

OVERSIGHT BOARD FOR SUCCESSOR AGENCY
TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY

AGENDA

City Council Chambers
Montclair Civic Center
5111 Benito Street
Montclair, CA

Special Meeting
Tuesday, October 2, 2012
6:00 p.m.

As a courtesy, please silence your cell phones, pagers, and other electronic devices while the meeting is in session. Thank you.

William Ruh – Chairman, Montclair Mayor Paul Eaton Appointee
Tenice Johnson – Vice Chairperson, County of San Bernardino Citizen Appointee
Terry Catlin – Inland Empire Utilities Agency Appointee
Kim Erickson – Chaffey Community College District Appointee
Janet Kulbeck – City of Montclair Employee Organization Appointee
John Richardson – County of San Bernardino Appointee
Kim Stallings – Ontario-Montclair School District Appointee

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I. PRELIMINARY MATTERS

A. Call to Order

B. Roll Call

II. PUBLIC COMMENT

Any person wishing to address the Oversight Board on any matter, whether or not it appears on this agenda, is requested to complete a "Speaker Request" form, available at the door. The form should be completed and submitted to the Secretary prior to the beginning of this meeting or prior to an individual agenda item being heard by the Oversight Board. Each speaker will be afforded five minutes to address the Oversight Board. No action will be taken on any item not listed on the agenda pursuant to the Ralph M. Brown Act.

III. APPROVAL OF MINUTES – None

IV. BUSINESS ITEMS

A. Consider Receiving Public Comment on Due Diligence Audit of the Former City of Montclair Redevelopment Agency Low- and Moderate-Income Housing Fund Prepared by Teaman, Ramirez & Smith, Inc.

V. COMMUNICATIONS

A. Staff

B. Chairman and Members

VI. ADJOURNMENT

The above actions of the Oversight Board shall not become effective for three business days, pending any request for review by the DOF. If DOF requests review of the above Board actions, it will have ten days from the date of the request to approve the Oversight Board action or return it to the Oversight Board for reconsideration; and the action, if subject to review by DOF, will not be effective until approved by DOF.

The next regularly scheduled Oversight Board meeting will be held on October 10, 2012, at 6:00 p.m. in the City Council Chambers.

Reports, backup materials, and additional materials related to any item on this Agenda distributed to the Successor Agency Board after distribution of the Agenda packet are available for public inspection in the Office of the Secretary located at 5111 Benito Street, Montclair, California, between 7:00 a.m. and 6:00 p.m., Monday through Thursday.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Secretary at (909) 625-9416. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title II)

I, Yvonne L. Smith, Secretary, hereby certify that I posted, or caused to be posted, a copy of this Agenda not less than 72 hours prior to this meeting on the bulletin board adjacent to the south door of Montclair City Hall on September 27, 2012.

AGENDA REPORT

SUBJECT: CONSIDER RECEIVING PUBLIC COMMENT ON DUE DILIGENCE AUDIT OF THE FORMER CITY OF MONTCLAIR REDEVELOPMENT AGENCY LOW- AND MODERATE-INCOME HOUSING FUND PREPARED BY TEAMAN, RAMIREZ & SMITH, INC.	DATE: October 2, 2012
	SECTION: BUSINESS ITEMS
	ITEM NO.: A
	FILE I.D.: OBO050
	DEPT.: OVERSIGHT BOARD

REASON FOR CONSIDERATION: Section 34179.6 (b) of the Health and Safety Code requires that an oversight board convene a public comment session at least five business days before an oversight board holds a vote to approve a Due Diligence Audit for the Low and Moderate Income Housing Fund of a former redevelopment agency.

Oversight Board Members have been supplied with a copy of the Due Diligence Audit report conducted by Teaman, Ramirez & Smith, Inc. The Oversight Board is requested to hear any comment from the public on the results of the Due Diligence Audit of the former City of Montclair Redevelopment Agency's Low- and Moderate-Income Housing Fund.

BACKGROUND: As indicated above, Health and Safety Code Section 34179.6 of the Health and Safety Code, included pursuant to AB 1484, added requirements for preparation of a Due Diligence Audit of a former redevelopment agency's Low and Moderate Income Housing Fund. The audit of the Low and Moderate Income Housing Fund was to be completed by an independent audit firm by October 1, 2012. In addition, a Due Diligence Audit of any cash or cash equivalents remaining with the Successor Agency is to be completed by December 15, 2012. Upon receipt of the Due Diligence Audit, an oversight board must convene a public comment session to take place at least five business days before the oversight board holds a vote to consider approval of the audit report. A copy of Health and Safety Code Section 34179.6 is attached for reference.

The purpose of the meeting conducted on October 2, 2012, is to receive any public comment on the Due Diligence Audit.

FISCAL IMPACT: There is no fiscal impact associated with receipt of public comment regarding the Due Diligence Audit of the Low- and Moderate-Income Housing Fund.

RECOMMENDATION: Staff recommends the Oversight Board receive public comment on the due diligence audit of the former City of Montclair Redevelopment Agency Low- and Moderate-Income Housing Fund prepared by Teaman, Ramirez & Smith, Inc.

Prepared by:

M. Staats
Gronne Smith

Reviewed and
Approved by:

M. Staats

Proofed by:

Presented by:

Health and Safety Code Section 34179.6

34179.6. The review required pursuant to Section 34179.5 shall be submitted to the oversight board for review. The successor agency shall submit a copy of the Recognized Obligation Payment Schedule to the county administrative officer, the county auditor-controller, and the Department of Finance at the same time that the successor agency submits the review to the oversight board for review.

(a) By October 1, 2012, each successor agency shall provide to the oversight board, the county auditor-controller, the Controller, and the Department of Finance the results of the review conducted pursuant to Section 34179.5 for the Low and Moderate Income Housing Fund and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities. By December 15, 2012, each successor agency shall provide to the oversight board, the county auditor-controller, the Controller, and the department the results of the review conducted pursuant to Section 34179.5 for all of the other fund and account balances and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities. The department may request any supporting documentation and review results to assist in its review under subdivision (d). The department may specify the form and manner information about the review shall be provided to it.

(b) Upon receipt of the review, the oversight board shall convene a public comment session to take place at least five business days before the oversight board holds the approval vote specified in subdivision (c). The oversight board also shall consider any opinions offered by the county auditor-controller on the review results submitted by the successor agencies.

(c) By October 15, 2012, for the Low and Moderate Income Housing Fund and by January 15, 2013, for all other funds and accounts, the oversight board shall review, approve, and transmit to the department and the county auditor-controller the determination of the amount of cash and cash equivalents that are available for disbursement to taxing entities as determined according to the method provided in Section 34179.5. The oversight board may adjust any amount provided in the review to reflect additional information and analysis. The review and approval shall occur in public sessions. The oversight board may request from the successor agency any materials it deems necessary to assist in its review and approval of the determination. The oversight board shall be empowered to authorize a successor agency to retain assets or funds identified in subparagraphs (B) to (E), inclusive, of paragraph (5) of subdivision (c) of Section 34179.5. An oversight board that makes that authorization also shall identify to the department the amount of funds authorized for retention, the source of those funds, and the purposes for which those funds are being retained. The determination and authorization to retain funds and assets shall be subject to the review and approval of the department pursuant to subdivision (d).

(d) The department may adjust any amount associated with the determination of the resulting amount described in paragraph (6) of subdivision (c) of Section 34179.5 based on its analysis and information provided by the successor agency and others. The department shall consider any findings or opinions of the county auditor-controllers and the Controller. The department shall complete its review of the determinations provided pursuant to subdivision (c) no later than November 9, 2012, for the Low and Moderate Income Housing Fund and also shall notify the oversight board and the successor agency of its decision to overturn any decision of the oversight board to authorize a successor agency to retain assets or funds made pursuant to subdivision (c). The department shall complete its review of the determinations provided pursuant to subdivision (c) no later than April 1, 2013, for the other funds and accounts and also shall notify the oversight board and the successor agency of its decision to overturn any oversight board

authorizations made pursuant to subdivision (c). The department shall provide the oversight board and the successor agency an explanation of its basis for overturning or modifying any findings, determinations, or authorizations of the oversight board made pursuant to subdivision (c).

(e) The successor agency and the entity or entities that created the former redevelopment agency may request to meet and confer with the department to resolve any disputes regarding the amounts or sources of funds identified as determined by the department. The request shall be made within five business days of the transmission, and no later than November 16, 2012, for the determination regarding the Low and Moderate Income Housing Fund, to the successor agency or the designated local authority of the department's determination, decisions, and explanations and shall be accompanied by an explanation and documentation of the basis of the dispute. The department shall meet and confer with the requesting party and modify its determinations and decisions accordingly. The department shall either confirm or modify its determinations and decisions within 30 days of the request to meet and confer.

(f) Each successor agency shall transmit to the county auditor-controller the amount of funds required pursuant to the determination of the department within five working days of receipt of the notification under subdivision (c) or (e) if a meet and confer request is made.