

**West Covina Housing Authority Fund of the City of West Covina
Addendum to the Annual Progress Report
For Fiscal Year Ended June 30, 2016**



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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 West Covina**

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To Management of the
Housing Successor of the City of West Covina
West Covina, California

We have prepared the accompanying Addendum to the Annual Progress Report ("Addendum to the APR") of the Housing Asset Fund of the City of West Covina ("Housing Successor") as of June 30, 2016, 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).

The accompanying Addendum to the APR of the Housing Successor of the City of West Covina ("Housing Successor") as of June 30, 2016, 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 West Covina, 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
December 22, 2016

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**Housing Successor of the City of West Covina
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For Fiscal Year Ended June 30, 2016**

- 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.**

No amounts received in pursuant to subparagraph (A) of paragraph (3) of subdivision (b) or Section 34191.4.

- 2) **The amount deposited to the Low and Moderate Income Housing Asset Fund, distinguishing between amounts deposited pursuant to subparagraphs (B) and (C) or paragraph (3) of subdivision (b) of Section 34191.4, amounts deposited for others items listed on the Recognized Obligation Payment Schedule from other amounts deposited.**

The West Covina Housing Authority Fund received \$270,333 as of June 30, 2016. 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 West Covina Housing Authority Fund as of June 30, 2016, was \$24,446,214 none of which was held for items listed 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 West Covina Housing Authority Fund's expenditures related to this category as of June 30, 2016, were \$391,618 in administrative expenditures.

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

The West Covina Housing Authority Fund had no expenditures related to homeless prevention and rapid re-housing services as of June 30, 2016.

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

The West Covina Housing Authority Fund had no expenditures related to the development of housing as of June 30, 2016.

- 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 West Covina Housing Authority owned real property with a statutory value of zero, as of June 30, 2016.

The Value of loans and notes receivable in the West Covina Housing Authority Fund as of June 30, 2016 is \$14,699,655.

The sum of the statutory value of real property and the value of loans and notes receivable is \$14,699,655.

- 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.**

No transfers occurred pursuant to paragraph (2) of subdivision (c) in the previous fiscal year or earlier fiscal years in the West Covina Housing Authority Fund.

- 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.**

Project Name	Status of Project
Heritage Park Senior Apartment	Monitoring of Housing Compliance for 14 multifamily Units (14 units are restricted for Senior Housing).
Lark Ellen Village	Monitoring of Housing Compliance for 121 multifamily Units (88 units are restricted for Senior Housing).
Mauna Loa Apartments	Monitoring of Housing Compliance for 12 multifamily units.
The Promenade	Monitoring of Housing Compliance for 124 multifamily units.
Senior Villas I	Monitoring of Housing Compliance for 85 multifamily units (85 units are restricted for Senior Housing).
Senior Villas II	Monitoring of Housing Compliance for 64 multifamily units (64 units are restricted for Senior Housing).
Housing Preservation Loan Program	Administer program, process demand payoffs, research deed and title search, release of full reconveyance and liens and recordation.
Housing Improvement Loan Program	Administer program, process demand payoffs, research deed and title search, release of full reconveyance and liens and recordation.
First Time Homebuyers	Administer program, process release of full reconveyance, liens, and recordation. Process subordination agreement to allow for refinance.
Revised Housing Preservation Loan Program	Develop revised loan program pursuant to new legislation (SB341).

- 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, 2016, the Housing Asset Fund did not hold any property acquired prior to February 1, 2012. No properties were acquired subsequent to February 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.**

As of June 30, 2016, there were no outstanding obligations pursuant to Section 33413 that remained to be transferred to the West Covina Housing Authority Fund on February 1, 2012.

<http://westcovina.org/departments/community-and-economic-development/successor-agency/redevelopment-implementation-plan>

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

This item is not applicable to the Housing Asset Fund until the Fiscal Year Ending 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, 2016, the Housing Successor Fund had 59.76% 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.

- 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 West Covina Housing Authority Fund did not have any excess surplus as of June 30, 2016, or at any point during the fiscal year ended June 30, 2016.

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.

a. the number of those units.

N/A

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.

N/A

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.

N/A

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