



Date: April 19, 2019

To: Patrick H. West, City Manager *T.H.W.*

From: Linda F. Tatum, Director of Development Services *LT*

For: Mayor and Members of the City Council

Subject: **2018 Annual Housing Element Progress Report**

On January 7, 2014, the City Council adopted the 2013-2021 Housing Element, one of seven mandated elements in the City's General Plan. California law requires all cities and counties submit to their legislative bodies, and the California Department of Housing and Community Development (HCD), an annual report on the City's progress in meeting its adopted Housing Element goals and the Regional Housing Needs Allocation (RHNA) targets. Pursuant to this requirement, on March 21, 2019, the Planning Commission reviewed the 2018 Annual Housing Element Progress Report (Report) and recommended it be forwarded to the City Council for review and submitted to the HCD.

The Report (Attachment A) is presented in the format and manner prescribed by HCD and includes summary tables highlighting the City's performance in the areas of housing production and affordability, as well as its progress on key goals such as housing assistance, preservation of affordable housing, and the removal of constraints to housing production. Also attached is the Housing Successor Annual Report regarding the low- and moderate-income housing asset fund for Fiscal Year 2018 (Attachment B).

The City's progress during the 2018 reporting period is summarized by the following:

- The City issued permits for the construction of 271 new dwelling units.
- The Housing Authority currently has an allocation of 6,693 vouchers for its Housing Choice Voucher Program (HCV) and 805 vouchers for its Veterans Affairs Supportive Housing (VASH) Program. The average utilization of allocated HCV vouchers is 85 percent, while the utilization rate for VASH vouchers is 78 percent. Efforts to encourage owner acceptance are ongoing.
- On May 2, 2017, the City Council adopted a set of 29 policy recommendations relating to revenue tools and incentives for the production of affordable and workforce housing, after a public outreach and policy development process led by the Mayor's Affordable and Workforce Housing Study Group and assisted by City staff. The Study Group was formed in 2016 and completed its work in 2017. The Study Group held 15 meetings between February 2016 and February 2017. The policies are organized by implementation timeline, including ongoing and new initiatives. Staff continues to implement the policies and provide regular updates to the City Council.

2018 Annual Housing Element Progress Report

April 18, 2019

Page 2

- In 2018, the Department of Development Services conducted a comprehensive policy development and stakeholder outreach process in support of a Tenant Assistance Policy to include new requirements to assist lower income households displaced by private development.
- In 2018, the City inspected 9,444 multi-family units through the Proactive Rental Housing Inspection Program, which has been in place since 2015.
- The Neighborhood Services Bureau partnered with the community to plant 844 trees in port-adjacent neighborhoods.

Should you have any questions regarding this matter, please call Linda Tatum, Director of Development Services, at (562) 570-6428.

LFT:CK:ASL

P:\Planning\General Plan\housing element annual report\2018\TFF - 2018 HE Progress Report.docx

ATTACHMENTS:

- A) 2018 ANNUAL HOUSING ELEMENT PROGRESS REPORT
- B) HOUSING SUCCESSOR ANNUAL REPORT REGARDING LOW AND MODERATE INCOME HOUSING ASSET FUND FOR FISCAL YEAR 2017-2018

CC: CHARLES PARKIN, CITY ATTORNEY
LAURA L. DOUD, CITY AUDITOR
KEVIN J. JACKSON, DEPUTY CITY MANAGER
REBECCA GARNER, ASSISTANT TO THE CITY MANAGER
OSCAR ORCI, DEPUTY DIRECTOR, DEVELOPMENT SERVICES
CHRISTOPHER KOONTZ, PLANNING BUREAU MANAGER
PATRICK URE, HOUSING AND NEIGHBORHOOD SERVICES BUREAU MANAGER
DEPARTMENT HEADS

Please Start Here

General Information	
Jurisdiction Name	Long Beach
Reporting Calendar Year	2018
Contact Information	
First Name	Alejandro
Last Name	Sanchez-Lopez
Title	Planner III
Email	Alejandro.Sanchez-Lopez@longbeach.gov
Phone	(562) 570-6553
Mailing Address	
Street Address	<u>333 W. Ocean Blvd, 5th Floor</u>
City	Long Beach
Zipcode	90802

Submittal Instructions

Housing Element Annual Progress Reports (APRs) forms and tables must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1 of each year for the prior calendar year; submit separate reports directly to both HCD and OPR pursuant to Government Code section 65400. There are two options for submitting APRs:

1. **Online Annual Progress Reporting System (Preferred)** - This enters your information directly into HCD's database limiting the risk of errors. If you would like to use the online system, email APR@hcd.ca.gov and HCD will send you the login information for your jurisdiction. *Please note: Using the online system only provides the information to HCD. The APR must still be submitted to OPR. Their email address is opr.apr@opr.ca.gov.*

2. **Email** - If you prefer to submit via email, you can complete the excel Annual Progress Report forms and submit to HCD at APR@hcd.ca.gov and to OPR at opr.apr@opr.ca.gov. Please send the Excel workbook, not a scanned or PDF copy of the tables.

v 2_6_19

Table A

Housing Development Applications Submitted

Project Identifier		Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes										Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Notes		
1		2		3	5										6	7	8	9	10	
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project (Auto-calculated Can Be Overwritten)	Was APPLICATION SUBMITTED Pursuant to GC 65913.4(b)? (SB 35 Streamlining)	Notes*	
Summary Row: Start Data Entry Below								50			63					3549	3662	472		
	7191020001	6102 SCRIVENER ST A, Long Beach, CA 90808		BNEW214602	ADU	R	1/5/2018								1	1	1		No	
	7127023015	490 55TH ST A, Long Beach, CA 90805		BNEW214882	ADU	R	1/12/2018								1	1	1		No	
	7401005006	2548 DELTA AVE A, Long Beach, CA 90810		BNEW214932	ADU	R	1/16/2018								1	1	1		No	
	7160012040	3612 HEDDA ST A, Long Beach, CA 90805		BNEW214949	ADU	R	1/16/2018								1	1	1		No	
	7123012017	5915 JOHN AVE A, Long Beach, CA 90805		BNEW215014	ADU	R	1/17/2018								1	1	1		No	
	7205007001	2400 PINE AVE A, Long Beach, CA 90806		BNEW215029	ADU	R	1/17/2018								1	1	1		No	
	7259020010	1332 TEMPLE AVE A, Long Beach, CA 90804		BNEW215071	ADU	R	1/18/2018								1	1	1		No	
	7235023015	7040 LOS SANTOS DR A, Long Beach, CA 90815		BNEW215113	ADU	R	1/19/2018								1	1	1		No	
	7204020018	301 W 31ST ST A, Long Beach, CA 90806		BNEW215132	ADU	R	1/19/2018								1	1	1		No	
	7120014033	6649 CURTIS AVE A, Long Beach, CA 90805		BNEW215159	ADU	R	1/19/2018								1	1	1		No	
	7129023032	5119 WALNUT AVE A, Long Beach, CA 90807		BNEW215691	ADU	R	2/2/2018								1	1	1		No	
	7160005044	6241 VERDURA AVE A, Long Beach, CA 90805		BADD215732	ADU	R	2/2/2018								1	1	1		No	
	7181026015	4633 HAZELBROOK AVE A, Long Beach, CA 90808		BNEW215921	ADU	R	2/8/2018								1	1	1		No	
	7210026025	1181 E 21ST ST A, Long Beach, CA 90806		BNEW216089	ADU	R	2/12/2018								1	1	1		No	
	7131036900	306 E HOME ST A, Long Beach, CA 90805		BNEW216126	ADU	R	2/13/2018								1	1	1		No	
	7136034007	4432 GUNDRY AVE A, Long Beach, CA 90807		BNEW216234	ADU	R	2/15/2018								1	1	1		No	
	7262019018	737 MOLINO AVE A, Long Beach, CA 90804		BNEW216428	ADU	R	2/21/2018								1	1	1		No	
	7136011010	4815 BRAYTON AVE A, Long Beach, CA 90807		BNEW216571	ADU	R	2/23/2018								1	1	1		No	
	7160015009	3509 ANDY ST A, Long Beach, CA 90805		BNEW216634	ADU	R	2/26/2018								1	1	1		No	
	7431011001	2090 FASHION AVE A, Long Beach, CA 90810		BNEW216804	ADU	R	3/1/2018								1	1	1		No	
	7180021007	4320 GREENBRIER RD A, Long Beach, CA 90808		BNEW216951	ADU	R	3/6/2018								1	1	1		No	
	7220009005	1435 ROYCROFT AVE REAR UNIT, Long Beach, CA 90804		BADD217034	ADU	R	3/7/2018								1	1	1		No	
	7313015016	2835 BALTIC AVE A, Long Beach, CA 90810		BRMD217079	ADU	R	3/8/2018								1	1	1		No	
	7146030002	3476 BRAYTON AVE A, Long Beach, CA 90807		BADD217153	ADU	R	3/9/2018								1	1	1		No	
	7224023030	1817 ELMFIELD AVE A, Long Beach, CA 90815		BADD217395	ADU	R	3/15/2018								1	1	1		No	

Table A

Housing Development Applications Submitted

Project Identifier		Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes										Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Notes	
1		2		3	5										6	7	8	9	10
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project (Auto-calculated Can Be Overwritten)	Was APPLICATION SUBMITTED Pursuant to GC 65913.4(b)? (SB 35 Streamlining)	Notes*
	7130020027	649 SILVA ST , Long Beach, CA 90807		BNEW217623	ADU	R	3/21/2018								1	1		No	
	7189002007	5134 CORALITE ST A, Long Beach, CA 90808		BRMD217641	ADU	R	3/22/2018								1	1		No	
	7205021003	2280 CEDAR AVE A, Long Beach, CA 90806		BRMD218249	ADU	R	4/5/2018								1	1		No	
	7250006017	267 QUINCY AVE A, Long Beach, CA 90803		BADD218428	ADU	R	4/11/2018								1	1		No	
	7311003024	3702 FASHION AVE A, Long Beach, CA 90810		BRMD218544	ADU	R	4/13/2018								1	1		No	
	7313022009	2724 BALTIC AVE A, Long Beach, CA 90810		BADD218661	ADU	R	4/17/2018								1	1		No	
	7121004019	3210 CURRY ST A, Long Beach, CA 90805		BRMD218771	ADU	R	4/18/2018								1	1		No	
	7130020026	657 SILVA ST A, Long Beach, CA 90807		BADD219034	ADU	R	4/24/2018								1	1		No	
	7226028018	2207 CARFAX AVE A, Long Beach, CA 90815		BADD219090	ADU	R	4/25/2018								1	1		No	
	7254013003	923 ROSWELL AVE A, Long Beach, CA 90804		BRMD219249	ADU	R	4/30/2018								1	1		No	
	7147015007	3560 GUNDRY AVE A, Long Beach, CA 90807		BRMD219263	ADU	R	4/30/2018								1	1		No	
	7136005034	1819 LURAY ST A, Long Beach, CA 90807		BADD219288	ADU	R	5/1/2018								1	1		No	
	7401004024	2547 DELTA AVE A, Long Beach, CA 90810		BADD219310	ADU	R	5/1/2018								1	1		No	
	7203003110	3829 MAINE AVE A, Long Beach, CA 90806		BNEW219366	ADU	R	5/3/2018								1	1		No	
	7189006001	3202 CHARLEMAGNE AVE A, Long Beach, CA 90808		BADD219495	ADU	R	5/7/2018								1	1		No	
	7203009010	3255 DAISY AVE A, Long Beach, CA 90806		BADD219713	ADU	R	5/11/2018								1	1		No	
	7138012002	1008 CARTAGENA DR , Long Beach, CA 90807		BRMD219757	ADU	R	5/14/2018								1	1		No	
	7211015004	2274 MYRTLE AVE A, Long Beach, CA 90806		BADD219765	ADU	R	5/14/2018								1	1		No	
	7203004026	817 33RD WAY A, Long Beach, CA 90806		BADD220210	ADU	R	5/23/2018								1	1		No	
	7312002025	3335 BALTIC AVE A, Long Beach, CA 90810		BADD220448	ADU	R	5/30/2018								1	1		No	
	7134018022	4384 ELM AVE A, Long Beach, CA 90807		BADD220545	ADU	R	6/1/2018								1	1		No	
	7184023012	3759 MARBER AVE A, Long Beach, CA 90808		BADD220548	ADU	R	6/1/2018								1	1		No	
	7312010004	3271 GALE AVE A, Long Beach, CA 90810		BRMD220625	ADU	R	6/4/2018								1	1		No	

Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

		1	2									3	4
Income Level		RHNA Allocation by Income Level	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	1773			111		158	11				280	1493
	Non-Deed Restricted												
Low	Deed Restricted	1066			8		4	36				48	1018
	Non-Deed Restricted												
Moderate	Deed Restricted	1170											1170
	Non-Deed Restricted												
Above Moderate		3039		260	31	675	363	224				1553	1486
Total RHNA		7048											
Total Units 44				260	150	675	525	271				1881	5167

Note: units serving extremely low-income households are included in the very low-income permitted units totals
Cells in grey contain auto-calculation formulas

Table D

Program Implementation Status pursuant to GC Section 65583

Housing Programs Progress Report

Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.

1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
1. HOUSING ASSISTANCE TO, AND PRESERVATION OF, AFFORDABLE UNITS			
Preservation of At-Risk Units	Annually monitor status of the 1,600 affordable housing units that are at risk of converting to market rate	Ongoing	<p>Since 2014, affordability in the following projects has been preserved and extended for an additional 55 years:</p> <ul style="list-style-type: none"> •New Hope Home – Preservation of 140 Senior Units. Development Services (DS) supported and assisted with funding applications. •Sea Mist Tower, 1451 Atlantic – Preservation of 75 Senior Veteran Units. DS amended previous agreements, and supported and assisted with funding applications. •Covenant Manor, 600 E. 4th Street – Preservation of 100 Senior Units. DS amended previous agreements, and supported and assisted with funding applications. •Brethren Manor, 3333 Pacific – Preservation of 295 Senior Units. Health and Human Services (HHS) provided tenant protection vouchers and coordinated with the U.S. Department of Housing and Urban Development (HUD). DS supported and assisted with funding applications.
			<ul style="list-style-type: none"> •American Goldstar Manor, 3021 Goldstar Drive – Preservation of 283 Senior Veteran Units. HHS provided tenant protection vouchers and coordinated with HUD. •Beachwood Apartments, 475 W. 5th Street and 505 West 6th Street – Preservation of 45 Family and Disabled Units. Rehabilitation began in December 2017. DS/The LBCIC provided \$2.1 million in funding, amended previous agreements, supported and assisted with funding applications, and provided \$246,522 in Developer Impact Fee waivers. •Sara’s Apartments, 240 W. 7th Street – Preservation of 29 Disabled and Senior Units. DS amended previous agreements, supported and assisted with funding applications, and facilitated the provision of Project-Based Vouchers for the project. •Eederation Tower Apartments, 3799 E. Willow Street– Preservation of 50 Disabled and Senior Units. DS supported and assisted with funding applications.
1.2 Housing Choice Voucher (aka Section 8 Rental Assistance)	<input type="checkbox"/> Encourage property owners to accept Housing Choice Vouchers, including working with owners of new rental developments. <input type="checkbox"/> Seek to raise the payment standard to expand the stock of eligible rentals, when necessary.	Ongoing	The Housing Authority currently has an allocation of 6,693 Housing Choice Vouchers and 805 VASH Vouchers. Efforts to encourage owner acceptance are ongoing. Our average utilization of allocated voucher is 85%, and we are using an excess of 100% of our Authorized Budget Authority.
1.3 First Right of Refusal for Displaced Lower Income Households	By 2016, explore local options to extend first right of refusal to lower income households displaced by private development. Survey other cities to benchmark their requirements for first right of refusal. Report findings to the Planning Commission and City Council in 2017 as part of the Annual Report to HCD for Housing Element Implementation.	Conduct study in 2016 and report to PC/CC in 2017	In 2017, Development Services staff began working with the City Attorney's office to include first right of refusal for displaced lower-income households in pending updates to the Coastal Zone In-Lieu Fee Ordinance and the Condominium Conversion Ordinance. In 2018, the Department of Development Services also conducted a comprehensive policy development and stakeholder outreach process in support of a Tenant Assistance Policy to include new requirements to assist lower income households displaced by private development. This policy will be considered by the City Council in March 2018.
2. HOUSING FOR SPECIAL NEEDS RESIDENTS			
2.1 Continuum of Care	<input type="checkbox"/> Develop new efficiency units on remaining land at the Villages at Cabrillo with at least half of these units targeted to extremely low income households and the remainder targeted to very low income households. <input type="checkbox"/> Continue to support services and programs that are part of the Continuum of Care system for the homeless through the City's annual funding allocation process.	Ongoing	<ul style="list-style-type: none"> • In February of 2019, HHS was awarded \$8.5 (\$8,467,853) million for the 2018 CoC grant funding competition by U.S. Department of Housing and Urban Development (HUD). The 2018 CoC award provides one-year funding to support 20 currently operating projects providing a mixture of housing and supportive services and two projects for strategic planning and enhanced monitoring activities. • In June of 2017, DS received \$491,233 grant from the U.S. Department of Housing and Development for the FY 2017/2018 Emergency Solutions Grant (ESG) Program to increase the effectiveness of the ESG program and facilitate the connection with the Long Beach CoC, DS coordinates with HHS to administer and oversee the program. ESG funds provide support to two emergency shelter programs, street outreach and Rapid Rehousing services for homeless households.
2.2 Zoning Code Update for Special Needs Housing	<input type="checkbox"/> Emergency Shelters: In 2013, the City amended the Zoning Code to permit emergency shelters by right via a ministerial approval process in the Port – IP zone and in PD-31 (Villages at Cabrillo). •Single-Room Occupancy (SRO) Housing: By the end of 2014, amend the Zoning Code to incorporate SRO housing under the provisions for Special Group Residence. Conditions for approval will be objective and pertain to performance standards such as parking, management, and security. Such conditions will be similar to those required for other Special Group Residence uses in the same zone. •Definition of Family: Amend the Zoning Code by the end of 2014 to revise the definition of family to “any group of individuals living together based on personal relationships.”	Ongoing; SRO by end of 2014, Definition of family by end of 2014; PD-29 update in 2014; Emergency shelters in IL in 2015	<ul style="list-style-type: none"> • The City of Long Beach continues to monitor its zoning regulations to ensure the provision of a range of housing options to the City's special needs population. • Emergency shelters are allowed by right in the Port-Related Industrial Zoning District. • In 2015, the Zoning Code was amended to include a definition of SRO and include SRO housing under the definition of Special Group Residence. • In 2015, the Zoning Code was amended to revise the definition of family.

2.3 Family Self Sufficiency	<input type="checkbox"/> Continue to implement the Family Self-Sufficiency Program. <input type="checkbox"/> Promote program at City website, newsletters, and brochures at public counters.	Ongoing	In 2018, 29 participants graduated from the program, and a total of \$293,324 in escrow funds was disbursed. A total of \$3,911,163 has been disbursed since the program's inception. This program can serve up to 674 participants. It is currently at 63% of its capacity.
2.4 HOPWA Tenant-Based	<input type="checkbox"/> Continue to provide assistance to 108	Ongoing	• In FY17, the HA was Awarded \$1.25 million in grant funds for the HOPWA program.
2.5 Universal Design	Evaluate the feasibility of providing additional density bonuses or other incentives for new developments that include universal design (beyond required ADA standards) by 2017	2019	The draft Land Use Element and Urban Design Element integrate universal design into future development of the City. These plans are expected to be adopted in 2019. The City will further evaluate bonuses or requirements for universal design through building code updates to occur subsequent to the Land Use Element adoption.
2.6 HOME Security Deposit Assistance	<input type="checkbox"/> Provide security deposit assistance to 350 homeless households. This program benefits primarily extremely low income households. <input type="checkbox"/> Promote program to nonprofit service providers.	Ongoing	In FY18, HOME assisted 80 households with securing permanent housing within the City of Long Beach.
2.7 VASH (Veterans Affairs Supportive Housing)	Lease up all 495 allocated vouchers by 2014 and pursue additional funding in the future.	Ongoing	The Housing Authority currently administers 805 VASH vouchers with an overall lease up rate of 78% leasing rate. We currently have 629 units leased up in the program.
2.8 Continuum of Care Permanent Supportive Housing	Continue to provide voucher assistance to disabled veterans and pursue additional funding in the future.	Ongoing	The Long Beach Housing Authority and Community Health Bureau continues to work closely with US Veterans and Mental Health America placing hard to serve persons with disabilities through Continuum of Care grants. Of the 117 rental assistance vouchers allocated for SPC and SNAP, twenty-nine (29) of these vouchers have been designated to US Vets and eighty-eight (88) vouchers to Mental Health America. There are 96 units currently leased, and the lease up rate for the COC program is 82%.
2.9 Project-Based Vouchers	Continue to utilize project-based vouchers to provide affordable housing for youth aging out of the foster care system, homeless households, and lower income households.	Ongoing	<p>In 2018, the following PBVs were issued:</p> <ul style="list-style-type: none"> •Beacon Pointe: 120 PBVs •The Spark at Midtown: 47 PBVs (47 is the updated #) •Las Ventanas Apartments: 40 PBVs •Sara's Apartments: 29 PBVs
3. HOUSING AND NEIGHBORHOOD IMPROVEMENT			
3.1 Home Rehabilitation	Provide rehabilitation assistance to 3,032 households (up to 80% AMI) as following: <ul style="list-style-type: none"> • 250 households with Owner-Occupied Rehabilitation Loans • 350 households with Multi-Family Rehabilitation Loans • 2,000 households with Home Improvement Rebates • 32 households with Mobile Home Repair Grants • 400 households with Tool Rental Assistance 	Ongoing	<p>Owner-Occupied Rehabilitation Loan Program In FY18: - 4 rehabilitation loans completed - 3 approved for construction *As of March 2017, applications were suspended pending word from the State as to the fate of the CalHome Rehabilitation Loan Program. As of June 2017, the State withdrew the remaining funds for the program. The State allowed the City of Long Beach to continue processing those applicants who were approved during the interim.</p> <p>Multi-Family Rehabilitation Loan Total Completed: - 156 units completed in 13 projects</p> <p>Mobile Home Repair Grant The LBCIC authorized a Grant Agreement with Rebuilding Together Long Beach for implementation of a Mobile Home Repair Grant Program for extremely low-income mobile home owners.</p> <p>In 2018, 2 grants were awarded, and 9 mobile home rehabilitations were completed.</p> <p>Tool Rental Assistance The City of Long Beach no longer provides a direct Tool Rental Assistance Program and instead allows property owners to request a reimbursement for rented tools as part of the Home Improvement Rebate Program.</p>
3.2 Neighborhood Resources	<input type="checkbox"/> As funding permits, continue to support neighborhood and community groups with services and technical support. <input type="checkbox"/> Advertise services available via City website and community outreach.	Ongoing	<p>In 2018, the Housing and Neighborhood Services Bureau completed the following:</p> <ul style="list-style-type: none"> •The NRC served 110 neighborhood associations and community groups – services included providing neighborhood publication assistance, neighborhood project assistance, providing supplies for neighborhood projects and events, access to meeting room space, and the community computer lab. •Provided free meeting space for 39 community meetings hosted by 39 neighborhood and community groups, with a total attendance of 291 individuals. •Provided publication assistance to 32 neighborhood groups to public 13,200 copies of monthly newsletters on our community photocopier. •Photocopying services for neighborhood groups were provided to 184 community users from 184 organizations to copy approximately 108,010 neighborhood documents. •Provided computer access to 152 community residents to access free community computers for 10,770 minutes (179 hours, 30 minutes).
			<ul style="list-style-type: none"> •Provided free internet access to 152 residents. •Loaned/distributed 275 materials including books and neighborhood event supplies to 70 residents from 70 neighborhood groups. •Educated the community by distributing information from 97 community groups and agencies through 89 e-mail announcements to neighborhood and community leaders. •Provided 18 grant proposal preparation assistance sessions to 42 residents, neighborhood and community groups. •Provided 109 project assistance sessions to 166 residents, neighborhood, and community groups. •Presented information about the NRC's resources to 5 neighborhood and community groups attended by approximately 847 residents and community members. •Provided additional assistance, resources, and referrals to 99 callers and 281 walk-in visitors. •Total Number of People Assisted: 54,019

3.3 Comprehensive Code Enforcement	<input type="checkbox"/> Continue to perform inspections and train residents in nuisance abatement procedures. <input type="checkbox"/> Inspect an average of 5,500 multi-family units annually to correct code violations. <input type="checkbox"/> Connect City housing rehabilitation programs with code enforcement efforts to ensure assistance is provided to lower income households in making the code corrections and improvements. <ul style="list-style-type: none"> • Continue to implement the Proactive Rental Housing Inspection Program Ordinance. 	Ongoing	For calendar year 2018, the City inspected 9,444 multiple-family units. The Proactive Rental Housing Inspection Program ordinance has been in place since 2015. This ordinance addresses habitability issues.
3.4 Neighborhood Improvement Services	Continue to implement various neighborhood improvement programs, such as Neighborhood Partners, Urban Forestry, Home Improvement Rebates, Neighborhood Clean Up, and Neighborhood Leadership.	Ongoing	<p>The Home Improvement Rebate Program completed exterior repairs and upgrades at 79 residential properties with 139 units and invested \$154,607 with additional contributions of \$163,591 from the property owners.</p> <p>The Commercial Improvement Rebate Program completed exterior repairs and upgrades at 77 sites and invested \$151,456 with additional contributions of \$107,725 from the property or business owners.</p> <p>Neighborhood Clean-Up Assistance Program – 3,330 volunteers participated in 146 cleanup events and filled 125 dumpsters, removing over 1,125 tons of debris from Long Beach streets and neighborhoods citywide.</p> <p>Neighborhood Leadership Program -- The Class of 2018 graduated 31 residents, 24 residents live in CDBG-eligible neighborhoods. The total value of the class projects, all four in North Long Beach, was \$38,000.</p>
			<p>The Neighborhood Partners Program provided a total of \$28,586 in matching funds to assist neighborhood and community groups to complete three projects. This CDBG investment was further leveraged by an additional \$65,744 in community support. Improvements completed include:</p> <ul style="list-style-type: none"> • Installed irrigation and drought tolerant plants in five planters at DeForest Park. • Installed 20 neighborhood marker signs in Rose Park neighborhood. • Installed 30 concrete trash cans in Willmore City neighborhood.
			<p>The Housing and Neighborhood Services Bureau's Urban Forestry program continues to implement that "I Dig Long Beach – 6,000 Trees by 2020" initiative and has expanded the initiative with a \$1.26 million grant from CAL FIRE to plant an additional 3,600 trees, 350 fruit trees in front yards, 435 sidewalk cuts, 60 bioswales, 1 median bioswale demonstration project and establish a community orchard with 50 additional fruit trees at Willow Springs Park. In 2018, community volunteers helped plant 844 new trees funded with grants from the Port of Long Beach and CAL FIRE. This includes 395 tree planted in the following CDBG-eligible neighborhoods: East Village, AOC7, Central Long Beach - Poly High School, West Long Beach – Hudson School, and Hamilton.</p> <p>The City of Long Beach also launched the Place Based Neighborhood Improvement Strategy (PBNIS) as part of the first year of the current HUD Five Year Action Plan. During 2018, Housing and Neighborhood Services Bureau staff worked with residents and stakeholders in the South PBNIS to create area improvements. Resources focused on this area included paving an unimproved alley, and façade improvements to a block of commercial storefronts along Anaheim Street. Volunteers hosted monthly neighborhood clean-up events to remove 81 tons of trash and debris, and planting 75 "I Dig Long Beach" street trees, and outreach to commercial and residential property owners to address deteriorated conditions at their properties and offer the Home Improvement Rebate Program and the Commercial Improvement Rebate Program.</p>
3.5 Foreclosure Registry	Ongoing implementation of the Foreclosure Registry Ordinance.	Ongoing	For calendar year 2018, the City opened 605 new cases and closed 613 cases.
3.6 Lead-Based Paint Hazard Abatement	<p>The LHC Program has established the following work program for FY 2015 – FY 2018:</p> <ul style="list-style-type: none"> • Enroll 205 housing units into the program and obtain owner consent to inspect units for lead hazards. • Conduct assessment on 205 units. • Complete abatement for 195 units. 	Ongoing	<ul style="list-style-type: none"> • Cumulative lead assessments were conducted in 207 low-income residential units for the 2015-2018 grant period, 44 assessments in 2018. • Lead abatement was completed in 198 units for the 2015- 2018 grant period, 69 units were abated in calendar year 2018. • To build public awareness regarding the lead abatement program, staff participated in more than 50 outreach events. • The new 2019-2022 grant is on schedule to remediate lead-based paint hazards in an additional 200 low-income housing units by April, 2022.
4. HOUSING PRODUCTION			
4.1 Affordable Housing Development Assistance	<input type="checkbox"/> Annually monitor availability of State and federal funding and partner with affordable housing developers, if necessary, in applying for additional funds. Identify qualified nonprofit developers for partnership in affordable housing construction and acquisition/rehabilitation projects. <input type="checkbox"/> Prepare and implement a Housing Action Plan (HAP) in 2015.	Ongoing	<p>Staff continued to monitor federal and state funding programs, specifically the Affordable Housing and Sustainable Communities program and County of Los Angeles Programs.</p> <p>Recently Completed:</p> <ul style="list-style-type: none"> •1950-1960 Henderson – 4 units for-sale family housing, completed in August 2018. DS/LBCIC provided \$624,000 million in funding. •Beachwood Apartments – 46 units (disabled). DS/The LBCIC provided a loan of \$2 million to Century Affordable Housing Development for the acquisition of this project, and supported and assisted with funding applications for the substantial rehabilitation of the buildings. •817 Daisy Apartments – 8 permanent supportive units for adults with developmental disabilities. DS/LBCIC provided \$315,000 in funding. •2800 Baltic Avenue – Acquisition and Rehabilitation of a single-family residence housing three individuals with developmental disabilities. DS/LBCIC provided \$165,800 in funding.
			<p>Approved:</p> <ul style="list-style-type: none"> •14th Street between Pine/Pacific – 11 Units (For Sale – Family). The LBCIC approved a Disposition and Development Agreement with Habitat for Humanity and a loan in the amount of \$990,000 to the project. •1795 Long Beach Boulevard – 102 Units (Rental – Family & Special Needs). The LBCIC approved a \$4,000,000 loan agreement with AMCAL. The City was a joint applicant for up to \$15,750,000 in AHSC funding. The project was awarded \$13.976 million in AHSC Round 3 funding. •1900 Long Beach Boulevard – 95 Units (Rental – Family & Special Needs). The LBCIC Approved a Disposition and Development Agreement with LINC Housing and a loan in the amount of \$3,000,000 to the project. •469 West Apartments (Magnolia & PCH) – 40 units of homeless/extremely low-income housing proposed. The LBCIC entered into an ENA with LINC Housing in May 2018.

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	Long Beach	
Reporting Period	2018	(Jan. 1 - Dec. 31)

Note: + Optional field Cells in grey contain auto-calculation formulas

Table F

Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)(2)

This table is optional. Jurisdictions may list (for informational purposes only) units that do not count toward RHNA, but were substantially rehabilitated, acquired or preserved. To enter units in this table as progress toward RHNA, please contact HCD at APR@hcd.ca.gov. HCD will provide a password to unlock the grey fields. Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in Government Code section 65583.1(c)(2).

Activity Type	Units that Do Not Count Towards RHNA ⁺ Listed for Informational Purposes Only				Units that Count Towards RHNA ⁺ Note - Because the statutory requirements severely limit what can be counted, please contact HCD to receive the password that will enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1 ⁺
	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	
Rehabilitation Activity	45			45					
Preservation of Units At-Risk	124			124					
Acquisition of Units									
Total Units by Income	169			169					

Jurisdiction	Long Beach	
Reporting Year	2018	(Jan. 1 - Dec. 31)

Entitled Units Summary		
Income Level		Current Year
Very Low	Deed Restricted	121
	Non-Deed Restricted	0
Low	Deed Restricted	143
	Non-Deed Restricted	0
Moderate	Deed Restricted	7
	Non-Deed Restricted	0
Above Moderate		1409
Total Units 44		1680

Note: units serving extremely low-income households are included in the very low-income permitted units totals

Submitted Applications Summary	
Total Housing Applications Submitted:	126
Number of Proposed Units in All Applications Received:	3,662
Total Housing Units Approved:	472
Total Housing Units Disapproved:	0

Use of SB 35 Streamlining Provisions	
Number of Applications for Streamlining	0
Number of Streamlining Applications Approved	0
Total Developments Approved with Streamlining	0
Total Units Constructed with Streamlining	0

Units Constructed - SB 35 Streamlining Permits			
Income	Rental	Ownership	Total
Very Low	0	0	0
Low	0	0	0
Moderate	0	0	0
Above Moderate	0	0	0
Total	0	0	0

Cells in grey contain auto-calculation formulas

**HOUSING SUCCESSOR ANNUAL REPORT
REGARDING THE
LOW AND MODERATE INCOME HOUSING ASSET FUND
FOR FISCAL YEAR 2017-18
PURSUANT TO
CALIFORNIA HEALTH AND SAFETY CODE SECTION 34176.1(f)
FOR THE
LONG BEACH COMMUNITY INVESTMENT COMPANY**

This Housing Successor Annual Report (Report) regarding the Low and Moderate Income Housing Asset Fund (LMIHAF) has been prepared pursuant to California Health and Safety Code Section 34176.1(f) and is dated as of February 20, 2019. This Report sets forth certain details of the Long Beach Community Investment Company (Housing Successor) activities during Fiscal Year 2017-18 (Fiscal Year). The purpose of this Report is to provide the governing body of the Housing Successor an annual report on the housing assets and activities of the Housing Successor under Part 1.85, Division 24 of the California Health and Safety Code, in particular sections 34176 and 34176.1 (Dissolution Law).

The following Report is based upon information prepared by Housing Successor staff and information contained within the financial records of the Low and Moderate Income Housing Asset Fund Fiscal Year 2017-18. This Report conforms with and is organized into sections I. through XII., inclusive, pursuant to Section 34176.1(f) of the Dissolution Law:

- I. **Loan Repayments:** This section provides the amount of funds paid to the City for loans provided to the former Redevelopment Agency of the City of Long Beach.
- II. **Amount Deposited into LMIHAF:** This section provides the total amount of funds deposited into the LMIHAF during the Fiscal Year. Any amounts deposited for items listed on the Recognized Obligation Payment Schedule (ROPS) and any funds due as a result of a successor agency repayment of housing loans, former redevelopment agency/City loans, or both must be distinguished from the other amounts deposited.
- III. **Ending Balance of LMIHAF:** This section provides a statement of the balance in the LMIHAF as of the close of the Fiscal Year. Any amounts deposited for items listed on the ROPS must be distinguished from the other amounts deposited.
- IV. **Description of Expenditures from LMIHAF:** This section provides a description of the expenditures made from the LMIHAF during the Fiscal Year. The expenditures are to be categorized.
- V. **Statutory Value of Assets Owned by Housing Successor:** This section provides the statutory value of real property owned by the Housing Successor, the value of loans and grants receivables, and the sum of these two amounts.

- VI. Description of Transfers:** This section describes transfers, if any, to another housing successor agency made in previous Fiscal Year(s), including whether the funds are unencumbered and the status of projects, if any, for which the transferred LMIHAF will be used. The sole purpose of the transfers must be for the development of transit priority projects, permanent supportive housing, housing for agricultural employees or special needs housing.
- VII. Project Descriptions:** This section describes any project for which the Housing Successor receives or holds property tax revenue pursuant to the ROPS and the status of that project.
- VIII. Status of Compliance with Section 33334.16:** This section provides a status update on compliance with Section 33334.16 for interests in real property acquired by the former redevelopment agency prior to February 1, 2012. For interests in real property acquired on or after February 1, 2012, provide a status update on the project.
- IX. Description of Outstanding Obligations under Section 33413:** This section describes the outstanding inclusionary and replacement housing obligations, if any, under Section 33413 that remained outstanding prior to dissolution of the former redevelopment agency as of February 1, 2012 along with the Housing Successor's progress in meeting those prior obligations, if any, of the former redevelopment agency and how the Housing Successor's plans to meet unmet obligations, if any.
- X. Income Test:** This section provides the information required by Section 34176.1(a)(3)(B), or a description of expenditures by income restriction for five year period, with the time period beginning January 1, 2014 and whether the statutory thresholds have been met.
- XI. Senior Housing Test:** This section provides the percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the Housing Successor, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the Housing Successor, its former redevelopment agency and its host jurisdiction within the same time period. For this Report the ten-year period reviewed is October 1, 2008 to September 30, 2018.
- XII. Excess Surplus Test:** This section provides the amount of excess surplus in the LMIHAF, if any, and the length of time that the Housing Successor has had excess surplus, and the Housing Successor's plan for eliminating the excess surplus.
- XIII. Inventory of Homeownership Units Subject to Covenants or Restrictions:** This section provides an inventory of homeownership units assisted by the housing

successor that are subject to covenants or restrictions or to an adopted program that protects the investment of moneys from the Low and Moderate Income Housing Fund.

This Report is to be provided to the Housing Successor's governing body by March 31, 2019. In addition, this Report and the former redevelopment agency's pre-dissolution Implementation Plans are to be made available to the public on the City's website:

http://www.longbeachrda.org/publications/redevelopment_implementation_plans/default.asp

I. LOAN REPAYMENTS

During the Fiscal Year, the Successor Agency repaid the City \$16,626,003 for loans it provided the former Redevelopment Agency.

II. AMOUNT DEPOSITED INTO LMIHAF

Source	Amount
Loan Repayments	\$1,409,833
Funds Returned to Housing Successor as Equity Share	\$42,069
Interest Earned	\$153,597
Use of Money & Property	\$128,385
Miscellaneous Fees, Charges, Permits	\$13,972
Total for Non-ROPS items	\$1,747,856
ROPS Requested Reimbursements	
Successor Agency/City Loan Repayment Housing Share (20% of \$16,626,003)	\$3,325,201
Total from all sources deposited in FY 2017-18	\$5,073,057

A total of \$ 5,073,057 was deposited into the LMIHAF during the Fiscal Year. Of the total funds deposited into the LMIHAF, a total of \$0 was held for items listed on the ROPS.

III. ENDING BALANCE OF LMIHAF

Balance of LMIHAF as of 9/30/18	
Previous Balance	\$30,696,220
Current Non-ROPS Deposits	\$1,747,855
ROPS Requested Share of City-Agency Loan Repayment	\$3,325,201
Expenditures	\$ (15,738,355)
Ending Balance	\$20,030,921

At the close of the Fiscal Year, the ending balance in the LMIHAF is \$ 20,030,921 of which \$0 is held for items listed on the ROPS.

IV. DESCRIPTION OF EXPENDITURES FROM LMIHAF

The following is a description of expenditures from the LMIHAF by category:

Source	Amount
Monitoring	\$266,959
Housing Activities	\$14,538,548
Administration	\$932,848
Total Expenditures in Fiscal Year	\$15,738,355

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

Under the Dissolution Law and for purposes of this Report, the "statutory value of real property" means the value of properties formerly held by the former redevelopment agency as listed on the housing asset transfer schedule approved by the Department of Finance as listed in such schedule under Section 34176(a)(2), the value of the properties transferred to the Housing Successor pursuant to Section 34181(f), and the purchase price of property(ies) purchased by the Housing Successor. Further, the value of loans and grants receivable is included in these reported assets held in the LMIHAF.

The following provides the statutory value of assets owned by the Housing Successor.

	As of End of Fiscal Year
Value of Loans Receivable	\$62,876,447
Value of Land with Structures (321 7th and 2640 E. Anaheim)	\$1,098,753
Value of Land Held for Resale	\$1,415,378
Total Value of Housing Successor Assets	\$65,390,578

VI. DESCRIPTION OF TRANSFERS

The Housing Successor did not make any LMIHAF transfers to other Housing Successor(s) under Section 34176.1(c)(2) during the Fiscal Year.

VII. PROJECT DESCRIPTIONS

The Housing Successor does not receive or hold property tax revenue pursuant to the ROPS.

VIII. STATUS OF COMPLIANCE WITH SECTION 33334.16

Section 34176.1 provides that Section 33334.16 does not apply to interests in real property acquired by the Housing Successor on or after February 1, 2012; however, this Report presents a status update on the projects related to such real property.

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

The following provides a status update on the real property housing assets that were acquired prior to February 1, 2012 and compliance with the five-year period:

Address of Property	Date of Acquisition	Deadline to Initiate Development Activity	Status of Housing Successor Activity
1900, 1908-10 Long Beach Blvd.	2/23/2007	March 22, 2018	An RFP was released in July 2016, and in 2017 an agreement to negotiate exclusively was executed with Linc Housing. A Disposition and Development Agreement is expected to be executed in early 2019 for development of a 95-unit affordable apartment project at the site. Construction is anticipated to begin in March 2019. Estimated completion in March 2021.
1500 Pine Ave Unit 8 COMPLETED	8/03/2011	March 22, 2018	Unit was sold in September 2014 to a low-income buyer.
1339 and 1347 Pine Ave	10/29/2004	March 22, 2018	A conceptual project has been defined and Habitat for Humanity is refining their proposal. A Disposition and Development Agreement is expected to be signed by April 2019 with groundbreaking anticipated April 15, 2019. Estimated completion by December 31, 2020.
1411 Pine Ave and 105 W 14 th St. COMPLETED	10/29/2004	March 22, 2018	Sold to Habitat for Humanity who then developed two single-family residences which were sold to low-income households.

Address of Property	Date of Acquisition	Deadline to Initiate Development Activity	Status of Housing Successor Activity
469 W 17 th Street 1718 Magnolia Ave 1730 Magnolia Ave 1732-34 Magnolia Ave 1736 Magnolia Ave	10/31/2006 10/31/2006 4/09/2007 12/29/2006 2/12/2007	March 22, 2018	An RFP was released in 2017 and an Agreement to Negotiate Exclusively with LINC Housing was executed. A Disposition and Development Agreement is anticipated in February 2019. Estimated groundbreaking in Spring 2020 with completion estimated Spring 2022.
1842 Locust Ave	1/29/2007	March 22, 2018	An RFP was released in 2015 and an Exclusive Negotiation Agreement was entered into with Clifford Beers. A Disposition and Development Agreement has been executed. Ground-breaking is estimated to take place January 2019 with estimated completion January 2021.
1348 Pacific	1/22/2007	March 22, 2018	A conceptual project has been defined and Habitat for Humanity is refining their proposal. A Disposition and Development Agreement is expected to be signed by April 2019 with groundbreaking anticipated April 15, 2019. Estimated completion by December 31, 2020.

No properties were acquired by the Housing Successor using LMIHAF on or after February 1, 2012.

IX. DESCRIPTION OF OUTSTANDING OBLIGATIONS PURSUANT TO SECTION 33413

Replacement Housing: Based on The Affordable Housing Compliance Plan contained within the former Redevelopment Agency's 2010-2014 Implementation Plan, there were no Section 33413(a) replacement housing obligations to be transferred to the Housing Successor. The

former redevelopment agency's Implementation Plans are posted on the City's website at:
http://www.longbeachrda.org/publications/redevelopment_implementation_plans/default.asp

Inclusionary/Production Housing. Based on the 2010-2014 Implementation Plan for the former redevelopment agency, there were no Section 33413(b) inclusionary/production housing obligations to be transferred to the Housing Successor. The former redevelopment agency's Implementation Plans are posted on the City's website at:
http://www.longbeachrda.org/publications/redevelopment_implementation_plans/default.asp

X. EXTREMELY-LOW INCOME TEST

Section 34176.1(a)(3)(B) requires that the Housing Successor must require at least 30% of the LMIHAF to be expended for development of rental housing affordable to and occupied by households earning 30% or less of the AMI. If the Housing Successor fails to comply with the Extremely-Low Income requirement in any five-year report, then the Housing Successor must ensure that at least 50% of the funds remaining in the LMIHAF be expended in each fiscal year following the latest fiscal year following the report on households earning 30% or less of the AMI until the Housing Successor demonstrates compliance with the Extremely-Low Income requirement.

Summary Income Expenditures	Extremely-Low Income Expenditures	Very-Low to Low Income Expenditures	Lower Income Expenditures	Total LMIHAF Expenditures
2014	\$0	\$0	\$0	\$0
2015	\$0	\$0	\$0	\$0
2016	\$0	\$0	\$0	\$0
2017				
The Beacon	\$3,182,000	\$6,818,000	\$0	\$10,000,000
1795 Long Beach Blvd	\$1,225,000	\$2,775,000	\$0	\$4,000,000
2018	\$0	\$0	\$0	\$0
Total	\$4,407,000 31.5%	\$9,593,000 68.5%	\$0 0.0%	\$14,000,000

XI. SENIOR HOUSING TEST

The Housing Successor is to calculate the percentage of units of deed-restricted rental housing restricted to seniors and assisted by the Housing Successor, the former redevelopment agency and/or the City within the previous 10 years in relation to the aggregate number of units of

deed-restricted rental housing assisted by the Housing Successor, the former redevelopment agency and/or City within the same time period. If this percentage exceeds 50%, then the Housing Successor cannot expend future funds in the LMIHAF to assist additional senior housing units until the Housing Successor or City provides assistance and construction has commenced on a number of restricted rental units that is equal to 50% of the total amount of deed-restricted rental units.

The following provides the Housing Successor's Senior Housing Test for the 10-year period of October 1, 2008 – September 30, 2018.

Senior Housing Test	10-Year Test
Number of Assisted Senior Rental Units	477
Number of Total Assisted Rental Units	1,336
Senior Housing Percentage	36%

XII. EXCESS SURPLUS TEST

Excess Surplus is defined in Section 34176.1(d) as an unencumbered amount in the account that exceeds the greater of one million dollars (\$1,000,000) or the aggregate amount deposited into the account during the Housing Successor's preceding four Fiscal Years, whichever is greater.

The following provides the Excess Surplus test for the preceding four Fiscal Years:

Excess Surplus Calculation	
Sum of Deposits Over Prior Four Fiscal Years	\$32,042,493
Current Reporting Year Opening Balance (Oct. 1, 2018)	\$30,696,220
Reporting Year Opening Balance Less the of Sum of Deposits Over Prior Four Fiscal Years	\$(1,346,273)
Excess Surplus	\$0

Excess Surplus exists when the current year opening balance exceeds the greater of: \$1,000,000 or sum of prior four years' deposits. As shown above, the current year opening balance is approximately \$1,346,273 less than the sum of the deposits made during the last four fiscal years. As a result, an Excess Surplus does not exist.

XIII. INVENTORY OF HOMEOWNERSHIP UNITS SUBJECT TO COVENANTS OR RESTRICTIONS

Homeownership Inventory	
Number of Units Subject to Covenants or Restrictions	302
Number of Units Lost to the Portfolio During FY 2018	3
Reason	Loan pay-off

The housing successor has NOT contracted with any outside entity for the management of the units.