

Carson Housing Authority as
Housing Successor to the
Carson Redevelopment Agency

Annual Report
Fiscal Year 2018-19

June 8, 2020

Prepared for:
the Carson Housing Authority by:

DHA Consulting
Long Beach, CA

Annual Report

Carson Housing Authority

Introduction

This document represents the annual report of the Housing Authority of the City of Carson, acting as housing successor to the former Carson Redevelopment Agency (“Housing Authority”) for the 2018-19 fiscal year, 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. Changes to the reporting requirements in Section 34176.1 were included in SB 107, which was enacted in September 2015 and became effective immediately. This annual report includes the reporting requirements added by SB 107.

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 successor entities 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 and 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 loan repayments, if any, made by successor agencies to cities as repayment of loans the cities made to the former redevelopment agencies under the special repayment provisions of the Health and Safety Code (Section 34191.4). 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 Former Agency that are subject to the provisions of Section 34191.4.

Definition of Income Levels

Housing successors are required to spend their funds to assist low income households obtain decent, safe and sanitary housing. These requirements define various types of low income households. The definitions categorize households with like incomes into groups and label them according to how their income compares to the median income of households in the region. These categorizations are as follows:

¹ In addition to non-cash housing assets, the Authority/City was able to retain any cash that was encumbered for specific housing obligations.

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Extremely Low Income	incomes at or below 30% of area median income, adjusted for family size
Very Low Income	incomes between 31% and 50% of area median income, adjusted for family size
Low Income	incomes between 51% and 80% of area median income, adjusted for family size
Moderate Income	incomes between 81% and 120% of area median income, adjusted for family size

Housing Authority Activities

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, with the exception of housing bond proceeds, 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 for housing 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 a number of affordable housing projects resulting in the realization of hundreds of completed affordable housing units, many of which were implemented after redevelopment dissolution. The specific projects assisted by the Agency/Authority are detailed in Table 2. The Authority's most recent projects are summarized below:

- **Carson Arts Colony:** Carson Arts is an affordable apartment community for working artists and their families, offering art-creation space and amenities, a peer-to-peer learning environment, and a purpose-built gallery and performance space with a curated exhibition and event schedule. The 46-unit apartment project has set aside 23 units, including one-, two-, and three- bedrooms, for households earning 60% or less of the area median income. Buildings two and three of the three building complex are completed. The Authority's financial assistance was provided to enable the owner to offer units to serve Extremely Low- and Low-income households. Building one has received its temporary certificate of occupancy and is expected to be completed in 2020.
- **Veteran's Village:** Veteran's village features a four-story building with 51 unit apartments including one-, two- and three-bedroom floor plans reserved for veterans earning up to 60 percent of the area median income. The Authority's financial assistance to the project was limited to households earning 30 to 50 percent of the median income. The project also includes 2,500 square feet of ground-floor retail, a community room, and a 73-car garage. A certificate of occupancy was issued in the fall of 2019.

Reporting for SB 341 / SB 107

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. Specifically, SB 341 amended Section 34176 and added Section 34176.1 to the Health and Safety Code. It applies to unencumbered funds held by housing successors and provides that these funds must be used as was previously required for monies in former redevelopment agencies' low and moderate income housing funds. In addition, SB 341 restricts expenditures from housing funds to assist moderate income households and provides new targets on which income levels housing successors must spend their funds to assist. The

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statutes were amended in 2015 by SB 107, which provided for some changes to the law, including allowing more money for administrative costs (5 percent of assets), and added more reporting requirements.

The current Section 34176.1 reporting requirements include 13 separate items on which the Authority must report. Many of the requirements involve simply reporting a number or numbers included in the Authority's latest audited financial statements, which are included in the City's Consolidated Annual Financial Report (CAFR). This report is based on the CAFR for the 2018-19 fiscal year and includes specific reporting for the Housing Authority. For the convenience of the reader, responses to all 13 items are included in Table 1. Those items which require additional calculations to document are included in Tables 3 through 7. A brief description of each of the 13 reporting requirements as they apply in Carson is also included below.

City Loan Repayments: 34176.1 (f) (1)

SB 107 added an additional requirement to the reporting requirements outlined by SB 341. The annual report is to include any housing revenue housing successors received from successor agencies. Specifically, an amount equal to 20 percent of certain loan repayments between cities and successor agencies that are subject to Health and Safety Code Section 34191.4 is to be reported. This requirement is not applicable for Carson as there is no outstanding loan between the City and the Former Agency.

Housing Fund Deposits: 34176.1 (f) (2)

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 2018-19 equal \$1.2 million. None of the 2018-19 revenues received by the Authority were for ROPS related expenditures.

Housing Fund Balance: 34176.1 (f) (3)

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, 2019 was approximately \$5.0 million, of which \$3.7 million are bond proceeds issued in 2010 for affordable housing purposes. The value associated with the Authority's outstanding housing loans and land assets are not included in this balance as they do not represent cash available to the Authority.

Annual Expenditures: 34176.1 (f) (4)

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 items 4 and 7 on Table 1. The amount attributable to housing monitoring and administrative costs is well below the current limit as required by Health and Safety Code 34176.1(a)(1). Fiscal year 2018-19 non-administrative expenditures from the Housing Fund were focused on expenditures related to additional expenditures for the Affirmed Housing project.

Real Property: 34176.1 (f) (5)

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 is included as item 5 in Table 1, which amounts equal the total of loans and grants receivable and the statutory value of land held by the Housing Authority. All land held by the Former Redevelopment Agency for housing purposes has been previously sold by the Authority. The property currently owned by the Housing Authority, all of which was purchased during 2018-19, is shown in Table 3. Table 4 shows the specific loans included under Loans and Grants Receivable in Table 1.

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Transit Housing: 34176.1 (f) (6)

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 2018-19, 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) (7)

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 is currently only one obligation of the Housing Authority that is funded through the ROPS process. That obligation is an annual rental subsidy tied to the Avalon Courtyard and the Carson Terraces affordable housing projects, completed in 1995 and 2000, respectively. This obligation is ongoing with annual expenditure requirements in each year that are fairly consistent. In 2013-14, there were two housing related enforceable obligations that were funded through the ROPS process, but starting in 2014-15, one of those obligations (housing bond debt service) is being accounted for as an obligation of the Former Agency and not the Housing Authority leaving only the rental subsidy obligation.

For 2018-19, the rental subsidy transferred by the Successor Agency to the Authority included the amount due for 2018-19 and the amount which had not yet been transferred for 2017-18. This prior year payment was made by the Successor Agency at the direction of the Department of Finance after the close of the 2018-19 fiscal year. The Authority paid the subsidies in the appropriate fiscal year, as required, despite the lack of funding from the Successor Agency. As a result, the subsidy transferred was essentially a reimbursement to the Housing Authority of previously expended funds.

Duration of Land Held: 34176.1 (f) (8)

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 held as of June 30, 2019 is included in Table 3. Pursuant to SB 341, properties that were transferred to the Authority by the Former Agency should not be held by the Authority beyond March 2, 2018, which date is 5 years after the date the Department of Finance approved the transfer. All of the Authority's properties that had been purchased before redevelopment dissolution were sold by December, 2016. As such, the Authority is in compliance with these requirements. Status updates on properties the Authority has purchased since redevelopment dissolution and has not yet sold are included in Table 3.

Housing Production and Housing Replacement: 34176.1 (f) (9)

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 of transfer to the housing successor on February 1, 2012. The housing projects assisted by the Former Agency more than met both of these obligations. Specifics on compliance with these obligations were included in the Annual Report prepared for the 2013-14 fiscal year (dated August 21, 2015) and have been included at the end of this report as Appendix A. As Housing production and replacement requirements ceased when the Former Agency was dissolved, the Authority does not need to demonstrate its compliance with these requirements on an annual basis.

Expenditure Targeting by Income Level: 34176.1 (f) (10)

Unencumbered funds in the Housing Fund that are not spent on allowable administrative costs must be spent primarily on Extremely Low- and Very Low-Income households.² In fact, 80 percent of unencumbered funds must be geared for those households earning 60 percent or less of the median income. In addition, at least 30 percent of the expenditures must be for Extremely Low-Income households and no more than 20 percent can be spent for households with incomes between 51 and 60 percent of median. This differs from previous requirements when expenditures for Moderate-Income households were permitted and expenditures were not specifically required for Extremely Low-Income households. Fiscal year 2018-19 is the first year that the Authority must demonstrate compliance with these requirements. It should be noted that fiscal year 2014-15 is the first year that the Authority's expenditures were subject to the new requirements as expenditures in 2013-14 and prior years were related to housing projects which were obligated prior to the enactment of the new legislation and therefore were exempt.

Most affordable housing projects contain a mix of income levels, which is also true for the Authority's projects. The Authority's projects do not specify the amount of assistance the Housing Authority provided applicable to each income level. As a result, the Authority's financial assistance to each income level had to be computed. Allocating dollars spent to assist these projects by income level is a difficult and somewhat artificial exercise. Nevertheless, the Authority has done so in order to comply with this section of the Health and Safety Code.

The majority of the housing projects that the Authority has assisted since 2014 are multi-income projects serving Extremely Low- to Low-Income households. In order to allocate revenues spent by the Authority on these projects by income level, the total financial assistance provided to the projects has been assigned to income levels based on the number of units realized by income level and the relative difference in the rents paid. In other words, the percentage of units assisted by the Authority in each category was computed and then was weighted to take into account the fact that the level of subsidy required for Extremely Low-Income households is much higher than Low-Income households.

Table 5 shows the expenditures the Authority has made since 2014 allocated by income level using the approach described above. In order to demonstrate compliance with this section, the Low Income category on Table 5 has been split into households earning 51 to 60 percent and households earning 61 to 80 percent of median income. As shown in Table 5, 88 percent of the Authority's expenditures were spent assisting households with income up to 60 percent of median income, exceeding the requirement that at least 80 percent of revenues be spent assisting these categories of households. An estimated 31 percent of the financial assistance was spent assisting Extremely Low Income households while only an estimated 7 percent of revenues was spent assisting households with 61 to 80 percent of median income. In addition, 5 percent of non-administrative expenditures were for projects for which income levels are either not applicable or not yet known. See Table 2 for a complete listing of the units the Authority or Former Agency have assisted over time.

Expenditure Targeting by Age: 34176.1 (f) (11)

Section 34176.1 (b) provides that previous age targeting requirements no longer apply but rather requires adherence to 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.

With the 2018 completion of Affirmed Housing, a 64 unit senior project, the number of assisted rental projects that were constructed within the 10 year timeframe that are restricted to seniors equals 51 percent. When the two housing projects currently under construction (Veteran's Village and the Carson

² As of September 2015, the statutes allow the expenditure of up to 5 percent of the value of the Authority's assets to be spent on administering and monitoring housing projects.

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Arts Colony) are completed, the percentage of age restricted units will decrease to well below the 50 percent maximum. Table 6 shows the comparison of senior versus multi-family housing.

Excess Surplus: 34176.1 (f) (12)

SB 341 changes the definition of excess surplus and the penalties for noncompliance. The term “excess surplus” 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 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) (13)

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 annual reporting is to include the number, reason and dollars received by the Authority as a result of the loss of any units that has occurred over the year. This information is included in Table 8. Prior to redevelopment dissolution, the only homeownership units assisted by the Former Agency or the Authority were units assisted by the First Time Homebuyers Program. Since that time, two additional homeownership projects have been completed: Magnolia Walk and the VEO Project. Details on these two projects are included in Table 2.

Disclosure

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

Table 1
Carson Housing Authority
Annual Report Required by SB 341
Fiscal Year 2018-19

Description	H & S Code	Timeframe	ROPS Related	Other	Total
Low and Moderate Income Asset Fund (1)					
1 Amount Received per Special City Loan (34191.4)	34176.1 (f) (1)				<u>Not Applicable</u> (2)
2 Amount Deposited During:	34176.1 (f) (2)	2018-19	444,521	817,187	1,261,708
3 Cash Balance in the Fund as of Fiscal Year End	34176.1 (f) (3)	6/30/2019	-	5,037,972	5,037,972
Bond Proceeds				3,763,788	3,763,788 (3)
Other Funds				1,274,184	1,274,184
4 Expenditures by Category	34176.1 (f) (4)	2018-19		4696356	341,616
Administration				253,501	253,501
Housing Preservation/Monitoring					Included above
Homeless/Rapid Rehousing				-	-
Affirmed Housing				270,000	270,000
Veteran's Village					- (4)
Carson Arts Colony			-		- (4)
Future Projects/Land Acquisition					-
Total Expenditures			-	523,501	523,501 (5)
Allowable Administrative Costs @ 5.0% of Assets	34176.1 (a) (1)	2018-19			3,136,870
Other Reporting Requirements					
5 Real Property Owned - Total	34176.1 (f) (5)	6/30/2019			62,737,404
Statutory Value of Real Property (Land)				571,938	See Table 3
Loans and Grants Receivable				62,165,466	See Table 4
6 Transferred Funds to Develop Transit Housing	34176.1 (f) (6)	6/30/2019			None
7 Projects with Funding Included on the ROPS	34176.1 (f) (7)	2018-19			222,838
Housing Bond Debt Service (2010A and 2010A-T)					-
Ongoing Rental Subsidies (Avalon Courtyard and Carson Terraces)			222,838		
8 Duration of Property Held	34176.1 (f) (8)	6/30/2019			See Table 3
9 Obligations Outstanding per 33413	34176.1 (f) (9)	6/30/2019			
Housing Production					None (6)
Housing Replacement					None (6)
10 Expenditure Targeting Requirements	34176.1 (f) (10)	from 1/1/2014			See Table 5 (7)
11 Rental Housing Units Restricted for Seniors	34176.1 (f) (11)	6/30/2019			See Table 6
12 Excess Surplus Calculation/Reporting	34176.1 (f) (12)	6/30/2019			See Table 7
13 Homeownership Unit Inventory	34176.1 (f) (13)	6/30/2019			See Table 8

(1) Referred to as the Carson Housing Authority Special Revenue Fund in the Comprehensive Annual Financial Report (CAFR).

(2) This provision is not applicable as the City has no loans outstanding to the Agency.

(3) All amounts held by the Fiscal Agent are assumed to be bond proceeds for the purpose of this report.

(4) Amounts shown as project expenditures are based on cash outlays. These amounts can vary from amounts included in the CAFR because generally accepted accounting procedures.

(5) Amounts shown exclude expenditures which are shown separately under items 6. and/or item 7.

(6) The Former Agency has no outstanding housing production or housing replacement requirements. See Appendix A.

(7) 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). Compliance with this section is outlined in Table 5 and discussed in the preceding narrative.

Date Prepared: May, 2020

Prepared by: DHA Consulting, LLC

Table 2
Carson Housing Authority
Low and Moderate Income Housing Projects

#	Name	Address	(1)	Type	Execution	Yr. Built	Year of	Affordable	----- Total Income Restricted Units -----					Unrestricted
					Date				Expiration	Units Built	ELI	VLI	Low	
COMPLETED PROJECTS														
Former Redevelopment Agency														
1	Via 425 - Phase I	425 E. Carson Street	I	MFA	6/15/2010	2012	2067	64	0	7	39	18	64	1
2	Via 425 - Phase II	401 E. Carson Street	I	MFA	2/19/2013	2015	2070	40	0	4	15	21	40	0
3	Arbor Green	21227 Figueroa Street	I	MFA	3/1/2011	2014	2069	39	0	4	18	17	39	1
4	Magnolia Walk	2353 E. Carson Street	I	SFR	6/7/2011	2013	2058	12	0	0	0	12	12	0
5	Villagio I and II (3)	21610 Grace Street	I	MFA	6/1/1997	2000	2040	147	0	15	36	96	147	129
7	VEO (3)	616 E. Carson Street	I	CONDOS	2/16/2011	2015	2059	23	0	0	0	23	23	120
8	Carson City Center	706 E. Carson Street	I	SNR	3/8/2008	2010	2065	85	0	9	51	25	85	1
9	Carson Terrace Apts.	632 E. 219Th Street	O	SNR	6/1/1999	2000	2055	60	0	30	0	30	60	1
10	Avalon Courtyard	22127 Avalon Boulevard	O	SNR	7/9/1992	1995	2050	91	0	46	45	0	91	1
Housing Authority														
11	Affirmed Housing	401 Sepulveda Blvd.	N/A	SNR	6/16/2015	2018	2073	64	7	37	20		64	1
Total Completed Projects								625	7	152	224	242	625	255
PENDING PROJECTS														
12	Veteran's Village (4)	600 W. Carson Street	N/A	MFA	1/24/2017	In progress	55 Years (5)	25	5	20			25	26
13	Carson Arts Colony (4)	21205 Main Street	N/A	MFA	2/21/2017	In progress	55 Years (5)	23	9	5	9		23	23
Total In Process Projects								48	14	25	9	0	48	49

(1) I = Inside the boundaries of the former Project Area when built.

O = Outside the boundaries of the former Project Area when built.

(2) Includes units set-aside for on-site managers unless otherwise noted.

(3) Amounts shown as Unrestricted include market rate units, and for Villagio Project, units set-aside for on-site managers.

(4) Amounts shown as unrestricted include other units restricted by entities other than the Housing Authority to households earning 60% of median income and units set-aside for on-site managers.

(5) Commencement of the rental restriction period begins after units are completed.

Source: Housing Authority staff.

Table 3
Carson Housing Authority
Land Held for Resale ⁽¹⁾
June 30, 2019

Address	Acquisition Date (1)	Required Disposition Date (2)	Future Disposition Plans	Carrying Asset Value	Status
21723 - 21725 Figueroa Street	3/28/2017	N/A (4)	N/A	-	Sold for 25 Unit Low Income Housing (5)
600 to 610 W. Carson Street	3/29/2017	N/A (4)	N/A	-	Sold for 25 Unit Low Income Housing (5)
21704 S. Figueroa Street (3)	6/26/2018	N/A (4)	Affordable Housing	412,781	
526 W. Carson Street (3)	6/26/2018	N/A (4)	Affordable Housing	159,157	
Totals	N/A			\$ 571,938	

(1) Date the property was acquired by the Housing Authority.

(2) SB 341 requires that properties held by former redevelopment agencies 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. All properties held by the Housing Authority on March 2, 2013 have been sold.

(3) These properties were originally acquired by the Former Redevelopment Agency for non-housing purposes in 2001, but were transferred to the Successor Agency in 2011 and then sold to the Housing Authority in 2018.

(4) Properties purchased after dissolution are not subject to the 5 year restriction on ownership, although the Authority is required to report on property it holds and indicate the length of time it has been held.

(5) These properties were sold for affordable housing, Veteran's Village, during the 2017-18 fiscal year.

Table 4
Carson Housing Authority
Loans Receivable
June 30, 2019

Name	Fund	JL#	Balance at June 30, 2019
Thomas L Safran/Senior Housing	55	0130901	\$13,900,000
Carson/Terrace	55	0088200	\$2,296,988
Carson Housing (Villagio II)	55	0082600	\$3,361,587
Grace Housing	55	0082600	\$4,123,756
East Carson Housing Partners	55	0093805	\$7,865,891
East Carson Housing Partners (phase II)	55	0104700	\$4,872,327
Avalon Courtyard	55	3037401	\$2,681,000
Qualified Buyers - Olson Urban Hsng LLC	55	0130600	\$420,000
Affirmed Housing Group, Inc	55	0192601	\$4,200,000
AHGI Supulveda Senior Housing	55	0150600	\$2,563,500
21205 Carson Arts LP	55	0154200	\$4,200,000
Carson Figueroa Affordable Housing LP	55		\$628,000
Carson Figueroa Affordable Housing LP	55		\$5,500,000
First Time Homebuyer Loans	55	N/A	\$5,552,417
Total Loans Receivable (1)			\$62,165,466
Less: Auditor's Allowance for Uncollectible Accounts			(\$56,613,049)
Loans, Net of Allowance			\$5,552,417

(1) This is the amount being reported as total loans receivable for SB 341 reporting purposes.

Table 5
Carson Housing Authority
Compliance with Targeting Requirements ⁽¹⁾
2013-14 through 2018-19

Description of Expenditures	Total Dollars by Project	----- \$\$ Spent by Income Level ----- (2)						Other (3) Project Expenditures
		ELI Up to 30% of Median	VLI 30% to 50% of Median	Low 51% to 60% of Median	Low Up to 80% of Median	Moderate Up to 120% of Median		
Affirmed Housing	8,612,501	1,644,373	5,208,500	-	1,759,628	-		-
Veteran's Village Project	8,456,731	2,489,468	5,967,263	-	-	-		-
Carson Arts Colony	7,000,000	3,822,955	1,272,727	1,904,318	-	-		-
Neighborhood Pride Program	698,777	-	-	-	-	-		698,777
Acquisition of 526 W Carson & 21704 Figueroa	571,938	-	-	-	-	-		571,938
Total Project Related Expenditures	25,339,947	\$ 7,956,795	\$ 12,448,490	\$ 1,904,318	\$ 1,759,628	\$ -		\$ 1,270,715
Percentage of Total Project Expenditures		31%	49%	8%	7%	0%		5%
Percentage of Expenditures 0% to 60% Median				88%				

ELI Extremely Low Income

VLI Very Low Income

(1) This table shows non-administrative expenditures only and excludes monies spent in 2013-14 for a project approved before 2014 and annually for a pre-existing obligation to provide annual rental assistance to Avalon Courtyard and Carson Terrace, projects completed in 1995 and 2000. Expenditures shown are cash expenditures have not been reduced to reflect land sale proceeds or other income the Authority received, or may receive, from the projects assisted or the costs of property transfers where the site acquisition occurred prior to 2014.

(2) Expenditures are based on the number of units assisted at each income level, weighted for the relative difference in the amount of rent for which the tenant, at the maximum income level, will be responsible.

(3) Includes expenditures that were not directed to any specific income levels or, in the case of land acquisition, the income levels of households to be assisted will be determined when the property is transferred for housing purposes.

Table 6
Carson Housing Authority
Senior Housing Targeting Requirements
Projects Built in the Last 10 Years (2009 - 2019)

Name	Address	(1)	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): 2009 to 2019 Only											
Housing Production/City/Other											
None			None					None			
Housing Production / Authority and Former RDA (2)											
<u>No Age Restrictions (3)</u>											
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
Via 425 - Phase II	401 E. Carson Street	I	MFA	2/19/2013	2015	2070	40	4	15	21	40
Total Families / Non-Age Restricted							143	143			
<u>Senior Projects</u>											
Carson City Center	706 E. Carson Street	I	SNR	3/8/2008	2010	2065	85	9	51	25	85
Affirmed Housing	401 Sepulveda Blvd.	N/A	SNR	6/16/2015	2018	2073	64	44	20		64
Total Senior Units							149	149			
Total Assisted Rental Units 2009 to 2019 Only							292	292			
Percentage Restricted for Seniors (2009 to 2019 Only)								51.0%			
Percentage Allowable:								50.0%			
<u>Other Housing Produced/Authority and Former RDA (2)</u>								Reason not Included in Calcs Above:			
Magnolia Walk (3)	2353 E. Carson Street	I	SFR	6/7/2011	2013	2058	12	Must be Multi-Family Rental Hsg Must be Multi-Family Rental Hsg Project constructed before 2009 Project constructed before 2009 Project constructed before 2009			
VEO (3)	616 E. Carson Street	I	CONDO	2/16/2011	2015	2060 (Est)	23				
Villagio I and II (4)	21610 Grace Street	I	MFA	6/1/1997	2000	2040	147				
Avalon Courtyard (4)	22127 Avalon Boulevard	O	SNR	7/9/1992	1995	2050	91				
Carson Terrace Apts. (4)	632 E. 219Th Street	O	SNR	6/1/1999	2000	2055	60				

(1) The designations in this column are as follows:

I - Inside the boundaries of the former Project Area

O - Outside the boundaries of the former Project Area

(2) Source: Housing Authority staff. Projects that are pending or currently under construction are not included.

(3) The targeting requirement only applies to multi-family rental housing not for-sale units. Magnolia Walk is single family homes and the VEO is a condominium project.

(4) These units were constructed prior to 2009 and therefore should not be counted in the 10 year comparison.

Table 7
Carson Housing Authority
Excess Surplus Calculation
Fiscal Year 2018-19

Description	6/30/2019
Fund Balance as of 6/30/2019	4,696,356
Add: Due from Others (1)	-
Less: Bond Proceeds	(3,763,788)
Less: Other Encumbered Funds	(316,565)
Adjusted Fund Balance for Excess Surplus	616,003
Amounts Deposited into the Account in Prior Years	
2014-15	952,425
2015-16	1,800,795
2016-17	2,516,898
2017-18	1,241,381
2018-19	N/A
Four Year Total	6,511,499
Difference	(5,895,496)
Computed Excess Surplus (2)	None

- (1) For the purpose of calculating excess surplus, monies due from others within the fiscal year, but paid after the close of the fiscal year are not included.
- (2) There is no excess surplus because the Authority's fund balance does not exceed the sum of the deposits in the four prior years.

Table 8
Carson Housing Authority
Homeownership Unit Inventory
July 1, 2018 through June 30, 2019

Name	Address	Execution Date	Deed (1) Restrictions	No. of Affordable Units at 6/30/19	No. of Units Sold During 2018-19	Revenue Received by the Authority (2)	Reason for Sale	Management of Units
Magnolia Walk	2353 E. Carson Street	6/7/2011	45 Years	12	None (3)	N/A	N/A	Authority Staff
VEO Condominiums	616 E. Carson Street	2/16/2011	45 Years	23	None (3)	N/A	N/A	Authority Staff
1st Time Homebuyers	Various Locations (4)	1996 to 2012	30 Years or 45 Years (5)	52	7	491,465 (6)	Properties were refinanced and/or sold.	RSG, Inc.
Total Homeownership Units				87				

- (1) The units are restricted as to resale unless the funds loaned by the Former Agency/Successor Agency are repaid in full.
(2) Includes principal and interest the Authority received in the fiscal year for the units that sold. The interest amounts would likely have been received even if the units had not been refinanced.
(3) There were reportedly some sales in these developments in 2018-19, but they were sold to qualifying buyers and therefore were not lost from the affordable housing market.
(4) Names and addresses for these private parties are on record with the Carson Housing Authority.
(5) 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.
(6) Amount received has been estimated because actual receipt information was not readily available.

Appendix A

Annual Housing Report Housing Replacement and Production

Appendix A-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
20004-05 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 A-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	2016	2061	0	0	23	23	0	0	23	23
Total Through June 30, 2016 (3) (4)								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. Projects shown above exclude any housing units constructed after June 30, 2016 as compliance has already been achieved.

(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.

SNR: Age Restricted Rental Units for Seniors.

MFA: Multi-family Apartments

SFR: Single Family Residential

Appendix B

Annual Housing Report Housing Targeting Calculations

Appendix B-1
Carson Housing Authority
Compliance with Targeting Requirements ⁽¹⁾
Required by 2019

#	Name	----- Total Authority Restricted Units Built -----						----- Units Weighted for Relative Expense -----						----- % Assistance Adjusted for Relative Expense -----					
		30%	31 - 50%	51 - 59%	60 - 80%	120%	Total	30%	31 - 50%	51 - 59%	60 - 80%	120%	Total	30%	31 - 50%	51 - 59%	60 - 80%	120%	Total
		1																	
	Factor to Weight for Relative Expense (2)							2.67	1.60	1.33	1.00	-							
	<u>Housing Assisted by the Housing Authority Since January 1, 2014</u>																		
	Affirmed Housing	7	37		20	0	64	19	59	-	20	-	98	19%	60%		20%		100%
	Neighborhood Pride Program						0	-	-	-	-	-	-						
	Veteran's Village Project	5	20				25	13	32	-	-	-	45	29%	71%				100%
	Carson Arts Colony	9	5	9			23	24	8	12	-	-	44	55%	18%	27%			100%
							0												
							0												
							0												
							0												
							0												
	Total Since January 1, 2014 (3)	21	62	9	20	0	112	56.07	99.20	11.97	20.00	-	187.24	30%	53%	6%	11%	0%	100%

(1) This worksheet shows the calculation of the relative assistance the Authority has provided since 2014 for varying income levels for each project assisted. Where projects include varying income levels, the Authority's assistance is allocated to each income level according to the number of units constructed for each income level and the estimated relative level of assistance needed based on rental rates.

(2) The relative level of assistance needed has been estimated by applying a weighting factor to the number of units built. The factor is based on the relative difference in allowable rental rates paid for by tenants for units occupied by Extremely Low and Very Low Income households relative to rental rates for Low Income units. The lower the rental amount, the higher the per unit subsidy that is typically required. See below for specifics:

Percentage of Median Income	30%	50%	60%	80%	100%
Income Category	ELI	VLI	Low	Low	Median
Rent Paid by Tenant for 1 BR Units	633	1,056	1,267	1,690	2,112
Difference from Low	1,057	634	423	-	N/A
Factor with Base at 80%	2.67	1.60	1.33	1.00	N/A

Appendix B-2
Carson Housing Authority
Compliance with Targeting Requirements ⁽¹⁾
Through 2018-19

Fiscal Year	Total Dollars on Projects	Description of Expenditures	----- \$\$ Spent by Income Level ----- (2)					Other (3) Other Project Expenditures	Total
			ELI Up to 30% of Median	VLI 31% to 50% of Median	Low 51% to 60% of Median	Low 61% to 80% of Median	Moderate 81% to 120% of Median		
2013-14 (4)	\$ -	Not Applicable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2014-15	3,140,754	Affirmed Housing Acquisition Costs	599,660	1,899,404	-	641,690	-		3,140,754
2015-16	698,777	Neighborhood Pride Program				-		698,777	698,777
2016-17	3,876,603	Affirmed Housing	740,154	2,344,416	-	792,032	-		3,876,603
2016-17	2,314,131	21723 - 21725 Figueroa St Acq. for Vet's Village	681,227	1,632,904	-	-	-		2,314,131
2016-17	628,600	600 - 610 Carson St Acq. for Vet's Village	185,045	443,555	-	-	-		628,600
2016-17	4,200,000	Carson Arts Colony	2,293,773	763,636	1,142,591	-	-		4,200,000
2017-18	1,325,144	Affirmed Housing	253,008	801,395	-	270,741	-		1,325,144
2017-18	2,800,000	Carson Arts Colony	1,529,182	509,091	761,727	-	-		2,800,000
2017-18	5,514,000	Veteran's Village	1,623,195	3,890,805	-	-	-		5,514,000
2017-18	571,938	Acquisition of 526 W Carson & 21704 Figueroa						571,938	571,938
2018-19	270,000	Affirmed Housing	51,551	163,285	-	55,164	-		270,000
Total Project Related Expenditures (5)			\$ 7,956,795	\$ 12,448,490	\$ 1,904,318	\$ 1,759,628	\$ -	\$ 1,270,715	\$ 25,339,947
Percentage of Total Project Expenditures			31%	49%	8%	7%	0%	5%	100%
Percentage of Expenditures to 60% Median					88%				

ELI Extremely Low Income

VLI Very Low Income

(1) This table shows non-administrative expenditures only and excludes monies spent annually for a pre-existing obligation to provide rental assistance to Avalon Courtyard and Carson Terrace, projects completed in 1995 and 2000. Expenditures shown are cash expenditures and have not been reduced to reflect land sale proceeds or other income the Authority received, or may receive, from the projects assisted or the costs of property transfers where the site acquisition occurred prior to 2014.

(2) Expenditures are allocated for each income level based on the number of units constructed for each income level and the relative expense for providing units for each income level. See Worksheet 5.1.

(3) Includes expenditures that were not directed to any specific income levels or, in the case of land acquisition, the income levels of households to be assisted will be determined when the property is transferred for housing purposes.

(4) Project expenditures for 2013-14 are not included because they were for a project that was approved before 2014 (Via 425) and was therefore not subject to the revised targeting requirements.

(5) Costs have not been reduced by revenues, such as land sale proceeds, the Authority may have received or may receive in the future from the housing projects.