

**GARDEN GROVE HOUSING AUTHORITY ANNUAL REPORT  
AS HOUSING AUTHORITY AND AS HOUSING SUCCESSOR  
FOR FISCAL YEAR 2020-2021 UNDER CALIFORNIA  
HEALTH AND SAFETY CODE SECTIONS 34176.1 AND 34328**

This Annual Report of the Garden Grove Housing Authority (Housing Authority) is prepared under the California Health and Safety Code (HSC)<sup>1</sup>, Division 24, Parts 1.8 and 1.85 (Dissolution Law), in particular Section 34176.1 as the housing successor, and under the California Housing Authorities Law, HSC Section 34200, *et seq.* (HAL), in particular Section 34328 as a housing authority (together, Report). The Dissolution Law and HAL respectively require preparation of an annual report on the housing successor and the housing authority's activities for the prior fiscal year. This Report details the Housing Authority's activities during Fiscal Year (FY) 2020-2021 and is intended to satisfy the requirements under both HSC Sections 34176.1 and 34328. More specifically, this Report details the Housing Authority's activities for FY 2020-2021, including the information required about the Low and Moderate Income Housing Asset Fund (LMIHAF) and other information under Section 34176.1(f). A copy of the Report, in this draft form, has been provided to the City Council, as governing body, and to the Housing Authority by December 31, 2021 under Section 34176.1(f), and upon their joint review and action to file the Report after the CAFR (defined below) is completed at the open meeting in December 2021 or January 2022, this Report will be posted on the City's website at <https://ggcity.org/> and thereafter appended to the City's annual update report prepared under Section 65400 of the Government Code.

This Report includes information prepared by City staff on behalf of the Housing Authority and data from the independent financial audit of the LMIHAF Financial Report for FY 2020-2021 that is a part of the City of Garden Grove's (City) Comprehensive Annual Financial Report (CAFR) prepared by Davis Farr LLP, which audit is separate from this Report and attached as Exhibit B hereto; further, this Report conforms with and is organized into sections I. through XIV., inclusive, under HSC Section 34176.1(f) of the Dissolution Law and Section 34328 of the HAL.

- I. **Amounts Received and Deposited Under 34191.4(b)(3)(A).** This section provides the total amount of funds paid to the City and the amount deposited into the LMIHAF allocable to 20% of the repayments on the reinstated City/Agency loan(s), if any, per Section 34191.4.
- II. **Amount Deposited into LMIHAF.** This section provides the total amount of funds deposited into the LMIHAF in FY 20-21 and itemized by amounts deposited in FY 20-21 for items listed on Recognized Obligation Payment Schedule (ROPS), amounts allocable to Section 34191.4 deposits, and other amounts deposited into the LMIHAF.
- III. **Ending Balance of LMIHAF.** This section provides a statement of the balance in the LMIHAF as of the close of FY 20-21. Any amounts deposited for items listed on the ROPS, and amounts allocable to Section 34191.4 deposits, must be distinguished from the other amounts deposited.
- IV. **Description of Expenditures from LMIHAF.** This section provides a description of expenditures made from the LMIHAF during FY 20-21. The expenditures are to be categorized among (A) administration for monitoring, preserving covenanted housing units, (B) homeless prevention and rapid rehousing services and (C) development of housing.

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<sup>1</sup> In this Report, all statutory references are to the Health and Safety Code unless otherwise stated.

- V. 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.
- VI. Description of Transfers.** This section describes transfers, if any, to another housing successor made in previous fiscal year(s), including whether the funds are unencumbered and the status of projects, if any, for which the transferred LMIHAF will be used. The sole purpose of the transfers must be for development of transit priority projects, permanent supportive housing, housing for agricultural employees or special needs housing.
- VII. Project Descriptions.** This section describes any project for which the Housing Successor receives or holds property tax revenue under the ROPS and the status of that project.
- VIII. Status of Compliance with Section 33334.16.** As and if applicable, 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.
- IX. Description of Outstanding Obligations under Section 33413.** This section describes 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.
- X. Income Test.** This section presents the information required by subparagraph (B) of paragraph (3) of subdivision (a) of Section 34176.1. In clarification, Section 34176.1(a)(3)(A)(B) and (D) describe and define certain thresholds by income category as to expenditures for development sourced from the LMIHAF. This section of the Report describes expenditures by the Housing Authority, as housing successor, for development that were sourced from the LMIHAF during FY 2020-2021 and in the context of the second five-year reporting period.
- XI. Senior Housing Test.** This section provides the percentage of deed-restricted rental housing units 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 10-year time period.
- XII. Excess Surplus Test:** This section provides the amount of excess surplus in the LMIHAF, 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.
- XIII. Inventory of Homeownership Units:** This section provides a summary of covenanted homeownership units assisted by the former redevelopment agency or the housing successor that include equity sharing and repayment provisions, including: (A) number of units; (B) number of units lost to the portfolio in the last fiscal year and the reason for those losses, and (C) any funds returned to the housing successor due to losses or repayments.

**XIV. Additional Information:** Housing Authority’s Activities for the Preceding Year FY 20-21 under HSC Section 34328.

This Report and the former Garden Grove Agency for Community Development’s (Former Agency) pre-dissolution Implementation Plans are to be made available to the public on the City’s website: <https://ggcity.org/econdev/redevelopment-agency-dissolution>.

**I. AMOUNT RECEIVED BY THE CITY PER HSC SECTION 34191.4**

**\$3,100,000.00** was received during FY 20-21 by the City in repayment of reinstated City/Agency loans per Section 34191.4 in accordance with the ROPS process.

**II. AMOUNT DEPOSITED INTO LMIHAF**

A total of **\$3,563,721.53** was deposited into the LMIHAF during FY 20-21. This amount includes **\$3,100,000** in ERAF/SERAF repayments, **\$60,339.52** in interest, and **\$403,382.01** in miscellaneous revenue.

*(A total of \$75,000 was funded through the ROPS 20-21 process and held and expended for items listed on ROPS 20-21 that was attributable to professional services, including legal services, provided during the fiscal period of July 1, 2020 to June 30, 2021. Line Item 55 on ROPS 20-21 was funded and then expended related to continued implementation of the Limon Judgments [term defined below in Section IX].)*

**III. ENDING BALANCE OF LMIHAF**

At the close of FY 20-21, the ending balance in the LMIHAF was **\$7,460,224.01** as reported in the LMIHAF audit that is part of the 2020-21 CAFR. It is noted that for ROPS 20-21, as amended, Line item 55, includes funds held for items listed and approved by DOF for ROPS 20-21, related to implementation of the *Limon* Judgments (See Section IX herein.)

**IV. DESCRIPTION OF EXPENDITURES FROM LMIHAF**

Below is a table describing expenditures from the LMIHAF:

Description	Fiscal Year 20-21
<b>Monitoring &amp; Administration Expenditures (2020-21 CAFR)</b>	\$147,479.40
<b>Homeless Prevention and Rapid Rehousing Services Expenditures</b>	\$78,912.81
<b>Housing Development Expenditures</b>	
➤ Expenditures on Low Income Units	
➤ Expenditures on Very-Low Income Units	\$0
➤ Expenditures on Extremely-Low Income Units	
➤ Total Housing Development Expenditures	
<b>Total LMIHAF Expenditures in Fiscal Year</b>	<b>\$226,392.21</b>

The administrative expenditures total less than five percent (<5%) of the statutory value of real property owned by the Housing Successor and of loans and grants receivable held by the Housing Successor.

## V. STATUTORY VALUE OF HOUSING ASSETS OWNED BY HOUSING SUCCESSOR IN LMIHAF

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 (HAT) approved by the Department of Finance (DOF) as listed in HAT 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 LMIHAF.

The following provides the statutory value of assets owned by the Housing Successor (2020-21 CAFR).

Description	Ending Balance
<b>Statutory Value of Real Property Owned by Housing Authority</b>	\$2,066,624.53
<b>Value of Loans and Grants Receivable*</b>	\$12,782,717.05
<b>Total Value of Housing Successor Assets</b>	<b>\$14,849,341.58</b>

*\*This balance includes SERAF and ERAF loans totaling \$7,054,260.00 (which changed in prior fiscal years, based on the State of California, Department of Finance’s (DOF) determination of allowable notes receivable balances.) The total value of loans and grants receivable is gross of any allowance.*

## VI. DESCRIPTION OF TRANSFERS

The Housing Successor did not make any LMIHAF transfers to other housing successor(s) under Section 34176.1(c)(2) during FY 20-21.

## VII. PROJECT DESCRIPTIONS

Except as to the \$75,000 funded via ROPS 20-21, Line Item 55, related to continued implementation of the DOF-approved enforceable obligations referred to as the *Limon* Judgments (see Sections II and IX), the Housing Successor did not receive or hold property tax revenue pursuant to the ROPS process.

## VIII. STATUS OF COMPLIANCE WITH SECTION 33334.16

Section 34176.1 provides that Section 33334.16 does not apply to interests in real property acquired by the Housing Successor on or after February 1, 2012; nevertheless, this Report presents a status update on the status of real property, if and as applicable.

With respect to interests in real property acquired by the former redevelopment agency *prior* to February 1, 2012, the time periods described in Section 33334.16 shall be deemed to have commenced on the date that the Department of Finance approved the property as a housing asset in the LMIHAF; thus, as to real property acquired by the former redevelopment agency now held by the Housing Successor in the LMIHAF, the Housing Successor must initiate activities consistent with the development of the real property for the purpose for which it was acquired within five years of the date the DOF approved such property as a housing asset on the HAT.

The following table provides a status update on the real property or properties housing asset(s) that were acquired prior to February 1, 2012 and compliance with five-year period that commenced on August 30, 2012, the date of the letter issued by DOF approving these properties as housing assets on the HAT:

Address of Property	Date of Acquisition	Deadline to Initiate Development Activity	Status of Housing Successor Activity
12892-12942 Grove St 10936 Acacia Pkwy, no site address for APNs 089-213-02, 29, 31,32	03/11/2011	04/29/2017	The Housing Authority (both as housing successor and housing authority) and the City of Garden Grove held a public hearing on December 17, 2019 and approved the sale and sold this property to the City, in exchange the City conveyed certain property located at 11391 Acacia Pkwy to the Housing Authority. This parcel sold by the Housing Authority to the City will continue to be used as a public parking lot. The parcel acquired by the Housing Authority is planned for affordable housing purposes.
12291 Thackery Dr.	01/10/2008	04/29/2017	The property located at 12291 Thackery Drive is part of the development site which is currently under a contract with the Developer Kam Sang Company (New Age Garden Grove LLC). New Age has an Amended and Restated Exclusive Negotiation Agreement by and between the City and developer and this property is under negotiation for potential conveyance to New Age Garden Grove LLC.  Due to COVID-19 worldwide pandemic, the project has been delayed. However, the project has re-engaged as of September 2020 and we estimate consideration and action on a proposed agreement for disposition of 12291 Thackery Drive in 2022.
12602 Keel Ave.	04/25/1989	N/A	This property is subject to an Affordable Housing Agreement with long-term ground lease, sublease, and sub-sublease dated as of 6/25/1990 with Orange County Community Housing Corporation as ground lessee and ground sublessor, Shelter for the Homeless (now American Family Housing as sublessee and sub-sublessor), and Thomas House as sub-sublessee, and is encumbered with recorded affordable housing covenants (HAT).

The following table provides a status update on the project(s) for property(ies), if any, that have been acquired by the Housing Successor using LMIHAF since dissolution on or after February 1, 2012:

Address of Property	Date of Acquisition	Deadline to Initiate Development Activity	Status of Housing Successor Activity
11391 Acacia Pkwy	12/17/19	N/A	Site acquired via exchange between the City and Housing Successor. Site is currently occupied by Acacia Adult Day Services.

**IX. DESCRIPTION OF OUTSTANDING OBLIGATIONS PURSUANT TO HSC SECTION 33413**

**Replacement Housing:** Whatever unmet obligation that existed according to the 2010-2014 Implementation Plan for Former Agency, if any, this obligation has been superseded and is being met pursuant to that certain *Stipulation to Substitute Party and for Entry of Interlocutory Judgment* approved by the Superior Court, County of Orange, State of California in the action *Marina Limon, et. al., v. Garden Grove Agency for Community Development*, Orange County Superior Court Case No. 30-2009-00291597 (Original *Limon* Judgment), attached as Exhibit A. There were two lawsuits related to this matter, which resulted in judgments that are both enforceable obligations under the Dissolution Law: (i) a lawsuit filed against the former redevelopment agency pre-dissolution that resulted in the Original *Limon* Judgment, and (2) a second lawsuit filed post-dissolution by the Plaintiffs in the original *Limon* action entitled *Marina Limon, et al v. State of California, et al.*, Sacramento Superior Court Case Number: 34-2014-80001994 (Writ Order to DOF), which together are referred to as the “*Limon* Judgments”. In implementation of the *Limon* Judgments, the Successor Agency to the Garden Grove Agency for Community Development (Successor Agency) in cooperation with the Housing Authority and the City have entered into, caused construction through completion, and continue to implement the 38 units of replacement housing required under the *Limon* Judgment through a series of subsidies, contracts and implementing instruments for: (i) Wesley Village a 47-unit, new construction senior and family affordable housing project and (ii) Sycamore Court, a 78-unit substantial rehabilitation multi-family project, both of which have recorded regulatory agreements with 55-year affordability covenants for tenancy and occupancy by qualified very low and low income households. During FYs 17-18, 18-19, 19-20 the Successor Agency, as well as the City and Housing Authority, have provided documentation and supplemental documentation to the plaintiffs’ counsels in the *Limon* Judgments, but to date plaintiffs’ counsel for unstated reasons still have refused to cause the filing in the Superior Court of a full satisfaction of judgment affirming complete satisfaction of the Original *Limon* Judgment. Further, in compliance with the *Limon* Judgments, the plaintiffs and all former residents/tenants at the RV Park were part of the outreach about the availability of the *Limon* Replacement Units for tenancy at the time of initial occupancy of both projects upon completion and issuance of certificates of occupancy. Presently, financial issues exist related to the Wesley Village project that have necessitated restructuring of the existing loans and additional loans by the Housing Authority to ensure that the *Limon* Replacement Housing Units at Wesley Village remain in operation long-term in implementation of the Original *Limon* Judgment. The Successor Agency’s annual ROPS, in particular item 55, includes funding related to



implementation of the *Limon* Judgments, including ROPS 18-19, ROPS 19-20, ROPS 20-21, current ROPS 21-22 and prospective ROPS 22-23, all to ensure that the *Limon* Replacement Housing Units at Wesley Village (and Sycamore Court) remain in operation long-term in implementation of the Original *Limon* Judgment. During FY 20-21, due to issues related to the financial viability of the project, the Housing Authority and the Developer of Wesley Village, and respective counsels, have negotiated draft instruments, and have continued negotiations in FY 21-22, that will modify the existing lien instruments and regulatory covenants that are necessary to preserve the *Limon* Replacement Housing Units at Wesley Village and to ensure continued compliance with the Original *Limon* Judgment.

**Inclusionary/Production Housing:** Whatever unmet obligation that existed according to the 2010-2014 Implementation Plan for the Former Agency, if any, this obligation has been superseded and has been met by performance, and continued performance, in accordance with the Original *Limon* Judgment (Exhibit A).

## **X. INCOME TEST**

Section 34176.1(a)(3)(A) provides: “The housing successor shall expend all funds remaining in the Low and Moderate Income Housing Asset Fund after the expenditures allowed pursuant to paragraphs (1) and (2) for the development of housing affordable to and occupied by households earning 80 percent or less of the area median income, with at least 30 percent of these remaining funds expended for the development of rental housing affordable to and occupied by households earning 30 percent or less of the area median income and no more than 20 percent of these remaining funds expended for the development of housing affordable to and occupied by households earning between 60 percent and 80 percent of the area median income.” Section 34176.1(a)(3)(B) provides: “If the housing successor fails to comply with the extremely low income requirement in any five-year report, then the housing successor shall ensure that at least 50 percent of these remaining funds expended in each fiscal year following the latest fiscal year following the report are expended for the development of rental housing affordable to, and occupied by, households earning 30 percent or less of the area median income until the housing successor demonstrates compliance with the extremely low income requirement in an annual report described in subdivision (f).” The Housing Authority, as housing successor, reported previously on its expenditures for development sourced from the LMIHAF for the initial five-year reporting period of January 1, 2014 to “the annual report ... for 2019.” The term “development” is defined in Section 34176.1(a)(3)(D): “For purposes of this subdivision, ‘development’ means new construction, acquisition and rehabilitation, substantial rehabilitation as defined in Section 33413, the acquisition of long term affordability covenants on multifamily units as described in Section 33413, or the preservation of an assisted housing development that is eligible for prepayment or termination or for which within the expiration of rental restrictions is scheduled to occur within five years as those terms are defined in Section 65863.10 of the Government Code.”

The second five-year reporting period is in effect, and this section of the Report presents information for FY 2020-2021. In this regard, the Housing Authority’s expenditures, as housing successor, sourced from the LMIHAF for development must meet the income categories and thresholds described above during the second five-year period. During FY 2020 2021, the Housing Authority had \$0 of expenditures for development sourced from the LMIHAF.

See Section XII of this Report for updated information about proposed projects that are planned to be undertaken during the second five-year reporting period; the projects will include extremely low, very low and low income housing units in compliance with the income-targeting requirements of HSC Section 34176.1.

## XI. 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%, then the Housing Successor cannot expend future funds in the LMIHAF 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% of the total amount of deed-restricted rental units. The table below provides information regarding the Housing Successor's Senior Housing Test for the 10-year period of July 1, 2011 through June 30, 2021:

<b>Senior Housing Test</b>		<b>7/01/2011 – 6/30/21</b>
<b># of Assisted Senior Rental Units (in the Wesley Village project 16 of the 47 units are senior units, and 30 are family units, with one manager's unit)</b>		16
<b># of Total Assisted Rental Units (Sycamore Court, Wesley Village, 12142 Tamerlane, 12211 Tamerlane)</b>		132
<b>Senior Housing Percentage</b>		12%

## XII. EXCESS SURPLUS TEST

Excess Surplus is defined in Section 34176.1(d) as an unencumbered amount in the account that exceeds the greater of (i) one million dollars (\$1,000,000) or (ii) the aggregate amount deposited into the account during the Housing Successor's preceding four Fiscal Years (\$4,736,687), whichever is greater. The following provides the Excess Surplus test for the preceding Fiscal Years of the Housing Successor:

	<b>FY 16/17</b>	<b>FY 17/18</b>	<b>FY 18/19</b>	<b>FY 19/20</b>	<b>FY 20/21</b>
<b>Beginning Balance</b>	<b>\$459,145</b>	<b>\$704,604</b>	<b>\$730,829</b>	<b>\$597,475</b>	<b>\$4,075,333</b>
Add: Deposits	\$500,105	\$402,072	\$210,647	\$3,623,863	\$3,563,722
<b>(Less) Expenditures</b>	<b>(\$254,646)</b>	<b>(\$375,847)</b>	<b>(\$344,001)</b>	<b>(\$146,005)</b>	<b>(\$228,064)</b>
<b>Ending Balance</b>	<b>\$704,604</b>	<b>\$730,829</b>	<b>\$597,475</b>	<b>\$4,075,333</b>	<b>\$7,410,990</b>

The LMIHAF has an Excess Surplus; however, it is noted during FY 19-20, the Housing Authority had negotiated and reached consensus for an 82-unit senior acquisition/rehabilitation project but the Developer withdrew and informed the Housing Authority that it believed the project would not receive a reservation of tax credits nor a bond allocation due to changes to the state regulations establishing lesser priority for acquisition/rehabilitation projects to be considered and approved by TCAC (as to tax credits) and CDLAC (as to multi-family housing bonds); that project would have included eight (8) extremely low, sixty (60) very low, and twelve (12) low income units for an extended 55-year affordability period. Further, during FY 20-21, the Housing Authority negotiated and reached tentative agreement for preservation of 144 very low income units and the reset and extension of the affordability period for 55 years; however, the owner/seller and developer/buyer



did not reach agreement on the sale of the properties. Nevertheless, during FY 21-22, the owner and the Housing Authority entered into an amendment to extend the affordability period for the 144 very low income units until December 31, 2028 for no payment by the Housing Authority. In addition, the Housing Authority's goals for FY 21-22 include seeking to encumber LMIHAF and/or other funding sources to provide financial assistance to several projects in the community. In September 2021, the Housing Authority entered into an agreement with American Family Housing, a nonprofit housing developer, to operate a 10-unit permanent supportive housing (PSH) project with eight extremely low, one very low, and one manager's unit covenanted for a 55-year affordability period; the Housing Authority awarded eight mainstream project-based vouchers for tenants that are age 18 to 62 and disabled. Further, as of preparation of this Report, the Housing Authority is negotiating with several experienced affordable housing developers about both new construction and acquisition/rehabilitation projects, such as a 56-unit new construction project with 20 units of permanent supportive housing, which will include a range of extremely low, very low and/or low income covenanted housing units.

### XIII. INVENTORY OF HOMEOWNERSHIP UNITS

This section provides an inventory of homeownership units assisted by the Former Agency or the Garden Grove Housing Authority, as Housing Successor, that are subject to covenants or restrictions or to an adopted program that protects the Former Agency's investment of moneys from the former Low and Moderate Income Housing Fund (LMIHF) per HSC Section 33334.3(f). This inventory includes:

#### A. Total units assisted by the Former Agency.

1. The total number of homeownership units assisted by the former Agency: **55 units**

Address	# of Units
13741 Clinton #76, Garden Grove, CA	1 Unit
10302 Malinda, Garden Grove, CA	1 Unit
12191 Stanford, Garden Grove, CA	1 Unit
12661 James, Garden Grove, CA	1 Unit
11761 Samuel, Garden Grove, CA	1 Unit
5742 Ludlow, Garden Grove, CA	1 Unit
13180 Ferndale, Garden Grove, CA	1 Unit
8861 Calico, Garden Grove, CA	1 Unit
8183 Larson #D, Garden Grove, CA	1 Unit
12631 Woodland, Garden Grove, CA	1 Unit
10119 Andy Reese, Garden Grove, CA	1 Unit
12582 Spinnaker, Garden Grove, CA	1 Unit
12372 Elmwood, Garden Grove, CA	1 Unit
9852 Orangewood, Garden Grove, CA	1 Unit
1360 River Drive, Norco, CA	1 Unit
9611 Blanche, Garden Grove, CA	1 Unit
13421 Mickey, Garden Grove, CA	1 Unit
6732 Laurelton, Garden Grove, CA	1 Unit

10592 McKeen, Garden Grove, CA	1 Unit
14402 Ward, Garden Grove, CA	1 Unit
11682 MacDuff, Garden Grove, CA	1 Unit
6652 Belgrave, Garden Grove, CA	1 Unit
6662 Park, Garden Grove, CA	1 Unit
5452 Richmond, Garden Grove, CA	1 Unit
13096 Blackbird, Garden Grove, CA	1 Unit
11531 Faye, Garden Grove, CA	1 Unit
13582 Hope, Garden Grove, CA	1 Unit
11450 Brookhurst, Garden Grove, CA	1 Unit
13651 Havenwood, Garden Grove, CA	1 Unit
11291 Garden, Garden Grove, CA	1 Unit
Note: The following homeownership units were identified in further review of Garden Grove files, but had not been located or identified during preparation of the HAT in July 2012 that was submitted to and approved by the DOF or listed in the initial report prepared under HSC Section 34176.1(f)(13) relating to homeownership units assisted by the Former Agency, but are listed in this Report as each is an ownership unit assisted by the Former Agency prior to dissolution. Several of these loans have been paid off or the covenants expired, so are also listed in the tables that follow.	
11861 Winton St., Garden Grove, CA	1 Unit
12741-12831 Arbor Ct. & 12752-12852 Arbor Ct., Garden Grove, CA	17 Units
13143 Michael Monsoor Ct., Garden Grove, CA	1 Unit
10852 Sonoma Ln., Garden Grove, CA	1 Unit
13100 Mendocino Ln., Garden Grove, CA	1 Unit
10803 Sonoma Ln., Garden Grove, CA	1 Unit
10811 Sonoma Ln., Garden Grove, CA	1 Unit
10853 Sonoma Ln., Garden Grove, CA	1 Unit
10831 Sonoma Ln., Garden Grove, CA	1 Unit
<b>Total</b>	<b>55 Units</b>

**B. Summary of Lost Units.**

1. The total number of homeownership units lost to the Housing Successor's portfolio between *February 1, 2012 up to June 30, 2021*, along with the reason or reasons for those losses: **30 units**

FY	Property Address	Units	Loss Date	Reason for Loss
11-12	11861 Winton St.	1	3/27/2012	Loan Repaid
13-14	9852 Orangewood Ave.	1	11/12/2013	Loan Repaid
14-15	12741-12831 & 12752-12852 Arbor Ct.	17	2014	Covenants Expired
14-15	10831 Sonoma Lane	1	5/8/2015	Loan Repaid
12-13	13741 Clinton #76	1	5/6/2013	Loan Repaid
17-18	10119 Andy Reese	1	9/18/2017	Loan Repaid
14-15	6732 Laurelton	1	3/17/2015	Loan Repaid
14-15	10592 McKeen	1	8/28/2014	Loan Repaid

15-16	6652 Belgrave	1	11/12/2015	Loan Repaid
13-14	11450 Brookhurst	1	3/31/2014	Loan Repaid
12-13	13651 Havenwood	1	6/18/2013	Loan Repaid
14-15	11291 Garden	1	8/11/2014	Loan Repaid
19-20	12661 James Avenue	1	8/27/2019	Loan Repaid
20-21	9611 Blanche, Garden Grove, CA	1	5/03/2021	Loan Repaid

2. Total losses during FY 2020-21 (7/1/20 to 6/30/21): **1 unit**

FY	Property Address	Units	Loss Date	Reason for Loss
20-21	9611 Blanche, Garden Grove, CA	1	5/03/2021	Loan Repaid

3. Funds returned to the Housing Successor as part of an adopted program that protects the Former Agency's investment of moneys from the LMIHF. This includes repayments of all Single Family Rehabilitation and First Time Homebuyer loans including principal, interest, and equity sharing payments from February 1, 2012 to June 30, 2021. There were cumulative repayments since dissolution of **\$127,155.13** and repayments during FY 20-21 of **\$18,400.00**.

C. State whether the Housing Successor has contracted with any outside entity for the management of the units and, if so, the identity of the entity.

1. The City's Neighborhood Improvement Division administered a majority of the Former Agency's Single Family Rehabilitation Program and First Time Homebuyer Program. The Neighborhood Improvement Division does have an existing agreement with Amerinational Community Services, Inc., a Minnesota corporation (dba AmeriNat), relating to certain, but not all, aspects of administration of the Former Agency's Single Family Rehabilitation loans and First Time Homebuyer loans that provided second lien mortgages for homeownership units. These consulting services include assistance with oversight and administration of amortized loan payments, if any, due; with tracking and calculation of loan balances in the event of payoff; and, other administrative activities for these outstanding Single Family Rehab and First Time Homebuyer loans. Additionally, the City has contracted with AIM Asset Property Management for property management services.

**XIV. ADDITIONAL INFORMATION ABOUT GARDEN GROVE HOUSING AUTHORITY'S ACTIVITIES FOR THE PRECEDING YEAR FY 20-21 PER HSC SECTION 34328**

The Housing Authority, as a housing authority, provides rental assistance to up to 2,337 tenant households per month through federal Section 8 housing choice portable vouchers. The lease-up rate by month for FY 2020-21 was as follows:

Month	# of Units Leased
Jul-20	2210
Aug-20	2206
Sep-20	2202
Oct-20	2201
Nov-20	2208

Dec-20	2205
Jan-21	2199
Feb-21	2194
Mar-21	2196
Apr-21	2196
May-21	2207
Jun-21	2222

During FY 2020-21, there were no terminations of Section 8 portable vouchers for victims of domestic violence.

As discussed in Section XII of this Report, the Housing Authority continues to negotiate toward more affordable housing in the community, both new construction and acquisition/rehabilitation projects. The PSH project described in Section XII above includes a loan sourced with HOME Program funds issued by the Housing Authority.

**EXHIBIT A**

**Original *Limon* Judgment**

*Limón, et al. v. Garden Grove Agency for Community Development*  
Case No. 30-2009-00291597

Stipulation to Substitute Party and for Entry of Interlocutory Judgment  
(attached)

## **Exhibit B**

### **2020-2021 Audit of LMIHAF**

(pending and to be inserted)

Note: At the time of preparation of this Report, the FY 2020-21 Comprehensive Annual Financial Report (CAFR) is still under final review by the City and its independent auditors. It is anticipated this document will be finalized in early 2022, at which time the City Council and Housing Authority jointly will receive and file the Report.