.16

The Housing Successor does not have any real property acquired with Low and/or Moderate Income funds.

VIII. DESCRIPTION OF OUTSTANDING OBLIGATIONS PURSUANT TO SECTION 33413

Replacement Housing: According to the 2010-2015 Implementation Plan for the former Redevelopment Agency, no Section 33413(a) replacement housing obligations were transferred to the Housing Successor.

Inclusionary/Production Housing. According to the 2010-2015 Implementation Plan for the former Redevelopment Agency, no Section 33413(b) inclusionary/production housing obligations were transferred to the Housing Successor.

IX. EXTREMELY-LOW INCOME TEST

Section 34176.1(a)(3)(B) requires that the Housing Successor must require at least 30 percent of the FUND to be expended for development of rental housing affordable to and occupied by households earning 30 percent or less of the Area Median Income. 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 percent of the funds remaining in the FUND be expended in each fiscal year following the latest fiscal year following the report on households earning 30 percent or less of the Area Median Income 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.

X. 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 time period. If this percentage exceeds 50 percent, then the Housing Successor cannot expend future funds in the FUND 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 percent 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 2005 – 2015:

Senior Housing Test	2005-2015
# of Assisted Senior Rental Units	0
# of Total Assisted Rental Units	134
Senior Housing Percentage	0 %