

Carson Housing Authority as
Housing Successor to the
Carson Redevelopment Agency

Annual Report
Required by SB 341
Fiscal Year 2013-14

August 21, 2015

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the Carson Housing Authority by:

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INTRODUCTION

This document represents the first annual report of the Housing Authority of the City of Carson, acting as housing successor to the former Carson Redevelopment Agency (“Housing Authority”), as required pursuant to SB 341, which was effective January 1, 2014. SB 341 amends Section 34176 and adds Section 34176.1 to the Health and Safety Code. This law clarifies the provisions of the Health and Safety Code that pertain to housing successors and outlines new expenditure and reporting requirements. This clarification was needed because the 2012 dissolution of all redevelopment agencies in the state, including the Redevelopment Agency of the City of Carson (“Former Agency”), raised a number of questions as to which part of the housing provisions of the Health and Safety Code were applicable to housing successors.

AB x1 26 – Redevelopment Dissolution Act

In December 2011, the California Supreme Court issued its opinion in the case of *California Redevelopment Association, et al., v. Matosantos, et al.* The Court upheld the right of the state to dissolve redevelopment agencies pursuant to Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code, enacted by AB x1 26, and as amended on June 27, 2012 by AB 1484 (the “Dissolution Act”). Based on modified time lines approved by the Court, all redevelopment agencies, including the Former Agency, were dissolved effective February 1, 2012. The City of Carson elected to form a Housing Authority to serve as the governing body for the Former Agency’s low and moderate income housing assets. Under the Dissolution Act, successor agencies are charged with winding down the affairs of the former redevelopment agencies and paying their obligations. Housing successors are different legal entities and have different duties under the Dissolution Act. Housing successors received the non-cash housing assets¹ of former redevelopment agencies and are charged with monitoring/maintaining existing low-and moderate income housing assets and meeting outstanding requirements for former redevelopment agencies.

Under the Dissolution Act, housing successors have no ongoing revenue source except for program income (revenue generated by non-cash housing assets) and 20 percent of any loan repayments made by successor agencies to cities as repayment of loans the cities made to the former redevelopment agencies. In the City of Carson, there were no loans from the Housing Fund made by the Former Agency or the City. Neither are there any loans from the City to the Agency.

SB 341

SB 341 was enacted in 2013 and imposed new housing requirements on entities acting as housing successors to former redevelopment agencies beginning January 1, 2014. It applies to unencumbered funds held by housing successors and provides that these funds must be used as was previously required for monies in the former redevelopment agencies low and moderate income housing fund, including meeting housing production and housing replacement requirements. In addition, SB 341 prohibits expenditures from the Housing Fund to assist moderate income households and provides specific new targets on the income levels housing successors must spend their funds to assist.

The requirements for former redevelopment agencies and housing successors under prior law and under SB 341 are summarized below.

Summary of Housing Requirements

Former redevelopment agencies and housing successors are subject to a number of restrictions and requirements regarding the use of unexpended funds in the Low and Moderate Income Housing Asset

¹ In addition to non-cash housing assets, the Authority/City was able to retain for housing purposes bond proceeds that were secured by the former Housing Set-Aside Requirement and any cash that was encumbered for specific housing obligations.

Fund and the production of housing units. A summary of the major requirements is included below.

1. **Housing Fund Requirements:** Entities that took over the housing duties from former redevelopment agencies are required to establish a separate Low and Moderate Income Housing Asset Fund ("Housing Fund) and deposit all housing assets transferred by the former redevelopment agency in 2012. All unencumbered funds held in the Housing Fund are required to be spent according to specific restrictions as to what type of housing can be assisted and how the assisted units must be maintained. Program income (revenue generated by the transferred assets), repayment of any monies borrowed from the Housing Fund prior to dissolution and 20 percent of any loan payments made to cities by successor agencies are required to be deposited into the Housing Fund.
2. **Affordable Housing Cost:** Housing assisted with Housing Fund monies must be "available at an affordable housing cost". In general, this means that the cost of housing for eligible low- and moderate-income households equals a set percentage of income. The cost of housing, as defined, includes not only the rental or mortgage payment, but also includes, as appropriate, insurance, property taxes, homeowner's dues, assessments and utilities.
3. **Duration of Affordability:** The CRL also requires the placement and recordation of affordability controls on any new or substantially rehabilitated housing assisted with Housing Fund monies. Currently, such controls must be placed on any assisted rental housing units such that they remain affordable for 55 years. For owner-occupied housing, controls must be placed on the assisted units for 45 years. These restrictions have changed over time. Prior to January 1, 2002, the required affordability controls were substantially less; most recently for 30 years.
4. **Restrictions on Holding Property:** Land held in the Housing Fund cannot be held for an excessive length of time without being developed with affordable housing. For land acquired by former redevelopment agencies, the property cannot be held beyond 5 years after the property transfer from the former redevelopment agency to the housing successor was approved by the Department of Finance. Property acquired by housing successors after dissolution are not subject to the same restrictions although the successor is required to include in its annual report the property it purchased and the length of time it has been held.
5. **Affordable Housing Production Requirement:** The Former Agency was required to meet certain specific requirements related to housing production (the "Affordable Housing Production Requirement" or "Production Requirement"). The Production Requirement specifies that certain percentages of housing units must be available at affordable housing cost to households with very low and low to moderate incomes. This requirement applies to all housing developed either: (a) by a redevelopment agency as developer anywhere in the community; and/or (b) by entities other than the redevelopment agency within the boundaries of the former Project Area. As the Former Agency never directly developed housing, these requirements applied to all housing developed by others in the Project Area through January 31, 2012. The housing production requirements are as follows:

<u>Type of Housing Produced</u>	<u>Low/Mod % Required</u>	<u>Very Low % Required</u>
Housing Developed by Others	15%	40% of the 15%

6. **Replacement Housing Requirement:** When residential units housing low and moderate income persons were destroyed or taken out of the low and moderate income market as part of a redevelopment project, the redevelopment agency was required to replace those units within a specified period of time in accordance with a plan adopted by the agency.
7. **Targeting Housing Fund Expenditures:** Previous regulations regarding the targeting of the expenditure of funds from the housing fund were eliminated by SB 341 and have been replaced by

new restrictions. Housing successors must expend any unencumbered funds from the Housing Fund for extremely low, very low and low income households, i.e., earning 80 percent or less of median income. Expenditures for moderate income households are no longer allowed. Eighty percent of the funds must be spent on those earning 60 percent (or less) of median income and at least 30 percent must be spent for those with incomes equal to 30 percent (or less) of median income.

In addition, the Former Agency's housing fund expenditures to assist senior housing must be limited to no more than 50 percent of the number of rental housing units assisted by the housing successor, the former redevelopment agency and the city in the preceding 10 years. If the amount so expended is in excess of 50 percent, then the housing successor cannot spend any money to assist senior housing until a sufficient number of non-senior housing units are built with assistance from the housing successor.²

8. **Excess Surplus:** SB 341 changes the definition of excess surplus and the penalties for noncompliance. The term applies to any monies in the Housing Fund that are greater than \$1 million or the total of the deposits into the Housing Fund in the previous 4 years. If a housing successor does not spend excess surplus funds within 3 years after they become excess surplus, the housing successor will have to transfer the funds to the state Department of Housing and Community Development for use in specified statewide housing programs.

SB 341 Reporting Requirements

In addition to clarifying certain housing requirements, SB 341 provides for new reporting requirements in place of previous reporting required by redevelopment agencies. Health and Safety Code Section 34176.1(f) sets out new reporting requirements, which requirements are outlined below.

1. **Housing Fund Deposits:** Amount deposited into the Low and Moderate Income Housing Asset Fund.³
2. **Housing Fund Balance:** Balance in the fund as of the close of the fiscal year.⁴
3. **Annual Expenditures:** A description of expenditures from the Housing Fund by category.
4. **Real Property:** The statutory value of real property owned by the Housing Authority, if any.
5. **Transit Housing:** A description of transferred funds, if any, made pursuant to a provision of SB 341 that allows two housing successors to develop transit housing under certain circumstances.
6. **ROPS Funding for Housing:** A description of any project(s) for which the housing successor receives or holds property tax revenue pursuant to the ROPS and a status update of that project.
7. **Duration of Land Held:** A status update of the Authority's compliance with new restrictions on the length of time land can be held by the Authority without being developed for housing.
8. **Housing Production and Housing Replacement:** A description of any progress that has been made on meeting any of the outstanding replacement housing obligations and/or housing production requirements.

² Senior housing in this context refers to housing that is restricted to senior households, not units open to the general public that might be occupied by a senior or non-senior household.

³ Amounts listed on the ROPS are to be differentiated from other amounts deposited.

⁴ Amounts listed on the ROPS are to be differentiated from other amounts deposited.

9. **Expenditure Targeting by Income Level:** The information required by 34176.1(a)(3)(B), which involves targeting expenditures of unencumbered funds from the Housing Fund mainly towards households with extremely low and low incomes.
10. **Expenditure Targeting by Age:** Compliance with limitations on number of assisted units that are restricted for seniors and assisted individually or jointly by the housing successor, its former redevelopment agency and/or the city within the previous 10 years.
11. **Excess Surplus:** Compliance with new regulations restricting the amount of money that a housing successor can accumulate in the Housing Fund.
12. **Homeownership Unit Inventory:** An inventory of deed restricted homeownership units assisted by the Authority or Former Agency, including the number, reason and dollars received by the Authority as a result of the loss of any of those units that has occurred annually. This first report is to include information for the loss of all units that has occurred since February 1, 2012.

The specific reporting for the Carson Housing Authority required by SB 341 is included below following some background on the Project Areas and the Former Agency's Housing program.

THE HOUSING FUND

BACKGROUND

The Former Agency had adopted four separate project areas over time, with the first project, Redevelopment Project No. 1 adopted in 1971 (Project No. 1). Redevelopment Project No 2 (Project No. 2) was adopted in 1974) and Redevelopment Project No. 3 (Project No. 3) was adopted in 1984. (Project Nos. 2 and 3 were merged into a single Project Area in 1996 (Merged Project). The Former Agency adopted its last Project Area, Redevelopment Project No. 4, in 2002. In 2011, the Former Agency merged all the Project Areas in a single project Area, referred to as Carson Consolidated Project Area (Consolidated Project). Territory has been added to Project No. 1 and the Merged Project over time. As a result, each of these Project Areas has a number of added areas or subareas. Project No. 4 contains the same boundaries as when originally adopted; no territory has been added. As all the Project Areas were merged into the Consolidated Project, the housing requirements, both before and after SB 341, are reported for the entire Consolidated Project; individual Project Areas have not been separately tracked.

As discussed above, the Carson Redevelopment Agency was dissolved as of February 1, 2012. This process ceased the Agency's receipt of 20 percent of tax increment revenues to fund housing projects. In addition, unencumbered cash in the possession of the Former Agency as of dissolution was required to be distributed to the base year taxing entities rather than be used for additional housing projects. The only source of annual funding available to the Housing Authority is income received from assets held: principal and interest payments on any funds the Agency/Authority has loaned, land sale proceeds, and interest income.

Despite these obstacles, the Former Agency and/or Housing Authority have assisted in the development of 263 affordable housing projects over the last 5 years, 63 of which were or will be completed in 2015. Prior to 2010, 298 affordable housing projects were developed with assistance by the former Agency. As shown below under "SB 341 Reporting", this active housing program has enabled the Authority to more than meet the housing related requirements of the Health and Safety Code. The specific projects assisted by the Agency/Authority are detailed in Table 4.2.

SB 341 REPORTING

This section of the report addresses items 1 through 12 of the reporting requirements outlined above and summarized in the attached tables. Table 1 shows the specific amounts reported and/or a referral to details in Tables 2 through 8. Next to each reporting item both below and in Table 1 is the Health and Safety Code reference requiring that the subject be included in the annual report.

Housing Fund Deposits: 34176.1 (f) (1)

The annual report is to include reporting on the amount deposited in the Housing Fund each year. Amounts deposited by the Authority into the Fund for the entire fiscal year 2013-14 equals \$4.8 million of which \$2.9 million was for ROPS related expenditures.

Housing Fund Balance: 34176.1 (f) (2)

SB 341 requires that the annual report include the fund balance in the Housing Fund as of the end of the year. The balance in the fund as of June 30, 2014 was \$25.9 million, of which \$19 million are bond proceeds issued in 2010 for Housing purposes.

Annual Expenditures: 34176.1 (f) (3)

The annual report is to include a description of expenditures from the Housing Fund by category. As required, a description of expenditures from the Housing Fund by category is included as item 3 on Table 1. The amount attributable to housing monitoring and administrative costs of \$1.1 million is within the 2.0 percent limit on the statutory value of the Authority's Assets of \$57.4 million, as required by Health and Safety Code 34176.1(a)(1). Fiscal year 2013-14 non-administrative expenditures for housing included \$4.6 in financial assistance for the Via 425 Project, Phase 2. This project, which was obligated before the enactment of SB 341, is a 40 unit multi-family mixed income (very low to moderate) project that is expected to be completed during calendar 2015. Because the commitment to the project preceded the passage of SB 341, the related expenditure is not subject to the targeting requirements of SB 341.

Real Property: 34176.1 (f) (4)

SB 341 requires that the Authority report on the statutory value of any real property that it received from the Former Agency.

The statutory value of real property owned by the Housing Authority, as included in Table 1, item 4, equals \$50.8 million in loans and grants receivable and \$6.6 million for the statutory value of land held by the Housing Authority. As required, the value for the properties held by the Housing Authority is as reported to the Department of Finance in August 2012 per Health and Safety Code 34176 (a) (2). These amounts were taken from the Authority's audited financial statement, included as part of the City's Consolidated Annual Financial Report. Tables 2 and 3 show the specific properties and loans included in the total reported in Table 1.

Transit Housing: 34176.1 (f) (5)

Housing Successors that are in compliance with housing regulations are permitted under SB 341 to develop transit housing and are to separately report such expenditures in the annual report. For 2013-14, the Housing Authority did not develop or assist in the development of any Transit Housing and thus has no expenditures to report.

ROPS Funding for Housing: 34176.1 (f) (6)

The annual report is to include a description of any project for which the Authority receives revenue through the ROPS process and the status of that project, which description is included directly below.

There are two housing related enforceable obligations that are funded through the ROPS process: Debt service on the 2010A and 2010 A-T Housing Bonds and an annual rental subsidy tied to Avalon Courtyard and the Carson Terraces affordable housing projects, completed in 1995 and 2000, respectively. Both of these obligations are ongoing with annual expenditure requirements in each year that are fairly consistent. The 2010 A-T Bonds will be fully repaid in October 2021, the 2010 A Bonds are outstanding until October 2036, and annual rental subsidies are due each year through 2030. The amounts expended for both of these items in 2013-14 are included as item 6 in Table 1.

Duration of Land Held: 34176.1 (f) (7)

SB 341 requires that the Agency report on its compliance with new requirements on the amount of time the Authority, as housing successor can hold property acquired for future development from monies in the Housing Fund per 33334.16, as modified by SB 341.

A listing of the properties the Authority holds is included in Table 2. Pursuant to SB 341, the Authority should not retain the properties beyond March 2, 2018, which date is 5 years after the Department of Finance approved the transfer of the properties to the Housing Authority. It should be noted that the Agency currently expects the properties included in Table 2 to be transferred to private parties for housing development in the next year or two. The Authority has not acquired any property since the Former Agency was dissolved on February 1, 2012. As such, the Agency is currently in compliance with these requirements.

Housing Production and Housing Replacement: 34176.1 (f) (8)

SB 341 requires the annual reporting by the housing successor to contain a description of any progress that has been made on meeting any of the outstanding replacement housing obligations and/or housing production requirements (pursuant to Health and Safety Code Section 33413) that were outstanding at the time transfer to the housing successor on February 1, 2012. As demonstrated in Tables 4 and 5, the Former Agency had fully met its housing production and replacement requirements when it was dissolved. A discussion of how those requirements were met is included directly below.

- **Housing Production:** Neither the former Agency nor the Housing authority have ever directly developed affordable housing. A total of 1,167 units were developed by private parties in the Consolidated Project Area from Plan inception through January 31, 2012. Fifteen percent of those units, or 177, are required to be affordable with 40 percent of the affordable units, or 71 being restricted to very low incomes. These requirements are detailed by year in Table 4.1. Table 4.2 shows that the affordable housing units developed by private parties with assistance by the Former Agency and/or the Authority over time that more than meet the percentage requirements imposed by Section 33413 of the Health and Safety Code.
- **Replacement Housing:** Section 33413 requires that any units removed by the Former Agency be replaced with a similar sized unit. A total of 47 units were removed from the housing market by the Former Agency. Most of these units (31 units) were associated with the 2010 and 2011 acquisition of the Dominguez Trailer Park which the Agency acquired to replace with affordable housing units in 2010 and 2011. These units were more than replaced by the Agency with the many affordable projects detailed in Table 4.2. Table 5 shows the removal and replacement by bedroom count as required by Section 33413.

As Housing production and replacement requirements ceased when the Former Agency was dissolved, the Authority will not need to calculate its compliance with this section in future annual reports. All amounts are reported as of February 1, 2012 and therefore the Authority will remain in compliance with this section in all future fiscal years.

Expenditure Targeting by Income Level: 34176.1 (f) (9)

As stated above, unencumbered funds in the Housing Fund must be spent primarily on extremely low and very low income households. In fact, 80 percent of unencumbered funds must be geared for those households earning 60 percent or less of the median income. This differs than previous requirements when expenditures for moderate income households were permitted. All of the Authority's non-administrative expenditures in 2013-14 were for projects which were committed before the enactment of SB 341 and therefore do not meet the definition of unencumbered funds and do not need to meet the new requirements for targeting expenditures to very low income.

Expenditure Targeting by Age: 34176.1 (f) (10)

Section 34176.1 (b) provides that previous age targeting requirements no longer apply but rather provides new restrictions. If the number of assisted units that are restricted for seniors and assisted individually or jointly by the housing successor, its former redevelopment agency and/or the city within the previous 10 years exceeds 50 percent of all units assisted, then the housing successor cannot assist any more senior housing until the number of units assisted for families equal at least 50 percent of total units.

For the Former Agency and the Authority, the number of assisted rental projects that were constructed within this timeframe that are restricted to seniors equals 45.2 percent, which is less than the 50 percent maximum. Table 6 shows the comparison of senior versus multi-family housing.

Excess Surplus: 34176.1 (f) (11)

SB 341 requires that the Authority report on the amount of any excess surplus and its plans for expenditure of those surplus funds, if applicable. As shown in Table 7, the Housing Authority does not have an excess surplus. For the purpose of calculating the excess surplus, the amount of bond proceeds held by the Housing Authority is first deducted as they should not be a part of the excess surplus calculation.

Homeownership Unit Inventory: 34176.1 (f) (12)

SB 341 requires that the Authority report on the number of for-sale housing units the Former Agency or the Authority has assisted that are subject to covenants and restrictions. The Authority had 83 restricted for-sale housing units that it had assisted through its former First Time Homebuyer Program. Since then, an additional 12 units were added through the new construction of Magnolia Walk and 10 of the First Time Homebuyer units were retired. As of June 30, 2014, there were 85 restricted for sale units in the City of Carson that contain deed restrictions and had received assistance from the Authority or Agency: the 12 units at Magnolia Walk and 73 First Time Homebuyer Program units. The Agency has received a total of \$594,235 in revenue because of the loss of the 10 First Time Homebuyer units that occurred between February 1, 2012 and June 30, 2014.

DISCLOSURE

This Report was prepared by DHA Consulting from historical records and other information provided by Former Agency staff. DHA Consulting did not independently verify or otherwise confirm the accuracy of the data provided.

**CARSON CONSOLIDATED PROJECT
ANNUAL HOUSING REPORTING
REQUIRED BY SB 341**

Select Tables
Housing Programs and Production

Table 1
Carson Housing Authority
Annual Report Required by SB 341 (1)
Fiscal Year 2013-14

Description	H & S Code	Timeframe	ROPS Related	Other	Total
Low and Moderate Income Asset Fund (2)					
1. Amount Deposited During:	34176.1 (f) (1)	2013-14	2,973,555	1,852,924	4,826,479
2. Cash Balance in the Fund as of Fiscal Year End	34176.1 (f) (2)	6/30/2014		25,928,500	25,928,500 (3)
Bond Proceeds				19,542,067	19,542,067
Other Funds				6,386,433	6,386,433
3. Expenditures by Category	34176.1 (f) (3)	2013-14			
Administration				1,103,228	1,103,228
Housing Preservation/Monitoring					Included above
Homeless/Rapid Rehousing					-
Via 425 Phase II (4)				4,626,652	4,626,652
Program #2					-
Program #3					-
Total Expenditures					5,729,880
Allowable Administrative Costs @ 2.0% of Assets	34176.1 (a) (1)	2013-14			1,148,688
Other Reporting Requirements					
4. Real Property Owned - Total	34176.1 (f) (4)	6/30/2014			57,434,400
Statutory Value of Real Property (Land)	(means value as included in 8/1/2012 report to DOF)			6,640,174	
Loans and Grants Receivable				50,794,226	
5. Transferred Funds to Develop Transit Housing	34176.1 (f) (5)	6/30/2014			None
6. Projects with Funding Included on the ROPS	34176.1 (f) (6)	2013-14			3,273,667
Housing Bond Debt Service (2010A and 2010A-T)			3,060,000		
Ongoing Rental Subsidies (Avalon Courtyard and Carson Terraces)			213,667		
7. Duration of Property Held	34176.1 (f) (7)	6/30/2014			See Table 2
8. Obligations Outstanding per 33413	34176.1 (f) (8)	6/30/2014			
Housing Production					See Tables 4.1 - 4.2 (5)
Housing Replacement					See Table 5 (5)
9. Expenditure Targeting Requirements (6)	34176.1 (f) (9)	from 1/1/2014			N/A (7)
10. Rental Housing Units Restricted for Seniors	34176.1 (f) (10)	6/30/2014			See Table 6
11. Excess Surplus Calculation/Reporting	34176.1 (f) (11)	6/30/2014			See Table 7
12. Homeownership Unit Inventory	34176.1 (f) (12)	6/30/2014			See Table 8

- (1) See Attachment A for a more complete description of each entry included on this table.
(2) Referred to as Housing Authority in the Comprehensive Annual Financial Report (CAFR).
(3) Excluded from the fund balance shown above are loans receivables and land held for resale.
(4) Via 425 Phase II is a low and moderate income restricted development, which obligation was executed prior to the enactment of SB 341 and is therefore not subject to the SB 341 targeting requirements. Details of the development are shown in Table
(5) See attached Tables 2 through 4 for details on the status of the Agency's Housing Production and Replacement requirements.
(6) Pertains to requirements to target expenditures towards households earning 80% or less of the median income, as outlined in Health and Safety Code 34176.1(a)(3).
(7) Via Carson Phase 2 is a deed restricted affordable housing project that was committed in February 2013, before the enactment of SB 341. As the Agency has spent no unencumbered money on programs since the effective date of SB 341, the requirement to target expenditures towards certain households or types of expenditures, as outlined in Health and Safety Code 34176.1(1)(3) are not currently applicable.

Table 2
Carson Housing Authority
Land Held for Resale
June 30, 2014

Address	Square Footage	Original Acquisition Date (1)	Effective Acquisition Date (2)	Required Disposition Date (3)	Future Disposition Plans	Carrying Asset Value	Status	Hsg Asset Transfer # Ex A
21521 Avalon Blvd.	50,965	10/16/2008	3/2/2013	3/2/2018	In Escrow May 2015	\$ 4,905,940	Vacant	2
21009 S. Prospect Ave.	10,454	9/12/2005	3/2/2013	3/2/2018	Sold in 2015	529,024	Vacant	12
2673 E. Tyler St.	5,227	3/4/2008	3/2/2013	3/2/2018	Sold in 2015	398,905	Vacant	13
2677 E. Tyler St.	4,791	10/15/2008	3/2/2013	3/2/2018	Sold in 2015	462,628	Vacant	14
2671 E. Tyler St.	3,684	3/18/2011	3/2/2013	3/2/2018	Sold in 2015	343,677	Vacant	15
Totals	75,121	N/A				\$ 6,640,174		

- (1) Source: Exhibit A of the Housing Asset Transfer form approved by the Department of Finance on March 2, 2013.
- (2) The date that the Department of Finance approved these properties as properly being transferred to the Housing Authority as the housing successor to the former Redevelopment Agency. SB 341 eliminates the 5 year deadline under prior Law and replaces it with the requirement that properties must be transferred, unless certain findings are made, no less than 5 years from the date the properties were approved for transfer.
- (3) SB 341 requires that properties held for low and moderate income housing purposes be sold within 5 years of Department of Finance approval of the transfer, which was March 2, 2013. The Law provides that Agency may make certain findings to avoid violation of this requirement if the property for some reason needs to be held longer than 5 years.

Table 3
Carson Housing Authority
Loans Receivable

Name	Fund	JL#	Balance at June 30, 2014
Thomas L Safran/Senior Housing	55	0130901	\$ 13,900,000.00
Carson/Terrace	55	0088200	2,296,988.00
Carson Housing	55	0082600	3,361,587.00
Grace Housing	55	0082600	4,123,756.00
East Carson Housing Partners	55	0093805	7,865,891.16
East Carson Housing Partners (phase II)	55	0104700	4,787,626.00
Avalon Courtyard	55	3037401	2,681,000.00
Qualified Buyers - Olson Urban Hsng LLC	55	0130600	420,000.00
Affirmed Housing Group, Inc	55	0192601	4,060,184.84
First Time Homebuyer Loans	55		7,297,192.97
Total Loans Receivable			\$ 50,794,225.97

Table 4.1
 Carson Housing Authority
 Historical and Housing Production Requirements
 Privately Developed Housing (1)

Project Area	Dwelling Units Constructed in Project Area	Total Low/Moderate Required @ 15%	Required Units by Income Very Low Required @ 40%	Low or Moderate
Former Redevelopment Project Area				
Plan Inception to 1999-00 (2)	761	115	46	68
2001-02 to 2003-04 (2)	163	25	10	15
2004-05 to 2008-09 (2)	147	22	9	14
2009-10 to 1/31/2012 (3)	96	15	6	9
2/1/2012 to 6/30/2014	N/A (4)	0	0	0
Future Fiscal Years	N/A (4)	0	0	0
			-	-
TOTAL	1,167	177	71	106

- (1) Neither the Successor Agency nor the Housing Successor directly constructed any low or moderate income housing units so all units shown in this table are privately constructed and subject to the 15% housing production requirement.
- (2) Source: Carson Redevelopment Agency's Amended Implementation Plan (2010 - 2014).
- (3) Includes Carson City Center Phase 1 affordable housing units completed in early 2012 and 10 units built without Agency assistance.
- (4) Subsequent to the dissolution of redevelopment agencies, the construction of housing units in the former Project Area no longer triggers requirements for the Authority to construct low and moderate income housing.

Table 4.2
Carson Housing Authority
Affordable Housing Production

#	Name	Address	(1)	Type	Execution Date	Yr. Built	Year of Expiration	----- Total Restricted Units Built -----				-----Countable Units ----- (2)			
								VLI	Low	Mod	Total	VLI	Low	Mod	Total
Housing Assisted by the Former Agency/Authority (3)															
10	Avalon Courtyard	22127 Avalon Boulevard	O	SNR	7/9/1992	1995	2050	46	45	0	91	23	22	0	45
5	Villagio I and II	21610 Grace Street	I	MFA	6/1/1997	2000	2040	15	36	96	147	15	36	96	147
9	Carson Terrace Apts.	632 E. 219Th Street	O	SNR	6/1/1999	2000	2055	30	0	30	60	15	0	15	30
8	Carson City Center	706 E. Carson Street	I	SNR	3/8/2008	2010	2065	9	51	25	85	9	51	25	85
1	Via 425 - Phase I	425 E. Carson Street	I	MFA	6/15/2010	2012	2067	7	39	18	64	7	39	18	64
4	Magnolia Walk	2353 E. Carson Street	I	SFR	6/7/2011	2013	2058	0	0	12	12	0	0	12	12
3	Arbor Green	21227 Figueroa Street	I	MFA	3/1/2011	2014	2069	4	18	17	39	4	18	17	39
2	Via 425 - Phase II	401 E. Carson Street	I	MFA	2/19/2013	2015	2070	4	15	21	40	4	15	21	40
7	VEO	616 E. Carson Street	I	MFR	2/16/2011	2015 (Est.)	2060 (Est.)	0	0	23	23	0	0	23	23
Total Through June 30, 2015 (3)											561	77	181	227	485
Amount Needed (Table 4.1)												71		106	162
Housing Production Surplus/(Deficit) (4)												6	181	121	323

- (1) Indicates whether the corresponding housing project was located in ("I") or outside ("O") of the boundaries of the former Project Areas.
- (2) Affordable housing developed outside of the boundaries of the Project Area, counted on a 2 for 1 basis for the Former Agency's Housing Production Requirement per 33413.
- (3) Source: Housing Authority staff.
- (4) As the City will not continue to accrue additional housing production responsibilities after the date redevelopment dissolved, the Authorities compliance with this requirement, as demonstrated by the surplus shown, is not subject to change in future years.

Table 5
Carson Housing Authority
Historical Low/Mod Housing Removal and Replacement
Through January 31, 2012

Address	Removal Date	Very-Low Income Units				Low Income Units				Moderate Income Units				Total Units by Income			
		0/1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	0/1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	0/1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	VL	L	M	Total
Units Removed by former Agency (1) (2)																	
223rd & Lucerne	1996				1		1	1						1	2	0	3
21009 Prospect	2006						2							0	2	1	3
SEC Carson & Avalon	2007	1					1			1	1			1	1	3	5
2673 Tyler Street	2008			1										1	0	0	1
2677 Tyler Street	2009							1						0	1	0	1
21802 S. Avalon	2009							1						0	1	0	1
21806 S. Avalon	2009							1						0	1	0	1
21810 S. Avalon	2009					1								0	1	0	1
Dominguez Trailer Park	2010 & 2011	11	14	4		2							-	29	2	0	31
Other Demolitions	2011	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0
Other Demolitions	2012 (1)	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0
Total Units Removed	N/A	12	14	5	1	3	6	2	0	1	1	1	1	32	11	4	47
Total Bdrms Removed	N/A	12	28	15	4	3	12	6	0	1	2	3	4	59	21	10	90
Units Replaced (2)																	
Villagio/Carson	1999	2	4	6	1	8	11	30	2					13	51	0	64
Villagio/Grace	1999	2	6	9	2	10	22	28	4					19	64	0	83
Via 425 (Phase I)	2012	2	3	2	0	0	7	20	12	0	0	2	10			12	12
Adjustment (3)						(1)	(1)	(1)	(1)	1	1	1	1	0	(4)	4	0
Adjustment (4)		8	4	(10)	(2)											0	0
Total Units Replaced	N/A	14	17	7	1	17	39	77	17	1	1	3	11	39	150	16	205
Total Bdrms Replaced	N/A	14	34	21	4	17	78	231	68	1	2	9	44	73	394	56	523
Unit Surplus / (Deficit)	N/A	2	3	2	0	14	33	75	17	0	0	2	10	7	139	12	158
Bedroom Surplus / (Deficit)	N/A	2	6	6	0	14	66	225	68	0	0	6	40	14	373	46	433

(1) Assumes that units acquired/demolished before redevelopment dissolution on January 31, 2012 are the only units applicable to the replacement housing requirements outlined in Section 33413 of the Health and Safety Code.

(2) Information shown for fiscal years 1996 through 2009 has been taken from the former Agency's Amended Implementation Plan (2010 - 2014)

(3) Adjustment made to offset deficit in moderate income replacement. It is allowable under applicable statutes to replace moderate income units with very low or low income units.

(4) Adjustment made to offset deficit in one and two bedroom replacement. It is allowable under applicable statutes to replace one and two bedroom units with larger sized units,

Table 6
Carson Housing Authority
Senior Housing Targeting Requirements
Projects Built in the Last 10 Years (2004 - 2014)

#	Name	Address	Type	Execution Date	Yr. Built	Year of Expiration	Affordable Units Built	----- Total Units Built in Ten Year Period -----				
								VLI	Low	Mod	Total	
10-Year Period for Test Required by 34176.1(b): 2004 to 2014 Only												
Housing Production/City/Other												
None			None		None							
Housing Production / Authority and Former RDA (1)												
No Age Restrictions (2)												
	Arbor Green	21227 Figueroa Street	I	MFA	3/1/2011	2014	2069	39	4	18	17	39
	Via 425 - Phase I	425 E. Carson Street	I	MFA	6/15/2010	2012	2067	64	7	39	18	64
Total Families / Non-Age Restricted								103	103			
Senior Projects												
	Carson City Center	706 E. Carson Street	I	SNR	3/8/2008	2010	2065	85	9	51	25	85
Total Senior Units								85	85			
Total Assisted Rental Units 2004 to 2014 Only								188	188			
Percentage Restricted for Seniors (2004 to 2014 Only)												
Maximum Percentage Allowable:								<u><u>45.2%</u></u>				
Other Housing Produced/Authority and Former RDA (1)												
	Magnolia Walk (2)	2353 E. Carson Street	I	SFR	6/7/2011	2013	2058	12	Reason not Included in Calcs Above: Must be Multi-Family Rental Hsg Project constructed before 2004 Project constructed after 2014 Project constructed after 2014 Project constructed before 2004 Project constructed before 2004			
	Villagio I and II (3)	21610 Grace Street	I	MFA	6/1/1997	2000	2040	147				
	Via 425 - Phase II (4)	401 E. Carson Street	I	MFA	2/19/2013	2015	2070	40				
	VEO (4)	616 E. Carson Street	I	MFR	2/16/2011	2015	2060 (Est.)	23				
	Avalon Courtyard (3)	22127 Avalon Boulevard	O	SNR	7/9/1992	1995	2050	91				
	Carson Terrace Apts. (3)	632 E. 219Tth Street	O	SNR	6/1/1999	2000	2055	60				

- (1) Source: Housing Authority staff.
- (2) The targeting requirement only applies to multi-family rental housing not for-sale units.
- (3) These units were constructed prior to 2004 and therefore cannot be counted in the 10 year comparison.
- (4) These units will be counted in the annual report for 2014-15.

Table 7
Carson Housing Authority
Excess Surplus Calculation
Fiscal Year 2013-14

Description	Amount	Entity	Source
Fund Balance as of 6/30/2014	25,928,500		
Less: Bond Proceeds	(19,542,067)		
Less: Other Encumbered Funds	<u>-</u>		
Adjusted Fund Balance	6,386,433		
Amounts Deposited into the Account in Prior Years			
2009-10	6,061,838	former RDA	RDA Audit
2010-11	6,914,515	former RDA	RDA Audit
2011-12 (1)	-	Housing Authority	CAFR
2012-13	<u>3,304,979</u>	Housing Authority	CAFR
	16,281,332		
Difference	(9,894,899)		

(1) Included as - 0 - because revenue information was not readily available. Fiscal year 2011-12 was the year in which funds transferred from the former Redevelopment Agency to the Housing Authority. As a result, the amount of applicable revenue received is not really detailed in the financial statements of either entity. There were, however, deposits which were made.

Table 8
 Carson Housing Authority
 Homeownership Unit Inventory
 February 1, 2012 through June 30, 2014

Name	Address	Execution Date	Deed (1) Restrictions	No. of Affordable Units	No. of Units Sold Since 2/1/2012	Revenue Received by the Authority	Reason for Sale	Management of Units
Magnolia Walk	2353 E. Carson Street	6/7/2011	45 Years	12	None	N/A	N/A	Authority Staf
1st Time Homebuyers	Various Locations (1)	1996 to 2012	30 Years or 45 Years (3)	83 @ 2/1/2012	10	\$ 594,235	Short Sales; Breach of Regulatory Agmt; Property Transfers	RSG, Inc.

- (1) The units are restricted as to resale unless the funds loaned by the Former Agency/Successor Agency are repaid in full.
- (2) Names and addresses for these private parties are on record with the Carson Housing Authority.
- (3) Properties sold to homeowners in the earlier years of the First Time Homebuyers Program are restricted for the 30 year period required by former law.