Independent Accountant’s Disclaimer Report Applied to the Preparation of the Addendum to the Annual Progress Report of the Housing Successor of the City of Thousand Oaks

To Management of the
Housing Successor of the City of Thousand Oaks
Thousand Oaks, California

We have prepared the accompanying Addendum to the Annual Progress Report (“Addendum to the APR”) of the Housing Asset Fund of the City of Thousand Oaks (Housing Successor) as of June 30, 2022 and for the year then ended in accordance with the reporting provisions of the California Health & Safety Code Section 34176.1 as amended by Senate Bill 341 (Chapter 796, Statutes of 2013, effective January 2014) (“SB 341”), and as amended by Senate Bill 107 (Chapter 325, Statutes of 2015, effective January 2016) HSC Section 34176.1(f). Management of the Housing Successor is responsible for the preparation and fair presentation of the Addendum to the APR in accordance with the reporting provisions of SB 341, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the Addendum to the APR.

The accompanying Addendum to the APR of the Housing Successor as of June 30, 2022 and for the year then ended was not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, conclusion, nor provide any assurance on it.

This Addendum to the APR is intended solely for the information and use of management of the Housing Successor, and is not intended to be and should not be used by anyone other than this specified party.

Rogers, Anderson, Malody & Scott, LLP

San Bernardino, California
December 6, 2022

-1-
1) The amount the City, County, or City and County received pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 34191.4.

   The Housing Successor does not have any loan agreements or repayment schedules with the Former Redevelopment Agency.

2) The amount deposited to the Low and Moderate Income Housing Asset Fund, distinguishing between amounts deposited pursuant to subparagraphs (B) and (C) of paragraph (3) of subdivision (b) of Section 34191.4, amounts deposited for others items listed on the Recognized Obligation Payment Schedule from other amounts deposited.

   The Housing Successor Fund did not receive any amounts pursuant to subparagraph (B) and (C) of paragraph (3) of subdivision (b) of Section 34191.4.

3) A statement of the balance in the fund as of the close of the fiscal year, distinguishing any amounts held for items listed on the Recognized Obligation Payment Schedule from other amounts.

   The balance of the Housing Successor Fund as of June 30, 2022 was $2,029,193 of which none was withheld for items on the Recognized Obligation Payment Schedule.

4) A description of expenditures from the fund by category, including, but not limited to, expenditures.

   a. For monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering the activities described in paragraphs (2) and (3) of subdivision (a).

      The Housing Successor’s expenditures related to this category for the fiscal year ended June 30, 2022, were $138,957 in administrative expenditures.

   b. For homeless prevention and rapid re-housing services for the development of housing described in paragraph (2) of subdivision (a), and

      The Housing Successor had no expenditures related to homeless prevention and rapid re-housing services for the year ended June 30, 2022.

   c. For the development of housing pursuant to paragraph (3) of subdivision (a).

      The Housing Successor expenditures related to the development of housing for the year ended June 30, 2022, were $1,200,000.
5) As described in paragraph (1) of subdivision (a), the statutory value of real property owned by the housing successor, the value of loans and grants receivable, and the sum of these two amounts.

*The Housing Successor owned real property with a statutory value of $4,192,749, as of June 30, 2022.*

*The value of loans and notes receivable in the Housing Successor as of June 30, 2022 is $33,608,157.*

*The sum of the statutory value of real property and the value of loans and notes receivable is $37,800,906, as of June 30, 2022.*

6) A description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous fiscal year and, if still unencumbered, in earlier fiscal years and a description of and status update on any project for which transferred funds have been or will be expended if that project has not yet been placed in service.

*No transfers occurred pursuant to paragraph (2) of subdivision (c) in the previous fiscal year or earlier fiscal years in the Housing Successor Fund.*

7) A description of any project for which the housing successor receives or holds property tax revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project.

*The Housing Successor Fund did not receive or hold property tax revenues pursuant to the Recognized Obligation Payment Schedule during the fiscal year ended June 30, 2022.*

8) For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16. For interests in real property acquired on or after February 1, 2012, a status update on the project.

*All Housing Successor real property assets listed below are developed and restricted to affordable housing conditions. No properties were acquired subsequent to February 1, 2012.*

<table>
<thead>
<tr>
<th>Parcel Number (APN)</th>
<th>Date Acquired</th>
<th>DOF Transfer</th>
<th>Statutory Value at June 30, 2022</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>670-0-250-210</td>
<td>8/9/2021</td>
<td>N/A</td>
<td>1,200,000</td>
<td>Hillcrest/Erbes property is vacant, and the City is seeking a developer to construct a 100% affordable project.</td>
</tr>
</tbody>
</table>
9) A description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include in the report posted on its internet web site the implementation plans of the former redevelopment agency.

As of June 30, 2022, there were no outstanding obligations pursuant to Section 33413 that remained to be transferred to the Housing Successor on February 1, 2012.

10) The information required by subparagraph (B) of paragraph (3) of subdivision (a).

This item is not applicable to the Housing Successor until fiscal year ended June 30, 2024.

11) 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.

As of June 30, 2022, the Housing Successor had 0% 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.

12) The amount of any excess surplus, the amount of time that the successor agency has had excess surplus, and the housing successor's plan for eliminating the excess surplus.

The Housing Successor has an excess surplus of $496,324 as of June 30, 2022. As of June 30, 2021, June 20, 2020 and June 30, 2019 the Housing Successor has an excess surplus of $1,643,207, $988,514 and $366,039, respectively. Excess surplus calculation is as follows:

<table>
<thead>
<tr>
<th>Fiscal Year-End</th>
<th>Deposits</th>
<th>Expenditures</th>
<th>Encumbered Amounts</th>
<th>Net Position</th>
<th>Unencumbered Ending Balance</th>
<th>Greater of 4 Yrs of Deposits or $1 million</th>
<th>Excess Surplus (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>$ 886,337</td>
<td>$ (500,764)</td>
<td>-</td>
<td>2,393,499</td>
<td>2,633,674</td>
<td>2,267,635</td>
<td>366,039</td>
</tr>
<tr>
<td>2016-17</td>
<td>197,635</td>
<td>(530,239)</td>
<td>-</td>
<td>2,393,499</td>
<td>2,633,674</td>
<td>2,267,635</td>
<td></td>
</tr>
<tr>
<td>2017-18</td>
<td>424,202</td>
<td>(120,029)</td>
<td>-</td>
<td>2,393,499</td>
<td>2,633,674</td>
<td>2,267,635</td>
<td></td>
</tr>
<tr>
<td>2018-19</td>
<td>377,588</td>
<td>(137,413)</td>
<td>-</td>
<td>2,393,499</td>
<td>2,633,674</td>
<td>2,267,635</td>
<td></td>
</tr>
<tr>
<td>2019-20</td>
<td>408,601</td>
<td>(148,000)</td>
<td>20,000</td>
<td>2,393,499</td>
<td>2,633,674</td>
<td>2,874,276</td>
<td>1,885,762</td>
</tr>
<tr>
<td>2020-21</td>
<td>317,067</td>
<td>(150,109)</td>
<td>10,000</td>
<td>2,393,499</td>
<td>2,633,674</td>
<td>3,051,234</td>
<td>1,408,027</td>
</tr>
<tr>
<td>2021-22</td>
<td>306,916</td>
<td>(1,338,957)</td>
<td>5,410</td>
<td>3,061,234</td>
<td>2,023,783</td>
<td>1,527,459</td>
<td>496,324</td>
</tr>
</tbody>
</table>

(1) Excess surplus is an unencumbered amount that exceeds the greater of $1 million or the aggregate amount deposited during the preceding four years.

The Housing Successor must expend or encumber its excess surplus within three fiscal years. If the Housing Successor fails to comply, the Housing Successor, within 90 days of the end of the third fiscal year, must transfer any excess surplus to the Department of Housing and Community Development for expenditures pursuant to the Multifamily Housing Program or the Joe Serna, Jr. Farmworker Housing Grant Program.
13) An inventory of homeownership units assisted by the former redevelopment agency or the housing successor that are subject to covenants or restrictions or to an adopted program that protects the former redevelopment agency’s investment of monies from the Low and Moderate Income Housing Fund pursuant to subdivision (f) of Section 33334.3.

a. The number of those units.

The Housing Successor assisted with approximately 6 homeownership units that are subject to affordable restrictions.

b. In the first report pursuant to this subdivision, the number of units lost to the portfolio after February 1, 2012, and the reason or reasons for those losses. For all subsequent reports, the number of the units lost to the portfolio in the last fiscal year and the reason for those losses.

The Housing Successor did not lose units in fiscal year 2021-2022.

c. Any funds returned to the housing successor as part of an adopted program that protects the former redevelopment agency’s investment of monies from the Low and Moderate Income Housing Fund.

The Housing Successor had no funds returned during the fiscal year ended June 30, 2022.

d. Whether the housing successor has contracted with any outside entity for the management of the units and, if so, the identity of the entity.

The Housing Successor has not contracted outside for the management of the units during fiscal year ended June 30, 2022.