
ANNUAL REPORT
Lake Forest Housing Authority

Fiscal Year 2017-18



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INTRODUCTION

By October 1 of each year, California Health and Safety Code (“HSC”) Section 34328 requires housing authorities to file an annual report of its activities for the preceding fiscal year (“Annual Report”). The Annual Report must be filed with the clerk of the respective city or county and with the Department of Housing and Community Development (“HCD”). This Annual Report details the Lake Forest Housing Authority’s (“Authority”) activities for the Fiscal Year (“FY”) 2017-18.

LEGAL AUTHORITY

Housing authorities are distinct, autonomous, legal entities that derive their powers from State statute. It is the intent of the State legislature that housing authorities function as local entities with the primary responsibility of providing housing for very low and low income households. California Housing Authorities Law (HSC Section 34200, et. seq.) provides for and details the requirements for local jurisdictions to create and operate a housing authority. To establish a housing authority, a local jurisdiction must adopt a resolution that includes findings that either of the following is true: (1) unsanitary or unsafe housing exists in the city or (2) there is a shortage of safe or sanitary housing available to persons of low income.

BENEFITS OF HOUSING AUTHORITIES:

- Housing Authorities can own and operate housing developments, alleviating the need to find owners or operators for units created.
- State law provides Housing Authorities the ability to acquire or lease land or improved property.
- A city housing authority’s area of operation includes the entire city and the area within 5 miles of its territorial boundaries.
- Local jurisdictions are afforded the opportunity to participate in one or more of the Public Housing Programs offered by the United States Department of Housing and Urban Development (“HUD”).

AUTHORITY BACKGROUND

On February 1, 2011, the City Council of the City of Lake Forest (“City Council”) adopted Resolution No. 2011-05 establishing the Lake Forest Housing Authority. The majority of the Authority’s assets were transferred from the former Lake Forest Redevelopment Agency (“Agency”) when it dissolved on February 1, 2012 pursuant to the Dissolution Act (enacted by Assembly Bill x1 26 as amended, Parts 1.8 and 1.85 of the HSC). The City Council elected to designate the Authority as the Housing Successor to the Agency.

The Successor Agency to the Lake Forest Redevelopment Agency (“Successor Agency”) effectuated the transfer of several assets held by the former Agency to the Authority. The asset transfers are documented on a Housing Asset List that was approved by the California Department of Finance (“DOF”) on September 5, 2012. A copy of the Housing Asset List is provided as Appendix 1.

Assets transferred from the Agency to the Authority are subject to both California Community Redevelopment Law (“CRL”) codified in HSC Section 33000 *et. seq.* and Housing Authorities Law (“HAL”), codified in HSC Section 34200 *et. seq.* The CRL and HAL have different requirements relating to housing production, expenditure limitations, and adjustments for family size, affordability restriction durations, and other regulatory requirements. Additionally, the State legislature adopted Senate Bill (“SB”) 341 on October 13, 2013 to clarify the functions and requirements of successor housing entities. Assembly Bill (“AB”) 1793 (adopted on September 27, 2014), SB107 (adopted on September 22, 2015), and AB 346 (adopted on June 28, 2017) added and amended requirements related to SB 341.

Successor housing entities are required to prepare an annual report documenting compliance with SB 341 and related legislation. Authority staff is in the process of auditing its financials and other information, and will prepare this report under a separate cover by December 31, 2018. More information on its contents is contained in Appendix 2.

OBJECTIVES OF THE HOUSING AUTHORITY

The Authority undertakes certain functions that can only be exercised by a legally created housing authority. For example, the Authority may own and operate housing developments, which alleviate the need to find prospective owners or operators of affordable housing units. In addition, the Authority may acquire land and buildings for affordable housing. For many housing authorities, one of their primary roles is to interact with the Department of Housing and Urban Development (“HUD”) on behalf of their communities, and to function as the administrator of Housing Choice Voucher Program funds. However, the Authority does not intend to administer Housing Choice Voucher Program funding and will continue to refer interested parties to the Orange County Housing Authority.

The Authority’s future goals and objectives are to:

- Advance the goals and objectives of the City’s Housing Element and the former Agency.
- Increase, improve, and preserve existing housing stock available to low and very low income residents;
- Rehabilitate multi-family properties that exhibit unsafe or unhealthy characteristics;
- Preserve the affordability of housing for low and very low income residents;
- Reduce overcrowding conditions in multi-family units; and
- Continue to refer persons interested in the Housing Choice Voucher Program (formerly Section 8) to the Orange County Housing Authority pursuant to a cooperation agreement with the Lake Forest Housing Authority.

CONTENTS OF THE AUTHORITY'S ANNUAL REPORT

This Annual Report includes the following information:

- A complete report of activities during FY 2017-18, including any bond issuances, and loans or finance agreements that the Authority has entered into;
- Compliance with requirements of HSC Section 34312.3 such as the minimum amount of housing units affordable to lower income households in projects assisted by the Authority with bonds and document established base rents and/or maximum rental payments for lower income households; and
- Information on any tenancy or Housing Choice Voucher terminations of domestic violence victims as required by HSC Section 34328.1.

HOUSING AUTHORITY DEBT OBLIGATIONS

Pursuant to HSC Section 34312.3, the Authority must provide a complete report of its activities during the prior fiscal year, including bonds, loans, and financing agreements for multi-family rental housing projects. The Authority has not issued any bonds or entered into any loans or financing agreements related to multi-family rental housing projects in FY 2017-18.

The Authority oversees loan receivables from outstanding Housing Rehabilitation Loans that were issued by the Agency prior to its dissolution. These are further described in the “Loan Agreements” section of this report.

Any new financing for the acquisition, construction, rehabilitation, or development of multi-family housing through the issuance of bonds, construction loans, mortgage loans, and/or financing agreements will be documented in future Annual Reports.

LAND TRANSACTIONS AND DEVELOPMENT

HSC Section 34312.3 requires the Annual Report to include a discussion of all prior year activities of the Authority related to the development or transaction of land for the purposes of increasing the supply of affordable housing for lower income households. The Authority's real estate property interests include:

- 1) Two condominiums on Madrid Street ("Madrid Condos"),
- 2) A 1.67-acre vacant parcel purchased from the Orange County Transportation Authority ("Authority Parcel"), and
- 3) A tax defaulted vacant parcel purchased from the County of Orange ("Mamie Thomas Parcel")

A description of FY 2017-18 activities related to these properties is below.

MADRID CONDOS – 22702, 22706 MADRID DRIVE

In 2009, the Agency acquired two condominium units purchased from its Low and Moderate Income Housing Fund ("Housing Fund"). The Agency subsequently entered into an Affordable Housing Agreement ("Housing Agreement") with Families Forward, a nonprofit organization, to implement a transitional housing program. Families Forward rents the units to families in transition and offers a range of program services to help families find permanent housing. The Agency transferred title of the property to the Authority and the Authority is responsible for overseeing a 20-year lease of the two units with Families Forward consistent with the Housing Agreement, which expires in February 2030. In this reporting period, Families Forward operated the units in full compliance with the lease and successfully provided housing to families threatened with homelessness.

AUTHORITY PARCEL – EL TORO ROAD, NORTH OF RAILROAD TRACKS (APN 614-024-01)

The Agency used Housing Funds to purchase a 1.67-acre vacant parcel formerly owned by the Orange County Transportation Authority (OCTA). Due to the exorbitant costs of creating public access to the landlocked parcel, the Agency Board directed Agency staff to solicit purchase offers from the two adjacent

property owners (Kingdom Hall and Forest Glen Apartments). Agency staff subsequently submitted two conceptual development proposals to the Agency Board for review. This project was halted during DOF's review of asset transfers.

Authority staff resumed negotiations with the adjacent land owners in FY 2013-14. The Authority Board approved a Purchase and Sale Agreement with Kingdom Hall in May 2017. The sale is pending City Council approval of in-process applications for a General Plan Amendment, Zone Change and site development entitlements. Proceeds from the sale will be deposited in the Low and Moderate Income Housing Asset Fund designated for Affordable Housing.

MAMIE THOMAS PARCEL – EL TORO ROAD, SOUTHWEST OF JERONIMO (APN 614-021-31)

The Agency purchased a tax defaulted vacant property from the County of Orange using non-housing funds and conveyed title of the property to the Authority. The Authority Board is evaluating disposition options. SB 341 requires the Authority to initiate development or dispose of the property by September 5, 2022. If the property is sold, sales proceeds will be deposited into the Low and Moderate Income Housing Asset Fund.

OTHER ASSETS AND AGREEMENTS

The Authority's assets include loan agreements, covenants, purchase and sale agreements, and other documentation related to interests in real property. Some of the agreements are related to the three properties described in the previous section. A brief description of each type of asset is provided below. A detailed list is included in Appendix 1.

AFFORDABILITY AGREEMENTS

The Authority monitors affordability at the Madrid Condos (described in the previous section). A Purchase and Sale Agreement and Affordable Housing

Agreement restricts two units to low income households. They are currently occupied by very low income households.

The Authority also has a Regulatory Agreement with Families Forward for 23201 Saguario Street. The Saguario Property has three units restricted to low income households qualified at or below 80% AMI and one unit restricted to extremely low income households qualified at or below 30% AMI. They are restricted for 55 years until April 2070. The extremely low income unit is currently exempt from the affordability requirement due to a household that was grandfathered in as part of the relocation process when the property was being rehabilitated. The current household qualifies as very low income at or below 50% AMI and is charged rents within the very low income limit.

The Authority used to monitor a 15-year affordable housing covenant for Bellecour Way, a 131-unit condominium project at 21041 Osterman Road with four low income units and two moderate income units. The covenant recently expired on April 30, 2018.

LOAN AGREEMENTS

The Authority inherited 33 loan agreements issued as part of a Housing Rehabilitation Loan Program by the former Agency. They consist of 30 loans to rehabilitate mobile homes and 3 loans to rehabilitate single-family homes. All of the loans were issued to low or moderate income homeowners. Fifteen loans have been paid off since they were transferred to the Authority, three of which were paid off in FY 2017-18 in the amount of \$45,000. As of June 30, 2018, the receivables due from the remaining 18 loans amount to \$244,068.

All of the loans have a zero percent interest rate and are deferred until one of the following occurs:

1. sale or transfer of title of any or all interest in the property;
2. refinance of any lien to which the loan is subordinate;

3. the applicant no longer resides in the property; or
4. default by property owner of the terms and conditions of the loan agreement, deed of trust, or security agreement.

The loan recipients may choose to make occasional payments on their loan at their discretion.

The Authority also has a \$100,000 Promissory Note with Families Forward, an affordable housing nonprofit. Families Forward purchased 23201 Saguaro Street, a four-unit apartment complex, from the Authority in April 2015 to operate the property as affordable housing. The Promissory Note was issued as part of the sale, and is payable over 50 years commencing on the 5-year anniversary of the sale. Payments will be deposited into the Low and Moderate Income Housing Asset Fund.

RENTS & OPERATIONS

The Authority receives \$1 per unit per year for the Madrid Condos from its non-profit operator, Families Forward. Families Forward also remits \$304 per month per unit in HOA dues. The Authority does not receive rents directly from tenants at the Madrid Condos.

CONTRACTS & FEES

The Authority continued its consultant services contract with Theresa Dobbs Housing Rehabilitation Consulting Services through the end of the fiscal year (June 30, 2018) for administration of the Housing Rehabilitation Loans. It also has a contract with AmeriNational and Farmers State Bank for housing fees related to servicing the Housing Rehabilitation Loans and disbursing loan payments. Lastly, it has a contract with RSG, Inc. for general Authority consulting services. Contracts are itemized in the budget provided in the last section of this Annual Report.

HOUSING UNIT COMPLIANCE

As set forth by HSC Sections 34328 and 34328.1, housing authorities are required to:

- Show compliance with requirements of HSC Section 34312.3, such as the minimum amount of housing units affordable to lower income projects assisted by the Authority, and document established base rents and/or maximum rental payments for lower income households; and
- Document any domestic violence tenancy or Housing Choice Voucher Program termination as required by HSC Section 34328.1.

The following provides a summary of the Authority's progress toward the requirements listed above.

HOUSING AFFORDABILITY REQUIREMENT

The Authority's housing units are subject to requirements in both the CRL and HAL.

Pursuant to the CRL, at least 15% of all units newly constructed or substantially rehabilitated *prior to February 1, 2012* must be affordable to very low to moderate income households (HSC Section 33413). SB 341 amended the CRL so there is no inclusionary or replacement housing obligation for units built or destroyed after February 1, 2012.

Pursuant to the HAL, at least 20% of the units in housing projects assisted by the Authority, or 15 % in targeted areas¹ must be affordable to persons of low income (HSC Section 34312.3(c)). If housing projects are financed by bonds issued by the Authority, at least 10% of the units must be available to persons of very low income. These requirements may be applied to the aggregate number of units assisted by the Authority. Furthermore, the HAL requires that development projects financed

¹ Targeted areas as defined by Section 103(b)(12)(A) of Title 26 of the United States Code

with bonds must also be approved by the local governing body and the local school district prior to construction or ownership. Nevertheless, the power to finance, own, build, and/or operate a housing development allows the Authority to take a more active role in the creation and maintenance of housing for low income families.

The Authority oversees two properties subject to these requirements: the Madrid Condos and the Saguaro Property (see the “Affordability Agreements” section for more detail). The affordability levels of these properties are in compliance with the CRL based on requirements prior to the dissolution of redevelopment.

The Authority inherited the properties after affordability covenants were in place pursuant to the CRL prior to the dissolution of redevelopment. These properties still meet the HAL’s requirement that 20% of units assisted by the Authority are affordable to low income persons.

The affordability levels at each property are summarized in Table 1. Although the HAL discourages housing authorities from assisting moderate income households, Authority properties with moderate income units fulfill the requirements of the CRL prior to dissolution. Any future development will satisfy both CRL (as amended by SB 341) and HAL requirements as necessary.

Affordability Levels

Table 1

Lake Forest Housing Authority

Property	Units by Income Level									
	Ext. Low		Very Low		Low		Moderate		Total	
	#	%	#	%	#	%	#	%	#	%
Madrid Condos ¹			2	100%					2	100%
Saguaro Property ²	1	25%			3	75%			4	100%
Total	1	17%	2	33%	3	50%	0	0%	6	100%

Total Low Income or Below 100%
Total Moderate Income or Below 100%

¹ The Madrid Condos are generally restricted to low income households, however since the property currently operates transitional housing units, the units are occupied by very low income households and the tenants are charged very low income rents.

² The Saguaro Property's extremely low income unit is currently occupied by a very low income household who is exempt from the extremely low income requirement because they were grandfathered into the unit as part of the rehabilitation relocation process.

These units were not financed with Authority bond proceeds, therefore the Authority is not subject to the additional requirement for very low income households pursuant to HSC Section 34312.3(c)(2)(A). The Authority will ensure that income and rent levels in any future housing units will meet established requirements detailed in HSC Section 34312.3.

BASE & MAXIMUM RENTS

HSC Section 34312 states that a housing authority may “prepare, carry out, acquire, lease, and operate housing projects for persons of low income.” As part of this authority, HSC Section 34312.3 establishes a set of guidelines to determine base (minimum) and maximum rents that a housing authority can charge for units reserved for lower income households. According to HSC Section 34312.3, rental payments for very low and low income households shall not exceed the amounts calculated pursuant to Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f).

The rents charged at the properties overseen by the Authority are summarized in Table 2 on the following page.

Rental Rates **Table 2**
Lake Forest Housing Authority

Property	Income Level	Unit Size	Household Size	Monthly Rent ¹	Co. Max. Rent ²
Madrid Condos ³	Very Low	2-bed	3	\$50	\$1,043
	Very Low ⁴	3-bed	6	\$100	\$1,159
Saguaro Property	Low	2-bed	4	\$1,000	\$1,252
	Low	2-bed	2	\$1,000	\$1,252
	Low	2-bed	4	\$1,000	\$1,252
	Ext. Low / Exempt ⁵	3-bed	7	\$1,080	\$1,159
Bellecour Way	Low	1-bed	2	\$1,046	\$1,112
	Low	1-bed	1	\$1,046	\$1,112
	Low	1-bed	2	\$1,046	\$1,112
	Low	1-bed	1	\$1,046	\$1,112
	Moderate	1-bed	1	\$1,700	\$2,039
	Moderate	1-bed	1	\$1,650	\$2,039

¹ Monthly rent includes the utility allowance.

² County-wide maximum allowable rent before deducting the utility allowance pursuant to HSC Section 50053.

³ The Madrid Condos are generally restricted to low income households, however since they currently involve transitional housing units they are occupied by very low income households and charged very low income rents.

⁴ Tenant currently has an income of \$0. Rent will be adjusted once income is established.

⁵ This unit is grandfathered in and exempt from the extremely low income restriction required by the Regulatory Agreement for the Saguaro Property. However, the rent charged is within the very low income rent limit of \$1,100 for the very low income household occupying the unit.

Note: The Authority does not collect rents from tenants at any property. The Authority receives \$1 in annual rent plus HOA dues from Families Forward for each Madrid Condo.

When compared to the maximum rental payments, the rent charged for the Madrid Condos and Bellecour Way units are in compliance with HSC 34312.3.

DOMESTIC VIOLENCE

The Authority must annually disclose data related to domestic violence incidents in units owned or operated by the Authority. Specifically, the data must include:

- Data on termination of tenancies and/or Housing Choice Vouchers victims of domestic violence in housing authority units.
- Summary of steps taken by the housing authority to address any termination of tenancies and/or Housing Choice Vouchers of victims of domestic violence.

During FY 2017-18, the Authority or its lessees did not terminate tenancies for any reason. In the future, information on any terminations of this kind will be presented under separate cover to protect the privacy of the parties involved.

FINANCIAL STATEMENT/BUDGET

Table 3 presents a summary of the Authority's projected versus actual revenues and expenditures by category in FY 2017-18. The beginning balance was \$426,114. Revenues of \$55,965 were higher than the budgeted \$11,200 and expenditures were approximately \$59,340 less than budgeted at \$134,900. Expenditures were lower due to reductions in Consulting Services, Real Property Maintenance, Rehabilitation Loan Fees, and no Auditing Fees. The ending balance was \$406,519.

Table 3 also presents the projected revenues and expenditures for FY 2017-18.

Statement of Expenditures and Reserves
Lake Forest Housing Authority

Table 3

	Projected 2017-18	Actual 2017-18	Projected 2018-19
REVENUE			
Beginning Balance	\$ 455,181	\$ 456,993	426,114
Transfers In	-	-	-
Other Revenues ¹	11,800	30,569	11,200
Total Revenues	11,800	\$ 30,569	\$ 11,200
EXPENSES			
Professional Services	-	-	-
Property Disposition	-	-	-
Consulting Services	-	-	-
General	50,000	41,990	80,000
Contract Services:	-	-	-
Real Property Maintenance	12,200	11,096	12,400
Auditing	5,000	-	5,000
Rehabilitation Loan Fees	1,500	754	1,500
Rehabilitation Loan Services	1,000	1,020	1,000
Saguaro Rehabilitation	-	6,588	35,000
Total Expenses	\$ 69,700	\$ 61,448	\$ 134,900
Ending Balance	\$ 397,281	\$ 426,114	\$ 302,414

¹ Revenues of \$30,569 consisted of loan repayments and reimbursements.

APPENDIX 1 - HOUSING ASSET LIST

The Housing Asset List, attached as a separate document, shows assets transferred from the former Agency to the Authority in Fiscal Year 2011-12. All transfers were approved by the California Department of Finance on September 5, 2012 pursuant to HSC Section 34176.

**DEPARTMENT OF FINANCE
HOUSING ASSETS LIST
ASSEMBLY BILL X1 26 AND ASSEMBLY BILL 1484
(Health and Safety Code Section 34176)**

Former Redevelopment Agency: Lake Forest Redevelopment Agency

Successor Agency to the Former Redevelopment Agency: City of Lake Forest

Entity Assuming the Housing Functions of the former Redevelopment Agency: Lake Forest Housing Authority

Entity Assuming the Housing Functions Contact Name: David E. Belmer Title Assistant City Manager Phone 949 461-3437 E-Mail Address dbelmer@lakeforestca.gov

Entity Assuming the Housing Functions Contact Name: Keith D. Neves Title Director of Finance / City Treasur Phone 949 461-3431 E-Mail Address kneves@lakeforestca.gov

All assets transferred to the entity assuming the housing functions between February 1, 2012 and the date the exhibits were created are included in this housing assets list. The following Exhibits noted with an X in the box are included as part of this inventory of housing assets:

- Exhibit A - Real Property
- Exhibit B- Personal Property
- Exhibit C - Low-Mod Encumbrances
- Exhibit D - Loans/Grants Receivables
- Exhibit E - Rents/Operations
- Exhibit F- Rents
- Exhibit G - Deferrals

x
x
x

Prepared By: **Keith D. Neves**

Date Prepared: **7/31/2012**

City of Lake Forest
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of Asset a/	Legal Title and Description	Carrying Value of Asset	Total square footage	Square footage reserved for low-mod housing	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant b/	Date of transfer to Housing Successor Agency	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition by the former RDA	Interest in real property (option to purchase, easement, etc.)
1	Low-Mod Housing / Condominium	22702 Madrid Drive APN 933-43-060	\$226,931	1,022	1,022	Yes	Recorded Housing Covenant	15-Mar-11	\$243,140			22-Jan-10	
2	Low-Mod Housing / Condominium	22706 Madrid Drive APN 933-43-058	\$239,736	1,087	1,087	Yes	Recorded Housing Covenant	15-Mar-11	\$256,860			22-Jan-10	
3	Low-Mod Housing / Land	Authority Parcel APN 614-024-01	\$326,000	72,745	72,745	No	California Redevelopment Law	15-Mar-11	\$326,000			3-May-07	
4	Low-Mod Housing / Land	Mamie Thomas Parcel APN 614-021-31	\$7,168	7,000	7,000	No	California Redevelopment Law	15-Mar-11	\$7,168			22-Jan-10	
5	Low-Mod Housing / Fourplex	Saguaro Property APN 617-091-25	\$877,508	4,851	4,851	No	California Redevelopment Law	24-Apr-12	\$907,766			17-Jun-11	
6	Low-Mod Housing	Cash / Fees to service existing housing loan	\$30,000										
7	Low-Mod Housing	Cash / Recording Fees for Mobile Homes	\$3,000										
8	Low-Mod Housing	Cash / Ongoing cost to monitor existing low and moderate income housing loans	\$18,000										
9	Low-Mod Housing	Cash / Madrid condominium dues	\$252,000										
10	Low-Mod Housing	Cash / Relocation of Saguaro Property Tenants as necessary	\$223,317										
11	Low-Mod Housing	Cash / Saguaro Utilities (Gas, Electric, Waste Management)	\$9,600										
12	Low-Mod Housing	Cash / Saguaro Various Maintenance Requirements	\$48,600										
13	Low-Mod Housing	Cash / Madrid Various Maintenance Requirements	\$15,000										
14	Low-Mod Housing	Cash / Authority Parcel Various Maintenance Requirements	\$7,200										
15	Low-Mod Housing	Cash / Saguaro Landscape Maintenance	\$600										
16													
17													
18													

a/ Asset types may include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City of Lake Forest
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of Asset a/	Description	Carrying Value of Asset	Date of transfer to Housing Successor Agency	Acquisition cost funded with Low-Mod Housing Fund monies	Acquisition costs funded with other RDA funds	Acquisition costs funded with non-RDA funds	Date of acquisition by the former RDA
1								
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a/ Asset types any personal property provided in residences, including furniture and appliances, all housing-related files and loan documents, office supplies, software licenses, and mapping programs, that were acquired for low and moderate income housing purposes, either by purchase or through a loan, in whole or in part, with any source of funds.

City of Lake Forest
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of housing built or acquired with enforceably obligated funds a/	Date contract for Enforceable Obligation was executed	Contractual counterparty	Total amount currently owed for the Enforceable Obligation	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant b/	Current owner of the property	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition of the property
1	Low-mod housing	6/5/2001	L&B/TCR Lake Forest LLC	0	Yes	Low-mod housing	L&B/TCR Lake Forest LLC				
2											
3											
4											
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12											
13											
14											
15											
16											
17											
18											
19											
20											

a/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

Exhibit D - Loans/Grants Receivables

City of Lake Forest
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Was the Low-Mod Housing Fund amount issued for a loan or a grant?	Amount of the loan or grant	Date the loan or grant was issued	Person or entity to whom the loan or grant was issued	Purpose for which the funds were loaned or granted	Are there contractual requirements specifying the purposes for which the funds may be used?	Repayment date, if the funds are for a loan	Interest rate of loan	Current outstanding loan balance
1	Loan	15,000	3/15/2011	Bartell	Rehab	Yes	Transfer of title	0%	15,000.00
2	Loan	12,500	3/15/2011	Burke	Rehab	Yes	Transfer of title	0%	11,321.05
3	Loan	11,000	8/31/2010	Cameron	Rehab	Yes	Transfer of title	0%	11,000.00
4	Loan	5,000	2/10/2009	Carlson	Rehab	Yes	Transfer of title	0%	5,000.00
5	Loan	15000	8/4/2009	Clark	Rehab	Yes	Transfer of title	0%	15,000.00
6	Loan	15,000	9/21/2010	Dunn	Rehab	Yes	Transfer of title	0%	15,000.00
7	Loan	15000	4/19/2011	Ellis	Rehab	Yes	Transfer of title	0%	15,000.00
8	Loan	30000	8/31/2010	Evans	Rehab	Yes	Transfer of title	0%	30,000.00
9	Loan	15000	8/18/2009	Flores	Rehab	Yes	Transfer of title	0%	15,000.00
10	Loan	15000	12/8/2009	Gartman	Rehab	Yes	Transfer of title	0%	14,923.00
11	Loan	18000	10/12/2010	Greer	Rehab	Yes	Transfer of title	0%	15,991.00
12	Loan	15000	8/4/2009	Hogan	Rehab	Yes	Transfer of title	0%	15,000.00
13	Loan	15000	12/8/2009	Hoglund	Rehab	Yes	Transfer of title	0%	15,000.00
14	Loan	15000	4/21/2009	Hoppes	Rehab	Yes	Transfer of title	0%	15,000.00
15	Loan	15000	9/14/2010	Ives	Rehab	Yes	Transfer of title	0%	15,000.00
16		15000	10/27/2009	Kennedy	Rehab	Yes	Transfer of title	0%	15,000.00
17	Loan	15000	2/24/2009	King	Rehab	Yes	Transfer of title	0%	15,000.00
18	Loan	15000	4/14/2009	Lowrey	Rehab	Yes	Transfer of title	0%	15,000.00
19	Loan	15000	4/13/2010	Madsen	Rehab	Yes	Transfer of title	0%	15,000.00
20	Loan	15000	6/30/2009	Mekkelson	Rehab	Yes	Transfer of title	0%	15,000.00
21	Loan	15000	7/21/2009	Mulvey	Rehab	Yes	Transfer of title	0%	14,845.00
22	Loan	15000	6/30/2009	Reny	Rehab	Yes	Transfer of title	0%	15,000.00
23	Loan	12000	3/31/2009	Rocho	Rehab	Yes	Transfer of title	0%	12,000.00
24	Loan	15000	8/4/2009	Rose	Rehab	Yes	Transfer of title	0%	15,000.00
25	Loan	15000	1/5/2010	Sdao	Rehab	Yes	Transfer of title	0%	15,000.00
26	Loan	23000	10/6/2009	Sawyer	Rehab	Yes	Transfer of title	0%	23,000.00 *
27	Loan	15000	10/21/2008	Seyford	Rehab	Yes	Transfer of title	0%	15,000.00
28	Loan	10000	10/14/2008	Sison	Rehab	Yes	Transfer of title	0%	10,000.00
29	Loan	15000	10/26/2010	Stamey	Rehab	Yes	Transfer of title	0%	15,000.00
30	Loan	15000	8/4/2009	Stringfellow	Rehab	Yes	Transfer of title	0%	15,000.00
31	Loan	15000	3/29/2011	Turney	Rehab	Yes	Transfer of title	0%	15,000.00
32	Loan	15000	1/20/2009	Van Eyke	Rehab	Yes	Transfer of title	0%	15,000.00
33	Loan	8300	2/26/2010	Welenc	Rehab	Yes	Transfer of title	0%	8,300.00

486,380.05

* Paid off on 5/8/2012 in the full amount of \$23,000

City of Lake Forest
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of payment a/	Type of property with which they payments are associated b/	Property owner	Entity that collects the payments	Entity to which the collected payments are ultimately remitted	Purpose for which the payments are used	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant c/	Item # from Exhibit A the rent/operation is associated with (if applicable)
1	Saguaro Property Rent / \$5,950 month APN 617--091-25	Low-mod housing	Lake Forest Housing Authority	Lake Forest Housing Authority	Lake Forest Housing Authority	Maintenance	No		#5
2	22702 Madrid Drive Rent / \$1 Year APN 933-43-060	Low-mod housing	Lake Forest Housing Authority	Lake Forest Housing Authority	Lake Forest Housing Authority	Maintenance	Yes		#1
3	22706 Madrid Drive Rent / \$1 Year APN 933-43-058	Low-mod housing	Lake Forest Housing Authority	Lake Forest Housing Authority	Lake Forest Housing Authority	Maintenance	Yes		#2
4	22702 Madrid Drive HOA Dues / \$280 month APN 933-43-060	Low-mod housing	Lake Forest Housing Authority	Lake Forest Housing Authority	Lake Forest Housing Authority	Maintenance	Yes		#1
5	22706 Madrid Drive HOA Dues / \$280 month APN 933-43-058	Low-mod housing	Lake Forest Housing Authority	Lake Forest Housing Authority	Lake Forest Housing Authority	Maintenance	Yes		#2

a/ May include revenues from rents, operation of properties, residual receipt payments from developers, conditional grant repayments, costs savings and proceeds from refinancing, and principal and interest payments from homebuyers subject to enforceable income limits.

b/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

c/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City of Lake Forest
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of payment a/	Type of property with which the payments are associated b/	Property owner	Entity that collects the payments	Entity to which the collected payments are ultimately remitted	Purpose for which the payments are used	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant c/	Item # from Exhibit A the rent is associated with (if applicable)
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2									
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20									

a/ May include rents or home loan payments.

b/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

c/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City of Lake Forest
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Purpose for which funds were deferred	Fiscal year in which funds were deferred	Amount deferred	Interest rate at which funds were to be repaid	Current amount owed	Date upon which funds were to be repaid
1						
2						
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APPENDIX 2 – HOUSING SUCCESSOR AGENCY ANNUAL REPORT

Senate Bill 341 and Assembly Bill 1793 require successor housing entities to prepare an annual report detailing compliance with new expenditure limitations and other information, including:

- Amounts deposited into the Low and Moderate Income Housing Asset Fund (“LMIHAF”);
- Statement of the balance of the LMIHAF;
- Description of expenditures by category;
- Statutory Value of real property;
- Description of transfers;
- Description of projects that receive funding through the Successor Agency’s Recognized Obligation Payment Schedule;
- Status of properties pursuant to a 5-year disposition period;
- Update on inclusionary and replacement housing obligations;
- Compliance with 5-year expenditure obligations;
- Percentage of senior deed-restricted units;
- Amount of excess surplus; and
- And inventory of homeownership units restricted by affordability covenants and assisted by the former Agency or Authority

Authority staff is in the process of auditing its financials and other information. The Housing Successor Agency Annual Report for FY 2017-18 will be prepared by the end of 2018.