



# County of San Diego

**HEALTH AND HUMAN SERVICES AGENCY**  
HOUSING AND COMMUNITY DEVELOPMENT SERVICES  
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December 24, 2018

TO: Supervisor Kristin Gaspar, Chair  
Supervisor Dianne Jacob, Vice Chair  
Supervisor Greg Cox  
Supervisor Ron Roberts  
Supervisor Bill Horn  
Tenant Commissioner Sandra Marsh  
Tenant Commissioner Francisco Penalosa

FROM: Nick Macchione, Agency Director  
Health and Human Services Agency

## **SB341 COMPLIANCE REPORT FOR THE HOUSING AUTHORITY OF THE COUNTY OF SAN DIEGO SUCCESSOR HOUSING AGENCY TO THE FORMER SANTEE COMMUNITY DEVELOPMENT COMMISSION**

California Assembly Bill XI 26, commonly referred to as the Dissolution Law, was enacted on June 28, 2011, and was upheld by the California Supreme Court on December 29, 2011. The Dissolution Law dissolved redevelopment agencies and required that the sponsoring agency, city, or county, of the former redevelopment agency either elect to retain the non-cash housing assets and functions of the former redevelopment agency or select a local housing authority as the agency responsible to assume the non-cash housing assets and functions.

On January 25, 2012, the Santee City Council designated the Housing Authority of the County of San Diego (HACSD) as the agency to assume the non-cash housing assets and functions of the Santee Community Development Commission, the former redevelopment agency of the City of Santee. In November and December 2013, the Santee Successor Housing Agency (SSHA) and the Santee Oversight Board took actions to authorize the transfer of the housing assets and functions to the HACSD.

On May 21, 2014, the Board of Commissioners of the HACSD authorized the Executive Director to accept four assets from the SSHA contingent on: 1) the SSHA providing the case files for each of the listed assets; and, 2) total remittance of the housing administrative cost allowance as required by law, which equates to \$600,000 paid by the SSHA to the HACSD over a period of four years.

The SSHA provided the HACSD asset case files on August 15, 2014. On January 26, 2015, the HACSD received an initial check in the amount of \$150,000, representing the housing administrative cost allowance for fiscal year 2014-15. On January 25, 2018, the HACSD received

payment of \$75,000, which represented the final payment from the SSHA of the \$600,000 housing administrative cost allowance required by law.

In accordance with Health and Safety Code Section 34176.1(f) of Senate Bill 341, (Attachment A) is a status update concerning the four assets assumed from the SSHA portfolio: Cedar Creek, Forester Square, Shadow Hill, and Mazzola. These assets are affordable housing developments that serve the community of Santee. The HACSD has the responsibility of monitoring these developments annually and tracking the Low and Moderate-Income Housing Fund, including program income. The fiscal year 2017-18 asset balances are identified in (Attachment B).

Please refer to the Comprehensive Annual Financial Report for the County of San Diego, pages 138, 139, 160, and 167, which outlines the financial activity for the Low and Moderate-Income Housing Fund, as required by law.

This report will be filed with the Clerk of the Board.

If you have any questions, please contact David Estrella, Director at (858) 694-8750, or via email at [David.Estrella@sdcounty.ca.gov](mailto:David.Estrella@sdcounty.ca.gov).

Respectfully,



NICK MACCHIONE, Agency Director  
Health and Human Services Agency

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Attachments (2)

Attachment A: SB341 Compliance Report – HACSD Successor Housing Agency  
Attachment B: Balance Sheet – HACSD Successor Housing Agency

c: Helen N. Robbins-Meyer, Chief Administrative Officer

**ATTACHMENT A**

**SB341 Compliance Report - Housing Authority of the County of San Diego Successor Housing Agency**

	<b>Questions:</b>	<b>Answers</b>
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	The amount the City of Santee paid to the County of San Diego Santee Successor Agency in FY 2017-18 was \$153,742.
2	The amount deposited to the Low and Moderate Income Housing Asset Fund, 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, and other amounts deposited.	The Santee Housing Successor Agency has one Housing Asset Fund, Fund 15354. The total deposit made to this fund in FY 2017-18 was \$153,742.
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 Recognized Obligation Payment Schedule from other amounts.	The Santee Successor Housing Agency Fund 15354 cash balance as of 6/30/18 is \$559,389.
4	A description of expenditures from the fund by category, including, but not limited to, expenditures (A) for monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering the activities described in paragraphs (2) and (3) of subdivision (a), (B) for homeless prevention and rapid rehousing services for the development of housing described in paragraph (2) of subdivision (a), and (C) for the development of housing pursuant to paragraph (3) of subdivision (a).	The FY 2017-18 actual expenditure for administration, monitoring and preserving the long-term affordability of units was \$3,827.
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.	The HACSD, as the Housing Successor, does not own any real property. As of 6/30/18, the total value of the loans receivable are \$13,831,186 and include the following: Cedar Creek - \$5,276,000, Forester Square - \$5,494,000, Shadow Hill - \$3,016,248, and Mazzola - \$44,938.
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.	N/A - The HACSD did not enter into any agreements to transfer any funds during FY 2017-18.
7	A description of any project for which the housing successor receives or holds property tax revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project.	The HACSD does not receive or hold property tax revenues.
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.	N/A - No interests in real property were acquired on or after 2/1/2012.
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.	N/A - The HACSD has no unmet relocation or displacement obligations.
10	The information required by subparagraph (B) of paragraph (3) of subdivision (a).	N/A. The Housing Successor is only expending the funds pursuant to 34176.1(a)(1).
11	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.	There are no units of deed-restricted rental housing restricted to seniors. Therefore the percentage of units is 0%.
12	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.	The amount of excess surplus at the end of FY 2017-18 is \$557,453. The HACSD plans to use this surplus for administration, monitoring, and preserving the long term affordability of units.
13	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. This inventory shall include all of 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 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 Low and Moderate Income Housing Fund (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.	N/A - The HACSD, as the Housing Successor, has no homeownership units.

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Trial Balance - Total Currency  
Period: ADJ-18

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Page: 1 of 1

Currency: USD  
Balance Type: Year to Date  
FUND Range: 15354 to 15354

Ledger: COSD  
FUND: 15354 HA SANTEE SUCCESS HOUSING AGCY

ACCOUNT	Description	Beginning Balance	Debits	Credits	Ending Balance
10100	CASH IN TREASURY	407,455.23	153,741.82	3,744.20	557,452.85
10750	DUE FROM / DUE TO - INTEREST AP	0.00	6,296.50	3,741.82	2,554.68
10806	MTB-T_DART DUE FROM OTHER FUNDS	0.00	723.31	0.00	723.31
11039	INTEREST RECEIVABLE	3,465,739.56	828,228.69	206,871.26	4,087,096.99
12310	NOTES RECEIVABLE	13,831,186.00	0.00	0.00	13,831,186.00
24766	MTB-T_DART DUE TO OTHER FUNDS	(535.84)	535.84	1,341.60	(1,341.60)
26573	DEF INFL (REV) INTEREST	(3,465,739.56)	206,871.26	828,228.69	(4,087,096.99)
26574	DEF INFL (REV) OTHER	(13,831,186.00)	0.00	0.00	(13,831,186.00)
26601	UNEARNED REVENUE	(406,919.39)	0.00	152,469.85	(559,389.24)
44105	INTEREST ON DEPOSITS&INV	0.00	6,296.50	12,593.00	(6,296.50)
45914	AID FR OTHER CITIES	0.00	152,469.85	150,000.00	2,469.85
52305	HACOSD ADMINISTRATIVE COSTS	0.00	4,549.96	723.31	3,826.65
		0.00	1,359,713.73	1,359,713.73	0.00