



City of Rohnert Park ♦ 130 Avram Avenue ♦ Rohnert Park, California 94928
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**OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY
CITY OF ROHNERT PARK
(Successor Agency of the Former Community Development Commission of the
City of Rohnert Park)**

**SPECIAL MEETING AGENDA
Wednesday, October 10, 2012, 2:30 p.m.**

**MEETING LOCATION: CITY HALL - COUNCIL CHAMBER
130 Avram Avenue, Rohnert Park, California**

The Oversight Board welcomes your attendance, interest and participation at its public meetings. Oversight Board agendas and minutes may be viewed at the City of Rohnert Park website at: www.rpcity.org.

PUBLIC HEARINGS

The Oversight Board may discuss and/or take action on any or all of the items listed on this agenda. If you challenge decisions of the Oversight Board or the Successor Agency City of Rohnert Park in court, you may be limited to raising only those issues you or someone else raised at public hearing(s) described in this agenda, or in written correspondence delivered to the Successor Agency City of Rohnert Park, at, or prior to the public hearing(s).

PUBLIC COMMENTS

For public comment on items listed or not listed on the agenda, or on agenda items if unable to speak at the scheduled time (limited to three minutes per appearance and a 30 minute total time limit, or allocation of time based on number of speaker cards submitted)

**PLEASE FILL OUT A SPEAKER CARD PRIOR TO SPEAKING
*SEE NOTE AT THE END OF THIS AGENDA**

Copies of all staff reports and documents subject to disclosure that relate to each item of business referred to on the agenda are available for public inspection before each regularly scheduled Board meeting at City Hall, located at 130 Avram Avenue. Any writings or documents subject to disclosure that are provided to all, or a majority of all, of the members of the Board regarding any item on this agenda after the agenda has been distributed will also be made available for inspection at City Hall during regular business hours.

ANNOUNCEMENT: Please turn off all pagers, cellular telephones and all other communication devices upon entering the Rohnert Park Council Chamber. Use of these devices causes electrical interference with the sound recording and TV broadcast systems.

2:30 PM

1. **CALL TO ORDER / ROLL CALL** (Zane__ Mackenzie__ Babonis__ Calvert__ Jenkins__ Jolley __ Thompson__)

2. **PUBLIC COMMENTS**

Persons wishing to address the Board on any Consent Calendar item or on Successor Agency City of Rohnert Park business not listed on the Agenda may do so at this time. Each speaker will be allotted three minutes. Those wishing to address the Oversight Board on any report item listed on the Agenda should submit a "Speaker Card" to the Clerk of the Board before announcement of that agenda item.

3. **APPROVAL OF MINUTES**

A. Special meeting of Oversight Board for Successor Agency City of Rohnert Park held on October 3, 2012

4. **MEETING ITEMS**

A. Approving the Due Diligence Review of the Low and Moderate Income Housing Fund

1. Staff Report

2. Resolution for adoption:

Resolution No. OSB 2012-09: Approving the Approving The Due Diligence Review of the Low and Moderate Income Housing Fund

a. Board Motion/Discussion/Vote

5. **NEW MATTERS FOR FUTURE CONSIDERATION**

6. **PUBLIC COMMENT ON NON-AGENDA ITEMS**

Members of the public may address the Oversight Board on matters that are within the Oversight Board's jurisdiction and not on today's calendar. Each speaker shall have up to three minutes to make pertinent public comments unless the Oversight Board adopts a shorter period. It is strongly recommended that members of the public who wish to address the Oversight Board should fill out a "Speaker Card" provided by the Clerk, and submit the completed card to the Clerk.

7. **ADJOURNMENT**

DISABLED ACCOMMODATION

If you have a disability which requires an interpreter or other person to assist you while attending this Board meeting, please contact the Clerk of the Board at (707) 588-2205 at least 72 hours prior to the meeting to ensure arrangements for accommodation by the City. Please notify the Clerk's Office as soon as possible if you have a visual impairment requiring meeting materials to be produced in another format (Braille, audio-tape, etc.)



DRAFT

**MINUTES OF THE SPECIAL MEETING
OVERSIGHT BOARD
TO THE SUCCESSOR AGENCY CITY OF ROHNERT PARK
Wednesday, October 3, 2012
Rohnert Park City Hall, Council Chambers
130 Avram Avenue, Rohnert Park, California**

1. CALL TO ORDER

The special meeting of the Oversight Board to the Successor Agency City of Rohnert Park was called to order by Chair Shirlee Zane at 2:38 p.m. on October 3, 2012 in the Council Chambers, Rohnert Park City Hall, 130 Avram Avenue, Rohnert Park, California.

Present: Shirlee Zane, Chair
Linda Babonis, Board Member
Darrin Jenkins, Board Member
Kate Jolley, Board Member
Mike Thompson, Board Member

Absent: Jake Mackenzie, Vice Chair
Denise Calvert, Board Member

Staff present: City Manager Gabriel Gonzalez; Clerk of the Board Eydie Tacata; Finance Director Cathy Orme; Oversight Board Counsel Betsy Strauss

2. PUBLIC COMMENTS

There were no comments from the public.

3. APPROVAL OF MINUTES

Chair Zane announced the item.

ACTION: Moved/seconded (Babonis/Jenkins) and carried (5-0 vote, 2 absent) to approve minutes of the meeting of July 27, 2012.

4. MEETING ITEMS

A. Public Comments on the Due Diligence Review of the Low and Moderate Income Housing Fund

Chair Zane announced the item. City Manager Gonzalez gave the staff report and introduced Finance Director Cathy Orme to answer questions regarding the Due Diligence Review entitled "Independent Accountants' Report on Applying Agreed-Upon Procedures pursuant to AB 1484 - Low and Moderate Income Housing Fund"

There were no public comments.

There was general discussion among the Board members, Oversight Board Counsel and Successor Agency staff about providing a detailed listing or description of the assets on the Due Diligence Review; the process going forward after the submittal of the Due Diligence Review; and possible usage of bond proceeds depending on Department of Finance determinations.

5. NEW MATTERS FOR FUTURE CONSIDERATION

There were no new matters.

6. PUBLIC COMMENT ON NON-AGENDA ITEMS

There were no comments from the public.

7. ADJOURNMENT

ACTION: The Board members concurred to adjourn the meeting at 3:25 p.m.

Eydie Tacata, Clerk of the Board
Successor Agency City of Rohnert Park

Shirlee Zane, Chair
Oversight Board for the Successor Agency of
Rohnert Park



Mission Statement

“We Care for Our Residents by Working Together to Build a Better Community for Today and Tomorrow.”

**CITY OF ROHNERT PARK
OVERSIGHT BOARD AGENDA**

Meeting Date: October 10, 2012
Submitted By: Gabriel A. Gonzalez, City Manager
Prepared By: Gabriel A. Gonzalez, City Manager
Agenda Title: **Approving Due Diligence Review of the Low and Moderate Income Housing Fund**

RECOMMENDED ACTION:

Consider adoption of a resolution approving the Due Diligence Review of the Low and Moderate Income Housing Fund of the Successor Agency City of Rohnert Park.

BACKGROUND:

California Health and Safety Code §34179.5 requires the Successor Agency to conduct a Due Diligence Review of the Low and Moderate Income Housing Fund to determine the unobligated balances available for transfer to taxing entities. The Successor Agency engaged Vavrinek, Trine, Day & Company (VTD), a licensed accountant firm approved by the County Auditor-Controller, to perform Agreed-Upon Procedures and produce the attached Due Diligence Review entitled “Independent Accountants' Report on Applying Agreed-Upon Procedures pursuant to AB 1484 - Low and Moderate Income Housing Fund” (*Exhibit 1 of Resolution No. OSB 2012-09*). The Due Diligence Review was submitted by the October 1, 2012 deadline to the Oversight Board, the County Auditor-Controller, the State Controller, and State Department of Finance, pursuant to Health and Safety Code §34179.6.

On October 3, 2012, the Oversight Board convened a public session at a Special Meeting to receive comments on the Due Diligence Review. There were no public comments. A Special Meeting is scheduled for October 10, 2012 for the Oversight Board to consider approval of the Due Diligence Review. The approved Due Diligence Review will then be transmitted to the County Auditor-Controller, the State Controller, and State Department of Finance by October 15, 2012, pursuant to Health and Safety Code §34179.6.

DISCUSSION:

At the October 3, 2012 meeting, the Oversight Board discussed the Due Diligence Review, which lists all encumbered and unencumbered Low and Moderate Income Housing Fund assets and states whether or not those assets are encumbered by Enforceable Obligations. There was discussion about what specific assets comprised the line items described as “LM loan program receivables” and “Capital Assets” on Exhibit B (page 9) of the Due Diligence Review.

The Finance Manager has provided *Attachment 1: Loans/Grants Receivables* and *Attachment 2: Capital Assets* with this staff report to provide more detail on those items shown on Exhibit B of the

Due Diligence Review. *Attachment 1* lists Low & Moderate Income Loan Program receivables totaling \$11,869,924 which were transferred to the Successor Housing Agency in the period February 2, 2012 through June 30, 2012. *Attachment 2* lists properties and improvements totaling \$6,597,687 in value which were also transferred to the Successor Housing Agency in same time period as the loan program assets. (There were no transfers between January 1, 2011 and January 31, 2012.) Both attachments were provided to the Department of Finance pursuant to Health and Safety Code §34176 (a)(2) which requires the successor housing entity to submit to the Department of Finance by August 1, 2012 a list of all housing assets that contains an explanation of how the assets meet criteria set forth in the law. The DOF is to review these lists of assets within 30 days of receipt and confer with the Successor Agency should it object to any of the assets listed.

Notwithstanding the results of DOF's review of the housing asset list described above, the Due Diligence Review produced by VTD for the Successor Agency and reviewed by the Oversight Board confirms an amount of \$519,954 in unobligated Low and Moderate Income Housing Fund balance available to be remitted to the County for disbursement to taxing entities.

It is recommended that the Oversight Board approve the Due Diligence Review by adopting the attached Resolution, and submitting it to the County Auditor-Controller, the State Controller, and DOF to comply with Health and Safety Code §34179.6. After receiving the Due Diligence Review, the DOF has until November 9, 2012 to complete its review and submit comments on the Due Diligence Review and the Oversight Board determinations, which may include overturning Oversight Board decisions to retain specified assets and funds. The Successor Agency will have 5 days to request a meet-and-confer to resolve disputes from the time it receives the results of DOF's review. DOF has 30 days thereafter to confirm or modify its determinations.

City Manager Approval Date: 10/9/12

City Attorney Approval Date:

Attachments:

Attachment 1: Loans/Grants Receivables

Attachment 2: Capital Assets

Attachment 3: Resolution No. OSB 2012-09

Exhibit 1 to Resolution No. OSB 2012-09: Independent Accountants' Report on Applying Agreed-Upon Procedures pursuant to AB 1484 - Low and Moderate Income Housing Fund

**City of Rohnert Park
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 (LMIHF)	\$ 20,000.00	4/21/2004	Abelin, Donna	FTHB Downpayment Assistance	Yes	10-yr forgivable on 4/22/2014	principal + % appreciation @ default/sale	\$ 20,000.00
2	Loan (LMIHF)	\$ 23,108.22	5/20/2008	Berentz, William	Rehabilitation Loan	Yes	20-yr deferred 5/20/2028	3%	\$ 23,108.22
3	Loan (LMIHF)	\$ 20,000.00	7/21/2004	Bolmeier, Connie	FTHB Downpayment Assistance	Yes	10-yr forgivable on 7/22/2014	principal + % appreciation @ default/sale	\$ 20,000.00
4	Loan (LMIHF)	\$ 27,148.13	11/30/1993	Brooks, Raymond & Elizabeth	Rehabilitation Loan	Yes	20-yr deferred 11/30/2013	3%	\$ 27,148.13
5	Loan (LMIHF)	\$ 15,000.00	8/30/2002	Cabral, Paul	FTHB Downpayment Assistance	Yes	10-yr forgivable on 8/31/12	principal + % appreciation @ default/sale	\$ 15,000.00
6	Loan (LMIHF)	\$ 23,197.25	7/21/2006	Case, Gail	Rehabilitation Loan	Yes	20-yr deferred 7/21/2026	3%	\$ 23,197.25
7	Loan (LMIHF)	\$ 18,000.00	10/22/2003	Cudia, Valerie Ann	Rehabilitation Loan	Yes	10-yr deferred/forgivable 10/22/2013	5%	\$ 18,000.00
8	Loan (LMIHF)	\$ 35,000.00	12/24/2001	Davis, Kathleen	Rehabilitation Loan	Yes	15-yr deferred/forgivable 12/24/2016	5%	\$ 35,000.00
9	Loan (LMIHF)	\$ 20,438.25	2/21/2007	Davis, Mary & Davis-James, Renee	Rehabilitation Loan	Yes	20-yr deferred 2/21/2027	3%	\$ 20,438.25
10	Loan (LMIHF)	\$ 21,130.10	10/31/2003	Drady, Michael	Rehabilitation Loan	Yes	10-yr deferred/forgivable 10/31/2013	5%	\$ 21,130.10
11	Loan (LMIHF)	\$ 46,814.25	12/18/2008	Fagan, James	Rehabilitation Loan	Yes	14-yr deferred 12/18/2022	3%	\$ 46,814.25
12	Loan (LMIHF)	\$ 17,635.05	12/10/2002	Ernestine Fielder	Rehabilitation Loan	Yes	10-yr deferred/forgivable 12/10/2012	5%	\$ 17,635.05

**City of Rohnert Park
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
13	Loan (LMIHF)	\$ 13,117.00	7/18/2005	Richard Gravelle	Rehabilitation Loan	Yes	10-yr deferred/forgivable 7/18/2015	3%	\$ 13,117.00
14	Loan (LMIHF)	\$ 16,285.00	17/17/2006	Virginia Harris	Rehabilitation Loan	Yes	20-yr deferred 7/17/2026	3%	\$ 16,285.00
15	Loan (LMIHF)	\$ 19,980.00	10/8/2002	Heller, William	Rehabilitation Loan	Yes	15-yr deferred/forgivable 10/8/2017	5%	\$ 19,980.00
16	Loan (LMIHF)	\$ 16,990.05	4/19/2004	Henry, Susan	Rehabilitation Loan	Yes	10-yr deferred/forgivable 4/19/2014	5%	\$ 16,990.05
17	Loan (LMIHF)	\$ 12,500.00	8/13/2009	Herrick, Allen	Rehabilitation Loan	Yes	20-yr deferred 8/13/2029	3%	\$ 12,500.00
18	Loan (LMIHF)	\$ 10,073.61	9/30/2009	Herrick, Allen	Rehabilitation Loan	Yes	20-yr deferred 9/30/2029	3%	\$ 10,073.61
19	Loan (LMIHF)	\$ 21,135.61	11/21/2008	Johnson, Phyllis & Taylor, Melanie	Rehabilitation Loan	Yes	20-yr deferred 11/21/2028	3%	\$ 21,135.61
20	Loan (LMIHF)	\$ 15,506.10	2/20/2004	Kehoe, Edward & Higgins, Joyce	Rehabilitation Loan	Yes	10-yr deferred/forgivable 2/20/2014	5%	\$ 15,506.10
21	Loan (LMIHF)	\$ 24,990.25	8/18/2004	Klingel, Geoffrey & Rita	Rehabilitation Loan	Yes	10-yr deferred/forgivable 8/18/2014	5%	\$ 24,990.25
22	Loan (LMIHF)	\$ 20,000.00	12/5/2003	Kremen, Joyce	FTHB Downpayment Assistance	Yes	10-yr forgivable 12/6/2013	principal + % appreciation @ default/sale	\$ 20,000.00
23	Loan (LMIHF)	\$ 15,000.00	3/16/2005	Larson, Charles & Jennifer	FTHB Downpayment Assistance	Yes	10-yr forgivable 3/17/2015	principal + % appreciation @ default/sale	\$ 15,000.00
24	Loan (LMIHF)	\$ 23,157.25	1/10/2008	Lenci, Betty	Rehabilitation Loan	Yes	20-yr deferred 1/10/2028	3%	\$ 23,157.25

**City of Rohnert Park
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
25	Loan (LMIHF)	\$ 23,810.45	7/24/2006	Lopes, Eugenia	Rehabilitation Loan	Yes	20-yr deferred 7/24/2026	3%	\$ 23,810.45
26	Loan (LMIHF)	\$ 22,362.25	5/21/2008	Marroquin, Laura	Rehabilitation Loan	Yes	20-yr deferred 5/21/2028	3%	\$ 22,362.25
27	Loan (LMIHF)	\$ 21,160.61	8/27/2008	Mayer, Barbara	Rehabilitation Loan	Yes	20-yr deferred 8/27/2028	3%	\$ 21,160.61
28	Loan (LMIHF)	\$ 24,000.00	7/15/2008	Mitchell, Jack & Dorothy	Rehabilitation Loan	Yes	20-yr deferred 7/15/2028	3%	\$ 24,000.00
29	Loan (LMIHF)	\$ 20,000.00	10/20/2003	Oates, Juday	FTHB Downpayment Assistance	Yes	10-yr forgivable 10/21/2013	principal + % appreciation @ default/sale	\$ 20,000.00
30	Loan (LMIHF)	\$ 20,000.00	10/11/2002	Pham, Hien	FTHB Downpayment Assistance	Yes	10-yr fogivable 10-12-2012	principal + % appreciation @ default/sale	\$ 20,000.00
31	Loan (LMIHF)	\$ 24,940.05	8/5/2002	Powers, Pamela	Rehabilitation Loan	Yes	10-yr deferred/forgivable 8/5/2012	5%	\$ 24,940.05
32	Loan (LMIHF)	\$ 22,025.25	5/9/2007	Rademacher, Marjorie	Rehabilitation Loan	Yes	20-yr deferred 5-9-2027	3%	\$ 22,025.25
33	Loan (LMIHF)	\$ 12,086.00	10/11/2002	Rau, David	Rehabilitation Loan	Yes	15-yr deferred/forgivable 10/11/2017	5%	\$ 12,086.00
34	Loan (LMIHF)	\$ 45,626.00	5/1/2002	Riesgo, James & Carmelita	Rehabilitation Loan	Yes	15-yr amortized/beg. 6-1-2002	5%	\$ 17,110.39
35	Loan (LMIHF)	\$ 20,000.00	2/27/2004	Rider, Phillip & Amy	FTHB Downpayment Assistance	Yes	10-yr forgivable 2/28/2014	principal + % appreciation @ default/sale	\$ 20,000.00
36	Loan (LMIHF)	\$ 12,735.00	12/8/2005	Rush, Helen	Rehabilitation Loan	Yes	10-yr deferred/forgivable 12/8/2015	3%	\$ 12,735.00

**City of Rohnert Park
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
37	Loan (LMIHF)	\$ 6,440.05	12/31/2003	Samuels, Vikki	Rehabilitation Loan	Yes	10-yr deferred/forgivable 12/31/2013	5%	\$ 6,440.05
38	Loan (LMIHF)	\$ 15,000.00	8/5/2002	Santiago, Tina	FTHB Downpayment Assistance	Yes	10-yr forgivable 8/16/2012	principal + % appreciation @ default/sale	\$ 15,000.00
39	Loan (LMIHF)	\$ 24,486.15	5/22/2009	Scott, Martha	Rehabilitation Loan	Yes	20-yr deferred 5/22/2029	3%	\$ 24,486.15
40	Loan (LMIHF)	\$ 15,000.00	9/3/2002	Sharp, Brian & Jonna	FTHB Downpayment Assistance	Yes	10-yr forgivable 9/4/2012	principal + % appreciation @ default/sale	\$ 15,000.00
41	Loan (LMIHF)	\$ 24,860.05	2/5/2004	Slade, Roberta	Rehabilitation Loan	Yes	10-yr deferred/forgivable 2/5/2014	5%	\$ 24,860.05
42	Loan (LMIHF)	\$ 24,980.10	11/17/2003	Staggs, Dennis & Vicki	Rehabilitation Loan	Yes	10-yr deferred/forgivable 11/17/2013	5%	\$ 24,980.10
43	Loan (LMIHF)	\$ 11,720.00	12/8/2005	Stimson, Wade & Patricia	Rehabilitation Loan	Yes	10-yr deferred/forgivable 12/8/2015	3%	\$ 11,720.00
44	Loan (LMIHF)	\$ 23,988.17	4/30/2009	Wallahan, Gary & Joanne	Rehabilitation Loan	Yes	20-yr deferred 4/30/2029	3%	\$ 23,988.17
45	Loan (LMIHF)	\$ 1,675,000.00	5/23/2006	Vida Nueva Partners, L.P.	Commission Assistance for acquisition, pre-development and development of property.	Yes	55-yr deferred 11/30/60	1%	\$ 1,762,626.31

**City of Rohnert Park
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
46	Loan (LMIHF)	\$ 260,000.00	9/1/1993	Burbank Housing Development Corporation	Commission Assistance for pre-development and development of property.	Yes	30-yr deferred 9/1/2023	3%	\$ 406,900.00
47	Loan (LMIHF)	\$ 1,200,000.00	12/12/2007	Rainbow-Copeland Creek, LLC	Commission Assistance for substantial rehab/maintenance of property	Yes	55-yr deferred 6/30/2062	1%	\$ 1,254,476.71
48	Loan (LMIHF)	\$ 611,000.00	12/24/1996	Muirfield Apartments	Commission Assistance for pre-development and development of property.	Yes	40-yr deferred 4/1/2037	6%	\$ 1,124,240.00
49	Loan (LMIHF)	\$ 390,000.00	8/23/1991	Burbank Housing Development Corporation	Commission Assistance for purchase and development of property.	Yes	30-yr deferred 8/23/2021	8%	\$ 1,040,000.00
50	Loan (LMIHF)	\$ 4,015,000.00	9/29/2005	Burbank Housing Development Corporation	Commission Assistance for purchase, pre-development and development of property.	Yes	55-yr deferred 1/18/2061	2%	\$ 4,547,953.92
51	Loan (LMIHF)	\$ 265,000.00	4/1/2001	Millenium Housing	Commission Assistance for purchase.	Yes	31-yr deferred/amortized 4/15/2032	3%	\$ 340,000.00
52	Loan (CalHome)	\$ 24,000.00	1/1/2010	Anderson, Rebecca	Rehabilitation Loan	Yes	30-yr deferred 1/1/2040	3%	\$ 24,000.00
53	Loan (CalHome)	\$ 23,562.15	2/1/2010	Allen, Marylou	Rehabilitation Loan	Yes	30-yr deferred 2/1/2040	3%	\$ 23,562.15

**City of Rohnert Park
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
54	Loan (CalHome)	\$ 23,895.15	8/31/2009	Alley, Darryl	Rehabilitation Loan	Yes	30-yr deferred 8/31/2039	3%	\$ 23,895.15
55	Loan (CalHome)	\$ 8,099.15	4/21/2010	Baker, Kent	Rehabilitation Loan	Yes	30-yr deferred 4/21/2040	3%	\$ 8,099.15
56	Loan (CalHome)	\$ 23,582.15	2/1/2010	Barter, David	Rehabilitation Loan	Yes	30-yr deferred 2/1/2040	3%	\$ 23,582.15
57	Loan (CalHome)	\$ 10,831.15	6/17/2010	Briand, Denise	Rehabilitation Loan	Yes	30-yr Deferred 6/17/2040	3%	\$ 10,831.15
58	Loan (CalHome)	\$ 20,412.45	12/14/2010	Hancock, Susan	Rehabilitation Loan	Yes	30-yr Deferred 12/14/2040	3%	\$ 20,412.45
59	Loan (CalHome)	\$ 23,647.25	3/1/2010	Henker, Janet	Rehabilitation Loan	Yes	30-yr Deferred 3/1/2040	3%	\$ 23,647.25
60	Loan (CalHome)	\$ 18,202.25	2/9/2009	Howard, James	Rehabilitation Loan	Yes	30-yr Deferred 2/9/2039	3%	\$ 18,202.25
61	Loan (CalHome)	\$ 20,499.61	5/12/2009	King, Mark	Rehabilitation Loan	Yes	30-yr Deferred 5/12/2039	3%	\$ 20,499.61
62	Loan (CalHome)	\$ 22,789.25	7/1/2010	Lemon, William	Rehabilitation Loan	Yes	30-yr Deferred 6/16/2040	3%	\$ 22,789.25
63	Loan (CalHome)	\$ 24,000.00	1/22/2010	Lichau, Susan	Rehabilitation Loan	Yes	30-yr Deferred 1/22/2040	3%	\$ 24,000.00
64	Loan (CalHome)	\$ 21,722.25	7/30/2010	Martinez, Albert	Rehabilitation Loan	Yes	30-yr Deferred 7/30/2040	3%	\$ 21,722.25
65	Loan (CalHome)	\$ 23,295.61	5/27/2009	Mastropasqua, Frank	Rehabilitation Loan	Yes	30-yr Deferred 5/27/2039	3%	\$ 23,295.61
66	Loan (CalHome)	\$ 23,791.45	7/9/2010	McLaughlin, Linda	Rehabilitation Loan	Yes	30-yr Deferred 7/9/2040	3%	\$ 23,791.45
67	Loan (CalHome)	\$ 28,824.25	4/29/2010	Rau, David	Rehabilitation Loan	Yes	30-yr Deferred 4/29/2040	3%	\$ 28,824.25
68	Loan (CalHome)	\$ 15,557.25	6/1/2011	Robinette, Bruce	Rehabilitation Loan	Yes	30-yr Deferred 6/1/2041	3%	\$ 15,557.25
69	Loan (CalHome)	\$ 20,928.15	7/10/2009	Simpson, Darryl	Rehabilitation Loan	Yes	30-yr Deferred 7/10/2039	3%	\$ 20,928.15
70	Loan (CalHome)	\$ 23,910.00	1/10/2010	Trent, Geneva	Rehabilitation Loan	Yes	30-yr Deferred 1/1/2040	3%	\$ 23,910.00

**City of Rohnert Park
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	Single Family Home	746 Brett Avenue	Appraised Value at Purchase	Unknown	All	Yes	Sonoma County Community Development Commission	2/1/2012	\$180,312	\$0	\$0	6/30/1998	Fee Simple
2	Single Family Home	7982 Santa Barbara Drive	Appraised Value at Purchase	Unknown	All	Yes	Sonoma County Community Development Commission	2/1/2012	\$176,534	\$0	\$0	6/30/1998	Fee Simple
3	Single Family Home	7668 Beverly Drive	Appraised Value at Purchase	Unknown	All	No	Bond Covenants	2/1/2012	\$169,165	\$0	\$0	7/1/1999	Fee Simple
4	Single Family Home	209 Burton Avenue	Appraised Value at Purchase	Unknown	All	No	Bond Covenants	2/1/2012	\$366,679	\$0	\$0	10/29/2003	Fee Simple
5	Single Family Home	7783 Burton Avenue	Appraised Value at Purchase	Unknown	All	No	Bond Covenants	2/1/2012	\$353,256	\$0	\$0	4/11/2003	Fee Simple
6	Former City Hall Building	6750 Commerce Boulevard	Appraised Value at Purchase	7,450 sq. ft. gross and rentable building area	All	Yes	Bond Covenants	2/1/2012	\$0	\$1,137,170	\$0	6/30/2008	Fee Simple
7	Former Office Building	100 Avram Avenue	Appraised Value at Purchase	11,256 sq. ft. gross building area, 10,451 rentable	All	Yes	Bond Covenants	2/1/2012	\$0	\$1,434,802	\$0	1/22/2008	Fee Simple
8	Former Office Building	120 Avram Avenue	Appraised Value at Purchase	13,602 sq. ft. gross building area, 11,940 rentable	All	Yes	Bond Covenants	2/1/2012	\$0	\$1,776,026	\$0	1/22/2008	Fee Simple
9	Former Southwest Fire Station	435 Southwest Boulevard	Appraised Value at Purchase	6,230 sq. ft. gross building area	All	Yes	Bond Covenants	2/1/2012	\$0	\$989,526	\$0	6/30/2011	Fee Simple
10	Improvements	Avram Housing Projects	Appraised Value at Purchase	N/A	All	Yes	Bond Covenants	2/1/2012	\$0	\$14,217	\$0	6/30/2011	Fee Simple
11													
12							Total		\$1,245,945	\$5,351,741			
13							Grand Total			\$6,597,687			

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.

RESOLUTION NO. OSB 2012-09

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY CITY OF ROHNERT PARK APPROVING THE DUE DILIGENCE REVIEW OF THE LOW AND MODERATE INCOME HOUSING FUND PURSUANT TO SECTION 34179.5 OF THE CALIFORNIA HEALTH AND SAFETY CODE

WHEREAS, in accordance with Section 34171(j) of the California Community Redevelopment Law (California Health & Safety Code § 33000 *et seq.*) (“**CRL**”), the City Council of the City of Rohnert Park (“**City**” or “**City Council**,” as applicable) is the successor agency to the former Community Development Commission of the City of Rohnert Park (“**Commission**”), and is responsible for, among other things, winding down the dissolved Commission’s affairs, continuing to meet the Commission’s enforceable obligations, overseeing completion of redevelopment projects and disposing of the assets and properties of the Commission, all as directed by the oversight board created pursuant to Section 34179 of the CRL (“**Oversight Board**”);

WHEREAS, Section 34179.5(a) of the CRL requires the completion of a due diligence review of Successor Agency funds for the period from January 1, 2011 through June 30, 2012 to determine the unobligated balances available for transfer to taxing entities;

WHEREAS, the firm of Vavrinek, Trine, Day & Company was hired by the Successor Agency City of Rohnert Park to complete the Due Diligence Review report entitled “Independent Accountants’ Report on Applying Agreed-Upon Procedures pursuant to AB 1484 Low and Moderate Income Housing Fund,” attached hereto as *Exhibit 1*;

WHEREAS, as required by Section 34179.6(a) of the CRL, copies of the Due Diligence Review were transmitted to the Oversight Board, the Sonoma County Auditor-Controller, the State Controller and the Department of Finance;

WHEREAS, as required by Section 34179.6(b) of the CRL, a public session to receive comments on the due diligence review was conducted by the Oversight Board at a Special Meeting on October 3, 2012;

WHEREAS, Section 34179.6(c) of the CRL requires that the Due Diligence Review for Low and Moderate Income Housing funds be reviewed and approved by the Oversight Board at a public session and then transmitted to the County Auditor-Controller, the State Controller and the Department of Finance by October 15, 2012.

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY CITY OF ROHNERT PARK DOES RESOLVE AS FOLLOWS:

Section 1. The Recitals set forth above are true and correct and incorporated herein by reference; and

Section 2. The Oversight Board hereby approves the Due Diligence Review of the Low and Moderate Income Housing Fund covering the period January 1, 2011 through June 30, 2012 in

substantially the form attached hereto as *Exhibit 1*, and authorizes its transmittal to the County Auditor-Controller, the State Controller and the Department of Finance by October 15, 2012 in accordance with Section 34179.6(c) of the CRL.

DULY AND REGULARLY ADOPTED by the Oversight Board for the Successor Agency City of Rohnert Park this 10th day of October, 2012.

**OVERSIGHT BOARD FOR THE SUCCESSOR
AGENCY CITY OF ROHNERT PARK**

Chair

ATTEST:

Eydie Tacata, Clerk of the Board

**Successor Agency to the Community Development
Commission of the City of Rohnert Park**

**Independent Accountants' Report on Applying
Agreed-Upon Procedures pursuant to
AB 1484 (Low and Moderate Income Housing Fund)**

June 30, 2012



VAVRINEK, TRINE, DAY
& COMPANY, LLP
Certified Public Accountants

Exhibit 1 to Resolution No. OSB 2012-09

VALUE THE DIFFERENCE

**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Oversight Board of the
Successor Agency to the Community Development
Commission of the City of Rohnert Park
City of Rohnert Park, California

We have performed the Agreed-Upon Procedures enumerated in Exhibit A, which were agreed to by the California State Controller's Office, the California Department of Finance, the County Auditor-Controller, and the Successor Agency to the Community Development Commission of the City of Rohnert Park to determine the Successor Agency Low and Moderate Income Housing Fund's unobligated balances that are available for transfer to taxing entities, solely to assist you in ensuring that the Successor Agency is complying with its statutory requirements with respect to *Health and Safety Code* Section 34179.5. Management of the Successor Agency is responsible for the accounting records pertaining to statutory compliance pursuant to *Health and Safety Code* Section 34179.5. This Agreed-Upon Procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Exhibit A, and Exhibits B through B-4 identify the procedures and findings.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion as to the appropriateness of the results summarized in Exhibit A, and Exhibits B through B-4. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Successor Agency Oversight Board, the Successor Agency, the California State Controller's Office, the California Department of Finance, the County Auditor-Controller, and is not intended to be, and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Vavrinek, Trine, Day & Co., LLP.

Pleasanton, California
September 26, 2012

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF ROHNERT PARK
EXHIBIT A
AGREED UPON PROCEDURES
PURSUANT TO AB 1484 LOW AND MODERATE INCOME HOUSING FUND**

Our procedures and findings are as follows:

A. Low and Moderate Income Housing Fund of the Successor Agency

For the Low and Moderate Income Housing Fund, the following procedures were performed:

1. Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency (RDA) to the Successor Agency on February 1, 2012. Agree the amounts on this listing to account balances established in the accounting records of the Successor Agency. Identify in the Agreed-Upon Procedures (AUP) report the amount of the assets transferred to the Successor Agency as of that date.

Findings – We obtained from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency to the Successor Agency on February 1, 2012. We agreed the amounts on this listing to account balances established in the accounting records of the Successor Agency noting the total balance of all assets that were transferred to the Successor Agency on February 1, 2012, was \$34,066,061, and consisted of cash and cash equivalents, restricted cash and cash equivalents, loans and notes receivable, and real property.

We noted the housing activities and assets (i.e. assets and functions, rights, powers, duties, and obligations) of the former RDA were transferred to the City of Rohnert Park Housing Fund on February 1, 2012. We obtained Resolution 2012 - 10 authorizing the City to retain the housing assets and functions of the former RDA. See Exhibit B for details on these assets.

2. If the State Controller's Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures.
 - A. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to the city, county, or city and county that formed the redevelopment agency for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
 - B. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to the city, county, or city and county that formed the redevelopment agency for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF ROHNERT PARK
EXHIBIT A
AGREED UPON PROCEDURES
PURSUANT TO AB 1484 LOW AND MODERATE INCOME HOUSING FUND**

- C. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

Findings – The Successor Agency asserted the State Controller's Office has not completed a review of transfers required under both Sections 34167.5 and 34178.8. The Successor Agency also asserted no transfers were made from the former RDA or the Successor Agency to the city for the period from January 1, 2011 through January 31, 2012.

On February 1, 2012, the Successor Agency transferred the Low and Moderate Income Housing assets to the City of Rohnert Park in accordance with HSC 34176 (a)(1). A listing of the transfers for the period February 1, 2012 through June 30, 2012 is included as Exhibit B of the AUP report. We noted the assets transferred to the City's Housing Fund included cash and cash equivalents from bond proceeds, affordable housing assistance loans, and real property used for existing low and moderate projects.

For each transfer listed on Exhibit B of the AUP report, we obtained the legal document that formed the basis for the transfer. We obtained Resolution No. 2012-10 authorizing the City to retain the housing assets and functions of the former RDA.

3. If the State Controller's Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:
- A. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
- B. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to any other public agency or private parties for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
- C. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

Findings – The Successor Agency asserted the State Controller's Office has not completed a review of transfers required under both Sections 34167.5 and 34178.8. The Successor Agency also asserted no transfers were made from the former redevelopment agency or the Successor Agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012, and the period February 1, 2012 through June 30, 2012, respectively. As such the procedures in step 3 were not performed.

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF ROHNERT PARK
EXHIBIT A
AGREED UPON PROCEDURES
PURSUANT TO AB 1484 LOW AND MODERATE INCOME HOUSING FUND**

4. Perform the following procedures:
 - A. Obtain from the Successor Agency a summary of the financial transactions of the Redevelopment Agency and the Successor Agency in the format set forth in the attached schedule for the fiscal periods indicated in the schedule. For purposes of this summary, the financial transactions should be presented using the modified accrual basis of accounting. End of year balances for capital assets (in total) and long-term liabilities (in total) should be presented at the bottom of this summary schedule for information purposes.
 - B. Ascertain that for each period presented, the total of revenues, expenditures, and transfers accounts fully for the changes in equity from the previous fiscal period.
 - C. Compare amounts in the schedule relevant to the fiscal year ended June 30, 2010, to the State Controller's report filed for the Redevelopment Agency for that period.
 - D. Compare amounts in the schedule for the other fiscal periods presented to account balances in the accounting records or other supporting schedules. Describe in the report the type of support provided for each fiscal period.

Findings – Procedure 4 is not applicable to the Low and Moderate Income Housing Fund.

5. Obtain from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012. When this procedure is applied to the Low and Moderate Income Housing Fund, the schedule attached as an exhibit will include only those assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency as of June 30, 2012 and will exclude all assets held by the entity that assumed the housing function previously performed by the former redevelopment agency. Agree the assets so listed to recorded balances reflected in the accounting records of the Successor Agency. The listings should be attached as an exhibit to the appropriate AUP report.

Findings – For the Low and Moderate Income Housing Fund, we agreed the assets listed to the recorded balances reflected in the Successor Agency's accounting records. We noted the asset balance of the Successor Agency Low and Moderate Income Housing Fund as of June 30, 2012 was \$1,205,453. See Exhibit B-1 for the listing of these assets.

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF ROHNERT PARK
EXHIBIT A
AGREED UPON PROCEDURES
PURSUANT TO AB 1484 LOW AND MODERATE INCOME HOUSING FUND**

6. Obtain from the Successor Agency a listing of asset balances held on June 30, 2012, that are restricted for the following purposes:
 - A. Unspent bond proceeds:
 - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures, amounts set aside for debt service payments, etc.).
 - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
 - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
 - B. Grant proceeds and program income that are restricted by third parties:
 - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
 - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
 - iii. Obtain from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
 - C. Other assets considered to be legally restricted:
 - i. The Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
 - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such Obtain documentation).
 - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by Successor the Agency as restricted.
 - D. Attach the above mentioned Successor Agency prepared schedule(s) as an exhibit to the AUP report. For each restriction identified on these schedules, indicate in the report the period of time for which the restrictions are in effect. If the restrictions are in effect until the related assets are expended for their intended purpose, this should be indicated in the report.

Findings - The Successor Agency asserts that the Successor Agency Low and Moderate Income Housing Fund does not have any restricted balances for unspent bond proceeds, grant proceed or program income, or any other assets restricted by third parties. As such, the procedures in step 6 were not performed.

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF ROHNERT PARK
EXHIBIT A
AGREED UPON PROCEDURES
PURSUANT TO AB 1484 LOW AND MODERATE INCOME HOUSING FUND**

7. Perform the following procedures:

- A. Obtain from the Successor Agency a listing of assets as of June 30, 2012, that are not liquid or otherwise available for distribution (such as capital assets, land held for resale, long-term receivables, etc.) and ascertain if the values are listed at either purchase cost (based on book value reflected in the accounting records of the Successor Agency) or market value as recently estimated by the Successor Agency.
- B. If the assets listed at 7(A) are listed at purchase cost, trace the amounts to a previously audited financial statement (or to the accounting records of the Successor Agency) and note any differences.
- C. For any differences noted in 7(B), inspect evidence of disposal of the asset and ascertain that the proceeds were deposited into the Successor Agency trust fund. If the differences are due to additions (this generally is not expected to occur), inspect the supporting documentation and note the circumstances.
- D. If the assets listed at 7(A) are listed at recently estimated market value, inspect the evidence (if any) supporting the value and note the methodology used. If no evidence is available to support the value and/or methodology, note the lack of evidence.

Findings – The Successor Agency asserted that the Successor Agency Low and Moderate Income Housing Fund does not have assets that are not liquid or otherwise available for distribution (such as capital assets, land held for resale, long-term receivables, etc.) as of June 30, 2012. As such, the procedures in step 7 were not performed.

8. Perform the following procedures:

- A. If the Successor Agency believes that asset balances need to be retained to satisfy enforceable obligations, obtain from the Successor Agency an itemized schedule of asset balances (resources) as of June 30, 2012, that are dedicated or restricted for the funding of enforceable obligations and perform the following procedures. The schedule should identify the amount dedicated or restricted, the nature of the dedication or restriction, the specific enforceable obligation to which the dedication or restriction relates, and the language in the legal document that is associated with the enforceable obligation that specifies the dedication of existing asset balances toward payment of that obligation.
 - i. Compare all information on the schedule to the legal documents that form the basis for the dedication or restriction of the resource balance in question.
 - ii. Compare all current balances to the amounts reported in the accounting records of the Successor Agency or to an alternative computation.
 - iii. Compare the specified enforceable obligations to those that were included in the final Recognized Obligation Payment Schedule (ROPS) approved by the California Department of Finance.
 - iv. Attach as an exhibit to the report the listing obtained from the Successor Agency. Identify in the report any listed balances for which the Successor Agency was unable to provide appropriate restricting language in the legal document associated with the enforceable obligation.

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF ROHNERT PARK
EXHIBIT A
AGREED UPON PROCEDURES
PURSUANT TO AB 1484 LOW AND MODERATE INCOME HOUSING FUND**

- B. If the Successor Agency believes that future revenues together with balances dedicated or restricted to an enforceable obligation are insufficient to fund future obligation payments and thus retention of current balances is required, obtain from the Successor Agency a schedule of approved enforceable obligations that includes a projection of the annual spending requirements to satisfy each obligation and a projection of the annual revenues available to fund those requirements and perform the following procedures:
- i. Compare the enforceable obligations to those that were approved by the California Department of Finance. Procedures to accomplish this may include reviewing the letter from the California Department of Finance approving the Recognized Enforceable Obligation Payment Schedules for the six month period from January 1, 2012 through June 30, 2012, and for the six month period July 1, 2012 through December 31, 2012.
 - ii. Compare the forecasted annual spending requirements to the legal document supporting each enforceable obligation.
 - a. Obtain from the Successor Agency its assumptions relating to the forecasted annual spending requirements and disclose in the report major assumptions associated with the projections.
 - iii. For the forecasted annual revenues:
 - a. Obtain from the Successor Agency its assumptions for the forecasted annual revenues and disclose in the report major assumptions associated with the projections.
- C. If the Successor Agency believes that projected property tax revenues and other general purpose revenues to be received by the Successor Agency are insufficient to pay bond debt service payments (considering both the timing and amount of the related cash flows), obtain from the Successor Agency a schedule demonstrating this insufficiency and apply the following procedures to the information reflected in that schedule.
- i. Compare the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement.
 - ii. Obtain the assumptions for the forecasted property tax revenues and disclose major assumptions associated with the projections.
 - iii. Obtain the assumptions for the forecasted other general purpose revenues and disclose major assumptions associated with the projections.
- D. If procedures A, B, or C were performed, calculate the amount of current unrestricted balances necessary for retention in order to meet the enforceable obligations by performing the following procedures.
- i. Combine the amount of identified current dedicated or restricted balances and the amount of forecasted annual revenues to arrive at the amount of total resources available to fund enforceable obligations.
 - ii. Reduce the amount of total resources available by the amount forecasted for the annual spending requirements. A negative result indicates the amount of current unrestricted balances that needs to be retained.
 - iii. Include the calculation in the AUP report.

Findings - The Successor Agency asserted that \$174,709 of cash balances as of June 30, 2012, need to be retained to satisfy enforceable obligation of the Successor Agency Low and Moderate Income Housing Fund. See Exhibit B-2 for additional detail.

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF ROHNERT PARK
EXHIBIT A
AGREED UPON PROCEDURES
PURSUANT TO AB 1484 LOW AND MODERATE INCOME HOUSING FUND**

9. If the Successor Agency believes that cash balances as of June 30, 2012, need to be retained to satisfy obligations on the ROPS for the period of July 1, 2012 through June 30, 2013, obtain a copy of the final ROPS for the period of July 1, 2012 through December 31, 2012 and a copy of the final ROPS for the period January 1, 2013 through June 30, 2013. For each obligation listed on the ROPS, the Successor Agency should add columns identifying (1) any dollar amounts of existing cash that are needed to satisfy that obligation, and (2) the Successor Agency's explanation as to why the Successor Agency believes that such balances are needed to satisfy the obligation. Include this schedule as an attachment to the AUP report.

Findings - The Successor Agency asserted that \$510,790 of cash balances needs to be retained to satisfy obligation on the ROPS for the period of July 1, 2012 to June 30, 2013, of the Successor Agency Low and Moderate Income Housing fund as of June 30, 2012. See Exhibit B-3 for additional details.

10. Include (or present) a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. Amounts included in the calculation should agree to the results of the procedures performed in each section above. The schedule should also include a deduction to recognize amounts already paid to the County Auditor-Controller on July 12, 2012, as directed by the California Department of Finance. The amount of this deduction presented should be agreed to evidence of payment. The attached example summary schedule may be considered for this purpose. Separate schedules should be completed for the Low and Moderate Income Housing Fund and for all other funds combined (excluding the Low and Moderate Income Housing Fund).

Findings – We have included a schedule detailing the computation of the Summary of Balance Available for Allocation to Affected Taxing Entities. See Exhibit B-4.

11. Obtain a representation letter from Successor Agency management acknowledging their responsibility for the data provided to the practitioner and the data presented in the report or in any attachments to the report. Included in the representations should be an acknowledgment that management is not aware of any transfers (as defined by Section 341795) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012 that have not been properly identified in the AUP report and its related exhibits. Management's refusal to sign the representation letter should be noted in the AUP report as required by attestation standards.

Findings - We have obtained managements written representations acknowledging their responsibility as outlined in procedure #11.

Successor Agency to the Community Development Commission of the City of Rohnert Park
 Low and Moderate Income Housing Fund
 Schedule of Asset Transfers to the City, County, or City and County, and Other Public Agencies or Private Parties

Exhibit B

DATE OF TRANSFER	DESCRIPTION OF ASSETS	RECIPIENT	\$ VALUE OF ASSETS TRANSFERRED	\$ VALUE OF ASSETS NOT SUPPORTED	PURPOSE OF TRANSFER	SOURCE DOCUMENT BASIS FOR TRANSFER
<i>Period of Jan 1, 2011 through Jan 31, 2012</i>						
NONE						
<i>Period of Feb 1, 2012 through June 30, 2012</i>						
2/1/2012	LM loan program receivables	City Housing Agency Fund	\$ 11,869,924	\$ -	City retains former RDA housing assets	Resolution 2012-10
2/1/2012	Capital Assets	City Housing Agency Fund	6,597,687	-	City retains former RDA housing assets	Resolution 2012-10
2/1/2012	Restricted Cash - 2007H TAB CWFA	City Housing Agency Fund	13,870,407	-	City retains former RDA housing assets	Resolution 2012-10
	TOTAL		\$ 32,338,018	\$ -		

Successor Agency to the Community Development Commission of the City of Rohnert Park
 Low and Moderate Income Housing Fund
 Schedule of Balances for Funding Enforceable Obligations

ITEM	PROJECT NAME/DEBT OBLIGATION	ROPS LINE NO.	OBLIGATION AMOUNT AS APPROVED BY DOF	AMOUNT PAID IN PERIOD ENDING JUNE 30, 2012	AMOUNT FROM JUNE 30, 2012 BALANCE DEDICATED / RESTRICTED FOR FUNDING THE OBLIGATION	LANGUAGE IN THE LEGAL DOCUMENT
<i>Note: Schedule should list only those assets that are dedicated or restricted for the funding of an enforceable obligation (example - funds have been received but enforceable obligation has not been paid)</i>						
1	2007H TAB	5	\$ 345,790	\$ 345,790	\$ (0)	The Series 2007 Bonds are being issued for the purpose of (i) financing certain public improvements, including certain housing projects, in the Project Area; (ii) purchasing municipal bond debt service reserve fund policies in order to satisfy the reserve requirements for the respective reserve accounts and (iii) paying costs of issuance of the Series 2007 Bonds.
2	2001 TAB 20%	3	193,892	193,894	(2)	The Community Development Commission of the City of Rohnert Park ("Agency") is issuing the Rohnert Park Redevelopment Project Tax Allocation Refunding Bonds, Series 2001 ("the Series 2001 Bonds") for the purpose of refunding a portion of the Agency's outstanding Series 1991 Bonds, funding certain capital improvements, funding a reserve fund and paying the costs of issuing the Series 2001 Bonds.
3	Feasibility Study 1105	30	23,764	7,144	16,620	Contract Seifel Consulting agreement entered into 5/23/2011
4	SW Station 1013	32	14,175	5,012	9,163	Contract DAMA Construction and Winzler & Kelly
5	Housing Staff Support	11	8,400	-	8,400	DOF approved use of housing reserves
6	Housing Maintenance	12	22,965	-	22,965	DOF approved use of housing reserves
7	Affordable Housing Loans	28	117,563	-	117,563	7982 Santa Barbara Dr.; Grant Deed effectuates an absolute conveyance, the Grantor having sold the Property to ;the Grantee for a fair and adequate consideration, such consideration being full assumption of all remaining obligations secured by the Deed of Trust, including the unrepaid loan balance.
			\$ 726,549	\$ 551,840	\$ 174,709	

**Successor Agency to the Community Development Commission of the City of Rohnert Park
 Low and Moderate Income Housing Fund
 June 30, 2012 Cash Balances Needed to Satisfy Obligations for the 2012/2013 FINAL ROPS**

Exhibit B-3

ITEM	PROJECT NAME	ROPS LINE ITEM	APPROVED OBLIGATION AMOUNT	EXISTING CASH NEEDED TO SATISFY OBLIGATION	SUCCESSOR AGENCY EXPLANATION
<i>Note: List only those obligations for which current balances are needed to satisfy obligations that will be placed on the ROPS for the 2012/13 fiscal year</i>					
1	2007H TAB	5	\$ 510,790	\$ 510,790	Bond debt service payments are due July 2012, and residual cash is needed to meet these obligations.
			\$ 510,790	\$ 510,790	

**Successor Agency to the Community Development Commission of the City of Rohnert Park
 Low and Moderate Income Housing Fund
 Summary of Balances Available for Allocation to Affected Taxing Entities**

Exhibit B-4

			<u>Reference:</u>
Total amount of assets held by the successor agency as of June 30, 2012 (procedure 5)	\$	1,205,453	Exhibit B-1
Add the amount of any assets transferred to the city or other parties for which an enforceable obligation with a third party requiring such transfer and obligating the use of the transferred assets did not exist (procedures 2 and 3)		-	None
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (procedure 6)		-	None
Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7)		-	None
Less balances that are legally restricted for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) - (procedure 8)		(174,709)	Exhibit B-2
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (procedure 9)		(510,790)	Exhibit B-3
Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance		-	None
Amount to be remitted to county for disbursement to taxing entities	\$	519,954	