Housing Successor Fund of the City of Fillmore
Addendum to the Annual Progress Report
For Fiscal Year Ended June 30, 2018

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Independent Accountant's Disclaimer Report Applied to the Preparation of the Addendum to the Annual Progress Report of the Housing Successor of the City of Fillmore

To Management of the
Housing Successor of the City of Fillmore
Fillmore, California

We have prepared the accompanying Addendum to the Annual Progress Report ("Addendum to the APR") of the Housing Successor of the City of Fillmore ("Housing Successor") as of June 30, 2018 and for the year then ended in accordance with the reporting provisions of the California Health & Safety Code Section 34176 as amended by Senate Bill 341 (Chapter 796, Statutes of 2013, effective January 2014) ("SB 341"), and as amended by Senate Bill 107 (Chapter 325, Statutes of 2015, effective January 2016) HSC Section 34176.1(f). Management of the Housing Successor is responsible for the preparation and fair presentation of the Addendum to the APR in accordance with the reporting provisions of SB 341, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the Addendum to the APR.

The accompanying Addendum to the APR of the Housing Successor as of June 30, 2018 and for the year then ended was not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, conclusion, nor provide any assurance on it.

This Addendum to the APR is intended solely for the information and use of management of the Housing Successor of the City of Fillmore, and is not intended to be and should not be used by anyone other than this specified party.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
November 29, 2018

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 Housing Successor Fund did not receive any amount pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 34191.4 for the year ended June 30, 2018.

2) **The amount deposited to the Low and Moderate Income Housing Asset Fund, distinguishing any amounts deposited pursuant to subparagraph (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 from other amounts deposited.**

   The Housing Successor Fund did not received any amounts pursuant to subparagraph (B) and (C) of paragraph (3) of subdivision (b) of Section 34191.4. The Housing Successor Fund received $16,500 in interest revenue and loan repayments as of June 30, 2018. None of these amounts were deposited for items listed on the Recognized Obligation Payment Schedule.

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 balance in the Housing Successor Fund as of June 30, 2018 was $277,033 of which none was withheld for items on the Recognized Obligation Payment Schedule.

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),**

      The Housing Successor Fund's expenditures 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 as of June 30, 2018 included $2,835 in professional fees.

   b. **for homeless prevention and rapid re-housing services for the development of housing described in paragraph (2) of subdivision (a),and**

      The Housing Successor Fund had no expenditures related to homeless prevention and rapid re-housing services for the year ended June 30, 2018.

c. **for the development of housing pursuant to paragraph (3) of subdivision (a).**

The Housing Successor Fund had no expenditures related to the development of housing for the year ended June 30, 2018.

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 Housing Successor Fund owned no real property as of June 30, 2018.

The value of loans and notes receivable in the Housing Successor Fund as of June 30, 2018 were as follows:

Loan Receivable - Stewart	$	165,352
Loan Receivable - Home Rehabilitation		71,947
Loan Receivable - 1st Time Homebuyer		957,871
Loan Receivable - Parkview Apartments		6,341,337
Total Receivables	$	7,536,507

The loans receivable are offset by a deferred inflows of resources balance, which are subject to restrictive covenants.

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.**

There were no transfers made pursuant to paragraph (2) of subdivision (c) in the previous fiscal year or earlier fiscal years in the Housing Successor Fund.

7) **A description of any project for which the housing successor <u>receives or holds property tax</u> revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project.**

The Housing Successor Fund received no property tax revenue pursuant to the Recognized Obligation Payment Schedule for the year ended June 30, 2018.

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.**

As of June 30, 2018, the Housing Successor Fund did not hold any property acquired by the former redevelopment agency prior to February 1, 2012 or after February 1, 2012. The Housing Successor Fund owned no real property as of June 30, 2018.

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.**

   As of June 30, 2018, there were no outstanding obligations pursuant to Section 33413 that remained to be transferred to the Housing Successor Fund on February 1, 2012.

10) **The information required by subparagraph (B) of paragraph (3) of subdivision (a).**

    This item is not applicable to the Housing Successor Fund until Fiscal Year Ended June 30, 2019.

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.**

    As of June 30, 2018, 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 was 66%, from 76 total deed-restricted rental housing units assisted by the redevelopment agency between 2009 and 2018 and a total of 50 housing units deed restricted to seniors within the same time period.

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 Housing Successor Fund did not have any excess surplus as of June 30, 2018 or at any point during the fiscal year. See Attachment A.

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 the following information:

a) The number of units.

The Housing Successor Fund assisted approximately 45 homeownership units by 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 Low and Moderate Income Housing Fund Pursuant to subdivision (f) of Section 33334.3.

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 units lost to the portfolio in the last fiscal year and the reason for those losses.

The Housing Successor Fund lost 5 units to the portfolio after February 1, 2012, due to the sale of properties.

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 Moderate and Income Housing Fund.

Since inception and up to date, the Housing Successor Fund received approximately $216,137, as part of an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate and Income Housing Fund.

d) Whether the housing successor has contracted with any outside for the management of the units and, if so, the identity of the entity.

The Housing Successor has not contracted outside for the management of the units as of June 30, 2018.

Attachment A

Former Redevelopment Agency of the City of Fillmore
Excess Surplus Calculation

	Low & Moderate Income Housing Funds - All Project Areas	
Opening fund balance - July 1, 2018		$ 277,033
Less Unavailable Amounts:		
Encumbrances (Section 33334.12(g)(2))	$ -	
Loans Receivable	(7,536,507)	
Advances	-	
Prepaids	-	
		(7,536,507)
Available Low & Mod Funds		$ (7,259,474)
Limitation (Greater of $1,000,000 or four years of deposits)		
Amounts Deposited for last four years-fiscal years ended:		
June 30, 2018	$ 16,500	
June 30, 2017	143,581	
June 30, 2016	78,551	
June 30, 2015	168,970	
Total Amounts Deposited for Last 4 Years		$ 407,602
Base Limitation		$ 1,000,000
Greater Amount		1,000,000
Computed Excess Surplus		$ -