



**Oversight Board to the
City of Ridgecrest
Successor Redevelopment Agency**

AGENDA

**Special Meeting
October 8, 2012
6:30pm**

**City Hall
100 West California Avenue
Ridgecrest, CA 93555
(760) 499-5062**

**County Of Kern Board of Supervisors
Jim Fallgatter
Peggy Breeden**

**City of Ridgecrest Mayor
Daniel Clark
Tess Sloan**

**Kern County Superintendent of Education
Gary Rice**

**Chancellor California Community Colleges
Gale Lebsock**

**Kern County Water Agency
Vacant**

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**OVERSIGHT BOARD TO THE CITY OF RIDGECREST
SUCCESSOR REDEVELOPMENT AGENCY**

**Special Meeting
Monday October 8, 2012
6:30 p.m.**

**CITY COUNCIL CHAMBERS
100 West California Avenue
Ridgecrest, CA 93555**

This meeting room is wheelchair accessible. Accommodations and access to City meetings for people with other handicaps may be requested of the Secretary of the Board (499-5062) five working days in advance of the meeting.

In compliance with Senate Bill 343, Oversight Board Agenda and corresponding writings are available for public inspection at the following locations:

1. City of Ridgecrest City Hall, 100 W. California Ave., Ridgecrest, CA 93555
2. Kern County Library – Ridgecrest Branch, 131 E. Las Flores Avenue, Ridgecrest, CA 93555
3. City of Ridgecrest official website at <http://ci.ridgecrest.ca.us>

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

APPROVAL OF MINUTES – October 1, 2012

PUBLIC COMMENT

DISCUSSION AND OTHER ACTION ITEMS

1. Approve a Resolution Acknowledging The Receipt And Approval Of The Review Of The Low And Moderate Income Housing Due Diligence Report Conducted By Pun And McGeady LLP Pursuant To Health And Safety Code Section 34179.5 Parsons
2. Establish Two Future Meeting Dates; One For A Public Hearing On The Non-Housing Due Diligence Report And One For A Public Meeting To Adopt Findings On The Non-Housing Asset Due Diligence Report Staff

BOARD MEMBER COMMENTS

SUPPORT STAFF COMMENTS

ADJOURNMENT

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OVERSIGHT BOARD TO THE RIDGECREST REDEVELOPMENT SUCCESSOR
AGENCY AGENDA ITEM

SUBJECT

Approve a Resolution Acknowledging The Receipt And Approval Of The Review Of The Low And Moderate Income Housing Due Diligence Report Conducted By Pun And McGeedy LLP Pursuant To Health And Safety Code Section 34179.5

PRESENTED BY:

Gary Parsons

SUMMARY:

The Ridgecrest Redevelopment Successor Agency (RRSA) was to hire an auditor approved by the Kern County Auditor Controller, to perform a due diligence analysis of all housing and its program financial activities between January 1, 2011 and June 30, 2012. The purpose of these reviews is to determine if funds were spent inappropriately and to determine the amount of unobligated funds that will be payable to the Kern County Auditor Controller for distribution to affected taxing entities.

Housing Due Diligence Review

The housing fund balance was determined and submitted to the Oversight Board, the County Auditor Controller (CAC), the State Controller's Office (SCO), and the Department of Finance (DOF) on October 1, 2012. The Oversight Board held a Public Hearing October 01, 2012 on the Housing Due Diligence Report, not less than five days before it holds this second meeting and adopts Findings on the Due Diligence Report. These findings may include recommendations regarding physical assets to be retained by the Housing Successor and funds that are contractually committed or legally restricted and therefore not available for distribution to the taxing entities. The Oversight Board is required to submit its findings to the Department of Finance no later than October 15, 2012. The Department of Finance has the authority to reject the Findings of the Oversight Board and to adjust the Due Diligence Report numbers. The Department of Finance may submit comments on the Housing Due Diligence Report and the Oversight Board Findings up to November 9, 2012. The Successor Agency may contest Department of Finance findings and request a meet and confer session within five business days. Since November 9 is a Friday and Monday November 12 is a holiday, it will be difficult to schedule an Oversight Board meeting and file an appeal in a timely manner. Therefore, staff is asking the Oversight Board to provide advance authorization to permit the City Manager or his designee to file an appeal and request a meet and confer session with the California Department of Finance if the Department of Finance rejects any part of the Housing Asset Due Diligence Report or the Oversight Board findings.

Pursuant to AB1484 Section 34179.6 the Oversight Board may approve the report pending public comments, none of which have been received.

FISCAL IMPACT: None

ACTION REQUESTED:

Motion to adopt Resolution 12-11 Accepting and Approving the finding of the Low And Moderate Income Housing Fund (LMIHF) And The Housing Due Diligence Report and its filing as required by AB1484

Submitted by: G. Parsons

Action Date: October 8, 2012

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RESOLUTION NO 12-11

A RESOLUTION OF THE OVERSIGHT BOARD TO THE RIDGECREST REDEVELOPMENT SUCCESSOR AGENCY ACCEPTING THE INDEPENDENT ACCOUNTING REPORT ON APPLYING AGREED UPON PROCEDURES RELATING TO THE DUE DILIGENCE REVIEW IN ACCORDANCE WITH AB1484 APPLIED TO LOW AND MODERATE INCOME HOUSING FUND FOR THE YEAR ENDED JUNE 30, 2012

WHEREAS, the California State Legislature adopted and the Governor signed Assembly Bill 1484 (“AB 1484”) as a budget trailer bill that went into effect on June 27, 2012;

WHEREAS, AB 1484 requires the Oversight Board To The Ridgecrest Redevelopment Successor Agency to hire an independent accountant approved by the County Auditor-Controller (CAC) to prepare a Housing Due Diligence Report and a Non-Housing Due Diligence Report; and

WHEREAS, the Oversight Board To The Ridgecrest Redevelopment Successor Agency hired the auditing firm of Pun and McGeady LLP; and

WHEREAS, the Oversight Board To The Ridgecrest Redevelopment Successor Agency approved the firm of Pun and McGeady at its meeting of August 14, 2012 to conduct a due diligence audit of all housing and program financial activities between January 1, 2011 and June 30, 2012; and

WHEREAS, the firm of Pun and McGeady conducted the due diligence audit and submitted the results to the Oversight Board To The Ridgecrest Redevelopment Successor Agency on October 1, 2012.

WHEREAS, the Oversight Board To The Ridgecrest Redevelopment Successor Agency held a public hearing at its meeting of October 1, 2012 to seek public input; and

WHEREAS, AB 1484 requires the Oversight Board to adopt certain findings regarding the report by resolution adopted at a public meeting that takes place no less than five days following the initial public hearing held; and

WHEREAS, the Oversight Board To The Ridgecrest Redevelopment Successor Agency has reviewed the Pun and McGeady LLP Independent Audit on Applying agreed upon procedures relating to the due diligence review in accordance with AB 1484 applied to Low and Moderate income housing fund for the year ending June 30, 2012.

NOW THEREFORE, BE IT RESOLVED by the Oversight Board for the Ridgecrest Redevelopment Successor Agency as follows:

1. The Oversight Board To The Ridgecrest Redevelopment Successor Agency finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board To The Ridgecrest Redevelopment Successor Agency finds the firm of Pun and McGeady is a duly licensed accounting firm and has been approved by the CAC under section 34179.6(a).
3. The Oversight Board To The Ridgecrest Redevelopment Successor Agency accepts and approves as presented the findings of the Pun and McGeady LLP Independent Audit on Applying agreed upon procedures relating to the due diligence review in accordance with AB 1484 applied to Low and Moderate income housing fund for the year ending June 30, 2012
4. The Successor Agency acting on behalf of the Oversight Board To The Ridgecrest Redevelopment Successor Agency shall maintain on file as a public record this resolution.

PASSED AND ADOPTED At A Noticed Special Meeting Of The Oversight Board To The Ridgecrest Redevelopment Successor Agency On October 8, 2012 By The Following Vote:

AYES: Clark, Sloan, Breeden, Rice, Lebsock, Fallgatter

NOES: None

ABSTAIN: None

ABSENT: None

Daniel O. Clark
Chairman to the Oversight Board

ATTEST:

Ricca Charlon
Secretary to the Oversight Board

OVERSIGHT BOARD TO THE RIDGECREST REDEVELOPMENT SUCCESSOR
AGENCY AGENDA ITEM

SUBJECT

Establish Two Future Meeting Dates; One For A Public Hearing On The Non-Housing Due Diligence Report And One For A Public Meeting To Adopt Findings On The Non-Housing Asset Due Diligence Report

PRESENTED BY:

Staff

SUMMARY:

The Successor Agency is to hire an auditor approved by the Kern County Auditor Controller, to perform a due diligence analysis of all housing and program financial activities between January 1, 2011 and June 30, 2012. The purpose of these reviews is to determine if funds were spent inappropriately and to determine the amount of unobligated funds that will be payable to the Kern County Auditor Controller for distribution to affected taxing entities.

Non-Housing Due Diligence Review

The Successor Agency is to hire an auditor, approved by the Kern County Auditor Controller, to examine all asset transfers that took place between the Redevelopment Agency or the Successor Agency and the City, any other public entity or private party during the period January 1, 2011 and June 30, 2012. *The Non-Housing Due Diligence Review is to be delivered to the Oversight Board, the Kern County Auditor Controller, the State Controller, and the California Department of Finance by December 15, 2012.* The Oversight Board is to hold a Public Hearing on the Non-Housing Due Diligence Report, adopt Findings, and submit the Findings to the California Department of Finance no later than January 15, 2013. The Oversight Board is required to wait at least five days after the Public Hearing before adopting Findings on the Non-Housing Due Diligence Review. The California Department of Finance has up to April 1, 2013 to comment on the Non-Housing Due Diligence Review and Oversight Board Findings. Since the Successor Agency has only five business days from the issuance of the Department of Finance opinion to file an appeal and to request a meet and confer session, staff is asking the Oversight Board to provide advance authorization to permit the City Manager, or his designee, to file an appeal and request a meet and confer session with the Department of Finance if the Department of Finance rejects any part of the Non-Housing Due Diligence Review or the Oversight Board Findings on the Non-Housing Due Diligence Review.

Staff is recommending that the Oversight Board schedule Monday, December 3, 2012 for a Public Hearing on the Non-Housing Due Diligence Report and schedule a public meeting on Monday, December 10, 2012 to adopt Findings on the Non-Housing Asset Due Diligence Report.

FISCAL IMPACT:

Successor Agency funding

Reviewed by Finance Director

ACTION REQUESTED:

Set Dates and Times for meetings as requested

Submitted by: Staff

Action Date: October 8, 2012

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