

CARSON ENHANCED INFRASTRUCTURE FINANCING DISTRICT

FISCAL YEAR 2024-2025 ANNUAL REPORT

Prepared For:

The City of Carson and the County of Los Angeles



Prepared By:



MAY 2025

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1.0 Introduction

1.1 Background and Purpose

The City of Carson, in partnership with the County of Los Angeles, established the Public Financing Authority (“PFA”) for the Enhanced Infrastructure Financing District (“EIFD”) at its March 16, 2021 meeting. The purpose of the PFA is to establish and implement the EIFD. The Infrastructure Finance Plan (IFP) received final approval by the PFA on August 1, 2022. The EIFD encompasses approximately 1,735 acres of land, representing approximately 14% of the City’s total 12,141 acres. The purpose of the district is to support needed public infrastructure, low and moderate income and workforce housing, rehabilitation, and environmental mitigation and remediation of brownfields of properties as described by the Adopted Infrastructure Financing Plan (IFP).

This Annual Report is prepared pursuant to Government Code Section 53398.66 and presents the following information:

- a) A description of the projects undertaken in the fiscal year, including any rehabilitation of structures, and a comparison of the progress expected to be made on those projects compared to the actual progress.
- b) A chart comparing the actual revenue and expenses, including administrative costs, of the public financing authority to the budgeted revenue and expenses.
- c) The amount of tax increment revenue received.
- d) An assessment of the status regarding completion of the enhanced infrastructure financing district’s projects.
- e) The amount of revenue expended to assist private businesses.

2.0 Description of Projects in FY 2024-25

There were no projects undertaken in FY 2024-25, which is consistent with the progress expected to be made at this point.

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3.0 Revenue and Expenses

Projected and actual revenues and expenditures since EIFD formation are shown in Table 1 below. It should be noted that the Carson EIFD was formed in Fiscal Year 2022-2023, and thus the first year of revenue was Fiscal Year 2023-2024. This represents a one-year lag when compared to the original IFP revenue projections.

Table 1: Projected and Actual Revenues and Expenditures – **Total EIFD**

| | PROJECTED Revenues | PROJECTED Expenditures (incl. Admin) | PROJECTED Net Revenue | ACTUAL Revenues* | ACTUAL Expenditures (incl. Admin) | ACTUAL Net Revenue* |
|-------------------|-----------------------|--|--------------------------|---------------------|---|------------------------|
| FY 2022-23 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| FY 2023-24 | \$519,278.88 | (\$25,000.00) | \$494,278.88 | \$271,063.92 | (\$108,425.57) | \$162,638.35 |
| FY 2024-25 | \$1,176,391.00 | (\$25,000.00) | \$1,151,391.00 | \$380,612.69 | (\$85,385.76) | \$295,226.93 |

*Please note that actual revenues are dated as of May 20, 2025, which is the date of the most recent property tax distribution from the Los Angeles County Auditor-Controller at the time this report was prepared. The Auditor-Controller's office is expected to continue property tax distributions for Fiscal Year 2024-25 through August 2025, and so reported revenues are expected to increase until then. Final Fiscal Year 2024-25 revenues will be updated and reported with the Fiscal 2025-26 Annual Report.

Current EIFD law requires adoption of the Annual Report by June 30 of each calendar year, which is inconsistent with the typical property tax distribution and reporting timeline for most counties, including the County of Los Angeles. There is currently proposed legislation (Assembly Bill 417) that would correct this inconsistency and update the deadline for the Annual Report to within seven months of the close of each fiscal year.

In accordance with the IFP, the allocation of EIFD revenues for FY 2024-25 are broken down as follows:

- \$76,122.54 – 20% Affordable Housing Set-Aside for Affordable Housing Development in Carson
 - This amount was set aside and not spent in FY 2024-25
- \$152,245.08 – After the allocation to the Affordable Housing Set-Aside Fund, the remaining 50% of EIFD revenues is allocated to Victoria Golf Course Approved Remediation and Infrastructure Projects Fund.
 - This amount was set aside and not spent in FY 2023-24.
- \$152,245.08 – The remaining EIFD revenues are allocated to all other EIFD projects and activities.
 - \$85,385.76 of this amount is being expended pursuant to the Reimbursement Agreement with the City of Carson to reimburse costs of forming the Carson EIFD

(direct expenses only). Previous Fiscal Year reporting over-estimated revenues available (at \$193,811.33) to reimburse the City, as a result of calculation methodology still being finalized between City Finance staff and County Auditor-Controller staff.

- The remaining \$66,859.31 is being set aside and not spend in FY 2024-25.

These breakdowns are detailed further in Tables 2-4.

Table 2: Projected and Actual Revenues and Expenditures – 20% Affordable Housing Fund

| | PROJECTED Revenues | PROJECTED Expenditures (incl. Admin) | PROJECTED Net Revenue | ACTUAL Revenues | ACTUAL Expenditures (incl. Admin) | ACTUAL Net Revenue |
|-------------------|-----------------------|--|--------------------------|--------------------|---|-----------------------|
| FY 2022-23 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| FY 2023-24 | \$103,855.78 | \$0.00 | \$103,855.78 | \$54,212.78 | \$0.00 | \$54,212.78 |
| FY 2024-25 | \$235,278.20 | \$0.00 | \$235,278.20 | \$76,122.54 | \$0.00 | \$76,122.54 |

Table 3: Projected and Actual Revenues and Expenditures – Victoria Golf Course Approved Remediation and Infrastructure Projects

| | PROJECTED Revenues | PROJECTED Expenditures (incl. Admin) | PROJECTED Net Revenue | ACTUAL Revenues | ACTUAL Expenditures (incl. Admin) | ACTUAL Net Revenue |
|-------------------|-----------------------|--|--------------------------|--------------------|---|-----------------------|
| FY 2022-23 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| FY 2023-24 | \$207,711.55 | \$0.00 | \$207,711.55 | \$108,425.57 | \$0.00 | \$108,425.57 |
| FY 2024-25 | \$470,556.40 | \$0.00 | \$470,556.40 | \$152,245.08 | \$0.00 | \$152,245.08 |

Table 4: Projected and Actual Revenues and Expenditures – Remaining EIFD Projects and Activities

| | PROJECTED Revenues | PROJECTED Expenditures (incl. Admin) | PROJECTED Net Revenue | ACTUAL Revenues | ACTUAL Expenditures (incl. Admin) | ACTUAL Net Revenue |
|-------------------|-----------------------|--|--------------------------|--------------------|---|-----------------------|
| FY 2022-23 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| FY 2023-24 | \$207,711.55 | (\$25,000.00) | \$182,711.55 | \$108,425.57 | (\$108,425.57) | \$0.00 |
| FY 2024-25 | \$470,556.40 | (\$25,000.00) | \$445,556.40 | \$152,245.08 | (\$85,385.76) | \$66,859.31 |

4.0 Tax Increment Revenue

Annual and cumulative EIFD tax increment revenues are outlined in Table 2 below.

*Table 5: Annual and Cumulative Tax Increment Revenue Received – **Total EIFD***

| Year | Annual EIFD Revenues | Cumulative EIFD Revenues |
|-------------------|-------------------------|-----------------------------|
| FY 2022-23 | \$0.00 | \$0.00 |
| FY 2023-24 | \$271,063.92 | \$271,063.92 |
| FY 2024-25 | \$380,612.69 | \$651,676.61 |

Details for the cumulative revenues of the various EIFD sub-funds are provided in Tables 6-8.

*Table 6: Annual and Cumulative Tax Increment Revenue Received – **20% Affordable Housing Fund***

| Year | Annual EIFD Revenues | Cumulative EIFD Revenues |
|-------------------|-------------------------|-----------------------------|
| FY 2022-23 | \$0.00 | \$0.00 |
| FY 2023-24 | \$54,212.78 | \$54,212.78 |
| FY 2024-25 | \$76,122.54 | \$130,335.32 |

*Table 7: Annual and Cumulative Tax Increment Revenue Received – **Victoria Golf Course Approved Remediation and Infrastructure Projects***

| Year | Annual EIFD Revenues | Cumulative EIFD Revenues |
|-------------------|-------------------------|-----------------------------|
| FY 2022-23 | \$0.00 | \$0.00 |
| FY 2023-24 | \$108,425.57 | \$108,425.57 |
| FY 2024-25 | \$152,245.08 | \$260,670.64 |

*Table 8: Annual and Cumulative Tax Increment Revenue Received – **Remaining EIFD Projects and Activities***

| Year | Annual EIFD Revenues | Cumulative EIFD Revenues |
|-------------------|-------------------------|-----------------------------|
| FY 2022-23 | \$0.00 | \$0.00 |
| FY 2023-24 | \$108,425.57 | \$108,425.57 |
| FY 2024-25 | \$152,245.08 | \$260,670.64 |

Please note that actual revenues are dated as of May 20, 2025, which is the date of the most recent property tax distribution from the Los Angeles County Auditor-Controller at the time this report was prepared. The Auditor-Controller's office is expected to continue property tax distributions for Fiscal Year 2024-25 through August 2025, and so reported revenues are expected to increase until then. Final Fiscal Year 2024-25 revenues will be updated and reported with the Fiscal 2025-26 Annual Report.

5.0 EIFD Project Status

No EIFD projects have been funded, which is consistent with expectations at this time. However, the EIFD is now entering the phase where initial projects should be prioritized for funding. The current level of property tax increment revenue may soon be able to support a tax increment bond financing, subject to the tax increment revenue calculations being finalized by the County-Auditor Controller later this year. City staff and Kosmont are currently in discussions regarding priority projects that would be eligible for EIFD funding in this next fiscal year.

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6.0 Revenue Expended for Private Business

As of the date of this Annual Report, no revenue have been expended to assist private businesses. This is consistent with expectations at this time.

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