

**AGENDA FOR
OVERSIGHT BOARD MEETING
TUESDAY, DECEMBER 11, 2012, AT 1:00 P.M.
Civic San Diego Board Room (formerly Centre City Development Corporation)
401 B Street, Suite 400, San Diego, CA 92101**

Board Members

Supervisor Ron Roberts, County of San Diego appointee
Peter Q. Davis, County of San Diego appointee
Mark Nelson, City of San Diego appointee
James Davies, City of San Diego appointee
Maureen Stapleton, Special District appointee
Dr. Bonnie Ann Dowd, California Community Colleges appointee
Andra Donovan, Esq., County Board of Education appointee

Adoption Agenda, Consent Items

Any Consent items listed below are considered to be routine. These items are indicated on the agenda by a preceding asterisk (*). Because these items may be handled quickly, if you wish to be heard, submit your Speaker Slip form prior to the start of the meeting.

Non-Agenda Public Comment

This portion of the agenda provides an opportunity for members of the public to address the Board on items of interest within the jurisdiction of the Board. (Comments relating to items on today's docket are to be taken at the time the item is heard.)

Time allotted to each speaker is determined by the Chair; however, comments are limited to no more than three (3) minutes **total per subject** regardless of the number of those wishing to speak. Submit requests to speak to the Recording Secretary **prior** to the start of the meeting. Pursuant to the Brown Act, no discussion or action, other than a referral, shall be taken by the Board on any issue brought forth under "Non-Agenda Public Comment."

To Address Oversight Board on an Agenda Item

Speaker forms are available prior to each meeting. Fill out a Speaker Slip and submit to the Recording Secretary. Speakers will be called by name to address the Oversight Board when the item is heard. Time allotted to each speaker is determined by the Chair and, in general, is limited to three (3) minutes; moreover, collective testimony by those who support or oppose an item shall be limited to no more than fifteen (15) minutes per side.

The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Chair or Board Members.

Members of the public wishing to address the Board must submit a Speaker Slip to the Recording Secretary **prior** to the agenda item being called. Please note that Speaker Slips will **not** be accepted once the item is called. Speaker Slips on any item should be submitted at the **beginning** of each Board meeting.

Assistance for the Disabled

This information is available in alternative formats upon request. To request an agenda in Braille, large print, or cassette or to request a sign language or oral interpreter for the meeting, call Lori Young at 619/533-7106 prior to the meeting to ensure availability.

Reports and Attachments

See the links below in the agenda for these documents.

Order of Business

CALL THE MEETING TO ORDER

CHAIR, BOARD, OVERSIGHT BOARD CONTACT COMMENT

APPROVAL OF BOARD MINUTES

The Board minutes for December 4, 2012 will be approved by Unanimous Consent unless pulled for discussion.

NON-AGENDA PUBLIC COMMENT

Adoption AGENDA, CONSENT ITEMS

ITEM 1 – Report from the Successor Agency regarding UPDATE ON RECENT COMMUNICATIONS BETWEEN THE SUCCESSOR AGENCY AND THE STATE DEPARTMENT OF FINANCE REGARDING ITEMS PREVIOUSLY APPROVED BY THE OVERSIGHT BOARD [verbal report only; no action item]

ITEM 2 – Report from the Successor Agency regarding APPROVAL OF THE THIRD AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT FOR THE PUBLIC FACILITIES FINANCING AUTHORITY

* *Consent*

ITEM 3 – Report from the Successor Agency regarding APPROVAL OF THE AMOUNT OF CASH AND CASH EQUIVALENTS IN THE LOW AND MODERATE INCOME HOUSING FUND THAT ARE AVAILABLE FOR DISBURSEMENT TO LOCAL TAXING ENTITIES, AS DETERMINED BY THE INDEPENDENT ACCOUNTANT’S DUE DILIGENCE REVIEW REPORT ON APPLYING AGREED-UPON PROCEDURES TO THE SUCCESSOR AGENCY

COMMUNICATIONS RECEIVED

ADJOURNMENT

For more information please contact:

Lori Young: 619-533-7106

Email: young@cividsd.com

UNAPPROVED

**OVERSIGHT BOARD FOR CITY OF SAN DIEGO
REDEVELOPMENT SUCCESSOR AGENCY
MINUTES FOR
BOARD MEETING
OF
TUESDAY, DECEMBER 4, 2012
AT 2:00 P.M.
IN THE CIVIC SAN DIEGO BOARD ROOM
401 B STREET, SUITE 400, SAN DIEGO, CA 92101**

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ADOPTION AGENDA, CONSENT ITEMS

ITEM 1 – Report from the Successor Agency regarding THE HOUSING ASSETS DUE DILIGENCE REVIEW

ITEM 2 – Report from the Successor Agency regarding APPROVING THE DESIGNATION OF AN OVERSIGHT BOARD CONTACT

ITEM 3 – Report from the Successor Agency regarding ADOPTION OF A PROPOSED FIRST AMENDMENT TO THE OWNER PARTICIPATION AGREEMENT (OPA) INCLUDING AFFORDABLE HOUSING FUNDING FOR THE COMM22 PROJECT, LOCATED ON THE SOUTH SIDE OF COMMERCIAL STREET BETWEEN 21ST STREET AND HARRISON AVENUE IN THE LOGAN HEIGHTS NEIGHBORHOOD OF THE SOUTHEASTERN SAN DIEGO COMMUNITY PLANNING AREA, TO REFLECT REVISIONS TO THE PROJECT'S BUDGET, LOAN SUBORDINATION LEVELS, AND RENTAL RESTRICTION AFFORDABILITY LEVELS

UNAPPROVED

CHRONOLOGY OF THE MEETING:

The meeting was called to order by Chair Mark Nelson at 2:04 p.m. The meeting was adjourned by Chair Mark Nelson at 2:38 p.m. to Tuesday, December 11, 2012.

ATTENDANCE DURING THE MEETING:

PRESENT:

Mark Nelson, City of San Diego appointee
James Davies, City of San Diego appointee
Maureen Stapleton, Special District appointee
Dr. Bonnie Ann Dowd, California Community Colleges appointee
Andra Donovan, Esq., County Board of Education appointee

ABSENT:

Supervisor Ron Roberts, County of San Diego appointee
Peter Q. Davis, County of San Diego appointee

CLERK:

Lori Young

ROLL CALL:

(1) Ron Roberts – absent
(2) Peter Q. Davis – absent
(3) Mark Nelson – present
(4) James Davies – present
(5) Maureen Stapleton – present
(6) Bonnie Ann Dowd – present
(7) Andra Donovan – present
Approval of Board minutes from November 20, 2012 meeting.

Chair Nelson noted that the minutes should be corrected to reflect a meeting date of November 20, 2012 instead of November 27, 2012.

BOARD ACTION

MOTION BY BONNIE ANN DOWD TO APPROVE MINUTES AS CORRECTED. Second by Andra Donovan.

Yea: Bonnie Ann Dowd, Mark Nelson, Andra Donovan, James Davies

Nay: None

Recused: Maureen Stapleton

Not Present: Ron Roberts, Peter Q. Davis

Chair Nelson advised that the agenda items would be taken in the following order: Item 2, Item 3 and Item 1.

UNAPPROVED

ITEM 2 – Report from Successor Agency regarding APPROVING THE DESIGNATION OF AN OVERSIGHT BOARD CONTACT

DESCRIPTION SUMMARY OF ITEM:

Adopt a resolution designating Jeff Graham, President of Civic San Diego, as the new Oversight Board Contact effective immediately.

STAFF RECOMMENDATION:

Approve proposed action.

BOARD ACTION

MOTION BY MAUREEN STAPLETON TO APPROVE RESOLUTION. Second by James Davies.

Yea: Maureen Stapleton, Bonnie Ann Dowd, Mark Nelson, Andra Donovan, James Davies

Nay: None

Not Present: Ron Roberts, Peter Q. Davis

ITEM 3 – Report from Successor Agency regarding ADOPTION OF A PROPOSED FIRST AMENDMENT TO THE OWNER PARTICIPATION AGREEMENT (OPA) INCLUDING AFFORDABLE HOUSING FUNDING FOR THE COMM22 PROJECT, LOCATED ON THE SOUTH SIDE OF COMMERCIAL STREET BETWEEN 21ST STREET AND HARRISON AVENUE IN THE LOGAN HEIGHTS NEIGHBORHOOD OF THE SOUTHEASTERN SAN DIEGO COMMUNITY PLANNING AREA, TO REFLECT REVISIONS TO THE PROJECT’S BUDGET, LOAN SUBORDINATION LEVELS, AND RENTAL RESTRICTION AFFORDABILITY LEVELS

DESCRIPTION SUMMARY OF ITEM:

Adoption of a resolution approving the proposed First Amendment to the OPA (“First Amendment”) for the COMM22 Project, including all attachments thereto, between the City of San Diego, solely in its capacity as the designated Successor Agency to the Redevelopment Agency of the City of San Diego (“Successor Agency”), and COMM22 Housing GP, LLC, a California limited liability company (“Developer”). The First Amendment reflects revisions to the OPA’s project budget, loan subordination levels, and rental restriction affordability levels.

STAFF RECOMMENDATION:

Approve proposed action.

In response to Board members’ questions, Senior Project Manager John Collum discussed the decreased limit on the administrative approval of additional loan subordination, detailed the phasing plan, and clarified that the San Diego School District’s involvement was solely land ownership.

PUBLIC COMMENT

Chair Nelson read into the record receipt of a Speak Slip received from Robert McNamara in support of the item.

UNAPPROVED

BOARD ACTION

MOTION BY MAUREEN STAPLETON TO APPROVE RESOLUTION and directing staff to provide written notice to the Oversight Board when they have made an administrative approval within the 2.5%. Second by Andra Donovan.

Yea: Maureen Stapleton, Bonnie Ann Dowd, Mark Nelson, Andra Donovan, James Davies

Nay: None

Not Present: Ron Roberts, Peter Q. Davis

ITEM 1 – Report from Successor Agency regarding THE HOUSING ASSETS DUE DILIGENCE

DESCRIPTION SUMMARY OF ITEM:

On December 29, 2011, the California Supreme Court upheld Assembly Bill x1 26 (“AB 26”), the redevelopment dissolution law, and invalidated Assembly Bill x 27 (“AB 27”), the “voluntary alternative redevelopment program.” On February 1, 2012, the Redevelopment Agency of the City of San Diego (“Former RDA”) dissolved. On June 27, 2012, the State Legislature enacted Assembly Bill 1484 (“AB 1484”), which modified AB 26 substantially. Pursuant to California Health and Safety Code (“Code”) Section 34179.5 of AB 1484, two Due Diligence Reviews (DDR) are required, including a DDR of the Low and Moderate Income Housing Fund (“Housing DDR”) and a DDR of other remaining, non-housing account balances. Each DDR must be prepared by a licensed accountant with experience and expertise in local government accounting, approved by the county auditor-controller (CAC), to determine the Former RDA’s unobligated balances available for transfer to taxing entities.

The Successor Agency selected, and the CAC approved, the independent accounting firm of Macias Gini & O’Connell, LLP (MGO) to complete each DDR. Attachment A to Item 1 is MGO’s report applying the agreed-upon procedures for the Housing DDR (“MGO Report”). Pursuant to Code Section 34179.6(b), the Oversight Board must hold a public comment session on the MGO Report at least five business days before holding a meeting to consider approval of the amount of cash and cash equivalents related to housing assets that are available for disbursement to taxing entities as determined in the MGO Report. The public comment session will occur on December 4, 2012 and the approval meeting is anticipated to occur on December 11, 2012.

STAFF RECOMMENDATION:

That the Oversight Board hold a public comment session on the MGO Report pursuant to Code Section 34179.6(b).

BOARD ACTION

No action was taken on this item.

ADJOURNMENT:

The meeting was adjourned at 2:38 p.m. by Chair Mark Nelson to Tuesday, December 11, 2012.

ITEM 2

OVERSIGHT BOARD FOR CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY

DATE ISSUED: December 7, 2012

SUBJECT: Adoption of a Resolution to Approve the Third Amended and Restated Joint Exercise of Powers Agreement Creating the Public Facilities Financing Authority

CONTACT/PHONE NUMBER: Brant Will/533-5684

DESCRIPTIVE SUMMARY OF ITEM:

Adoption of a resolution approving a third amended and restate joint exercise of powers agreement creating the Public Facilities Financing Authority among the City of San Diego, the Housing Authority of the City of San Diego and the Successor Agency.

STAFF RECOMMENDATION:

Approve proposed action.

DISCUSSION:

The Public Facilities Financing Authority of the City of San Diego (PFFA) is a joint exercise of powers entity formed in 1991 by the City of San Diego (City) and the Redevelopment Agency of the City of San Diego (Redevelopment Agency) for the purpose of assisting the City and the Redevelopment Agency in financing public capital improvements. The joint exercise of powers agreement between the City and the RDA (JPA Agreement) has been amended from time to time, most recently in 2002, to change the composition of the Board of Commissioners that governs the PFFA.

On February 1, 2012, the Redevelopment Agency was dissolved pursuant to state legislation (AB 26), at which time the City of San Diego became the successor agency (Successor Agency) to the Redevelopment Agency. Section 34178(b)(3) of AB 26 also specified that certain agreements between cities and their redevelopment agencies, including joint exercise of powers agreements, were not invalidated by the dissolution of the redevelopment agencies. As a result, the PFFA remained a viable legal entity with the Successor Agency becoming a member of PFFA in place of the Redevelopment Agency.

On June 27, 2012, subsequent state legislation affecting redevelopment agencies was signed by the Governor (AB 1484). Under AB 1484, successor agencies are required to terminate within one year of paying off or retiring the debts of its redevelopment agency. The Redevelopment Agency issued 30 year bonds in August 2010 and therefore the Successor Agency will terminate no later than fiscal year 2041. It is not clear what impact the termination of the Successor Agency would have on the PFFA; however, as constituted, it may not be possible for PFFA to issue bonds which will mature after the dissolution of the Successor Agency. This would impair the ability of the PFFA to serve one of its principal functions, namely issuing long term bonds on behalf of the City. Due to this circumstance, the City

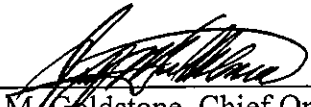
Attorney's office has recommended amending the JPA Agreement to add an additional member to the PFFA. This will remove any question as to the PFFA's legal viability after the termination of the Successor Agency.

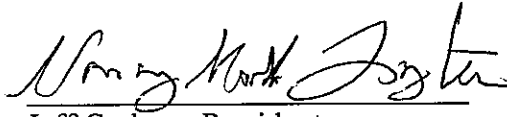
The Joint Exercise of Powers Act (Act) requires that a joint exercise of powers entity must be composed of two or more public agencies. The Housing Authority of the City of San Diego (Housing Authority) is a public agency within the meaning of the Act and it may enter into the amended JPA Agreement as a member of the PFFA. The amended JPA Agreement would allow the PFFA to exercise those powers common to the City, the Successor Agency and the Housing Authority and those additional statutory powers granted to joint exercise of powers entities by the Act. The Successor Agency would also remain a member of PFFA to allow for PFFA to refund certain outstanding tax allocation bonds issued by the PFFA on behalf of the former Redevelopment Agency if desirable at some time in the future. Section 34177.5 of AB 1484 permits the Successor Agency to refund existing bond debt in order to save costs, subject to the approval of the Oversight Board and the State Department of Finance.

In addition to changing the membership of the PFFA to add the Housing Authority as a member, the amended JPA Agreement contains certain other amendments intended to streamline the functioning of the PFFA. In particular, the amended JPA Agreement makes the City Council the Board of Commissioners of the PFFA, which is expressly permitted under the Act. The City Council would replace the current Board of Commissioners, which is composed of the City Treasurer, the Assistant Executive Director of the RDA (currently filled by the Chief Financial Officer of the City on behalf of the Successor Agency) and three public members. Allowing the City Council to serve as the Board of Commissioners would save a considerable amount of staff time and cost for outside professionals because PFFA meetings would be held in conjunction with regular City Council meetings.

The officers of the PFFA would remain largely the same, unless changes to the Board of Commissioners or organizational changes within the City require a change. The Chair of the PFFA would be the Council President and the Vice Chair would be the Council President Pro Tem. The Secretary would be the City Clerk and the Treasurer and Controller would be the Chief Financial Officer. The City Attorney would remain the General Counsel of PFFA.

The amended JPA Agreement has been approved by the City, the Successor Agency and the Housing Authority. There is no fiscal impact to the Successor Agency related to this action.


Jay M. Goldstone, Chief Operating Officer
City of San Diego

for 
Jeff Graham, President
Civic San Diego

Attachment 1 – Third Amended and Restated Joint Exercise of Powers Agreement Creating the Public Facilities Financing Authority

**THIRD AMENDED AND RESTATED
JOINT EXERCISE OF POWERS AGREEMENT
CREATING THE
PUBLIC FACILITIES FINANCING AUTHORITY
OF THE
CITY OF SAN DIEGO**

THIRD AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT

THIS Third Amended and Restated Joint Exercise of Powers Agreement (the “Agreement”), dated as January 1, 2013, is made between and among, the CITY OF SAN DIEGO, a municipal corporation duly organized and existing under the laws of the State of California (herein called the “City”), the CITY OF SAN DIEGO, SOLELY IN ITS CAPACITY AS THE DESIGNATED SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, a former public body, corporate and politic, duly organized and existing under the laws of the State of California (herein called the “Successor Agency”), and the HOUSING AUTHORITY OF THE CITY OF SAN DIEGO, a public body, corporate and politic, duly organized and existing under the laws of the State of California (herein called the “Housing Authority”)(collectively, the “Parties”). This Agreement amends and supersedes the agreement filed with the Secretary of State on January 3, 2003, entitled “SECOND AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT BY AND BETWEEN THE CITY OF SAN DIEGO AND THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO.”

WITNESSETH:

WHEREAS, on May 14, 1991, the City and the Redevelopment Agency of the City of San Diego (the “Agency”) entered into an agreement pursuant to Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title I of the Government Code of the State of California (the “Joint Exercise of Powers Act” or the “Act”) to create a joint exercise of powers entity (herein called the “Public Facilities Financing Authority of the City of San Diego” or the “Authority”) which has the power to jointly exercise any powers common to the City and the Agency; and

WHEREAS, the Agreement that created and established the Authority has been amended from time to time; and

WHEREAS, the Agency has been dissolved pursuant to Assembly Bill ABx1 26 (“AB 26”) and the City has elected to become the Successor Agency to the Agency; and

WHEREAS, pursuant to AB 26, the joint exercise of powers agreement between the City and the Agency remains valid, however, the Parties recognize that the Successor Agency will terminate pursuant to State law at some future date and that a joint exercise of powers agreement must have at least two members; and

WHEREAS, the City, the Successor Agency and the Housing Authority are each empowered by law to undertake certain projects and programs; and

WHEREAS, the City is authorized to issue bonds, expend bond proceeds, and borrow and loan money for certain public purposes pursuant to the Government Code of the State of California and the City Charter; and

WHEREAS, the Successor Agency is authorized to issue refunding bonds for certain public purposes pursuant to the Health and Safety Code of the State of California; and

WHEREAS, the Housing Authority is authorized to issue bonds, expend bond proceeds, borrow and loan money, execute contracts, and purchase, hold, sell, lease, exchange or transfer any real or personal property for any of its purposes pursuant to the provisions of the Housing Authorities Law of the State of California; and

WHEREAS, Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Marks-Roos Local Bond Pooling Act of 1985”) authorizes and empowers the Authority to purchase Bonds, as defined in the Marks-Roos Local Bond Pooling Act of 1985, issued by the City, the Successor Agency, or the Housing Authority for financing public capital improvements, working capital, liability and other insurance needs, or projects whenever there are significant public benefits, as determined by the City, Successor Agency, or the Housing Authority; and

WHEREAS, the Marks-Roos Local Bond Pooling Act of 1985 further authorizes and empowers the Authority to sell Bonds so purchased to public or private purchasers at public or negotiated sale; and

WHEREAS, by this Agreement, the City, the Successor Agency and the Housing Authority desire to amend and restate the Agreement as set forth herein and to exercise the powers described herein; and

NOW, THEREFORE, the City, the Successor Agency, and the Housing Authority, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

SECTION 1. PURPOSE

This Agreement is made pursuant to the provisions of the Act, relating to the joint exercise of powers common to public agencies for the purpose of assisting the financing of certain public capital facilities improvements of the City, the Successor Agency or the Housing Authority by exercising the powers referred to in the recitals hereof and described in Section 4 herein.

SECTION 2. TERM

This Agreement shall become effective as of the date hereof and shall continue in full force and effect until terminated by a supplemental agreement of the City, the Successor Agency

and the Housing Authority, provided that in no event shall the Agreement terminate while any payments are due by the City, the Successor Agency or the Housing Authority to the Authority under any lease or sale of any real or personal property from the Authority to the City, the Successor Agency, or the Housing Authority or while any bonds of the Authority issued pursuant to the Act are outstanding.

SECTION 3. AUTHORITY

A. CREATION OF AUTHORITY

There is hereby created pursuant to the Act an agency and public entity to be known as the “Public Facilities Financing Authority of the City of San Diego.” As provided in the Act, the Authority shall be a public entity separate from the City, the Successor Agency and the Housing Authority. The debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of the City, the Successor Agency or the Housing Authority.

Within 30 days after the effective date of this Agreement or any amendment hereto, the Authority will cause a notice of this Agreement or amendment to be prepared and filed with the office of the Secretary of State of the State of California in the manner set forth in Section 6503.5 of the Act.

B. COMMISSION

The Authority shall be administered by a Commission (the “Commission”) whose members shall at all times, be the members of the City Council of the City. The term of office, as a member of the Commission, of each Councilmember of the City shall terminate when such member of the Commission shall cease to be a City Councilmember and the successor of the City Councilmember shall become a member of the Commission. The Commission shall be the administering agency of this Agreement, and, as such, shall be vested with the powers set forth herein, and shall execute and administer this Agreement in accordance with the purposes and functions provided herein.

Members of the Commission shall not receive any compensation for serving as such but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a member, if the Commission shall determine that such expenses shall be reimbursed and there are unencumbered funds available for such purpose.

C. OFFICERS; DUTIES; OFFICIAL BONDS

The President of the City Council shall serve as the Chair of the Authority and the Council President Pro Tem shall serve as the Vice-Chair of the Authority. The Chair and the Vice-Chair shall have the duties set forth in the rules and regulations of the Authority.

The Secretary of the Authority shall be the City Clerk of the City. The Secretary shall keep the records of the Authority, shall act as the Secretary at the meetings of the Authority and record all votes, and shall keep a record of the proceedings of the Authority, and shall perform all duties incident to the office.

The Chief Financial Officer of the City shall be the treasurer and controller of the Authority (the “Treasurer”) and shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

Subject to the applicable provisions of any resolution, indenture or other instrument or proceeding authorizing or securing Bonds (each such resolution, indenture, instrument and proceeding being herein referred to as an “Indenture”) providing for a trustee or other fiscal agent, the Treasurer is designated as the depository of the Authority to have custody of all money of the Authority, from whatever source derived.

The Treasurer of the Authority is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and such officer shall file an official bond with the Secretary of the Authority in the amount each such officer determines is necessary as required by Section 6505.1 of the Act; provided that such bond shall not be required if the Authority does not possess or own property or funds with an aggregate value of greater than \$1,500.00.

The City Attorney shall be the General Counsel to the Authority.

The Commission shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

The Commission shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to delegate any of its functions to one or more of the members of the Commission or officers or agents of the Authority and to cause any of said members, officers or agents to take any actions and execute any documents or instruments for and in the name and on behalf of the Commission or the Authority.

D. MEETINGS OF THE COMMISSION

(1) Regular Meetings.

The Commission shall provide for its regular meetings in accordance with the calendar of regular meetings adopted by the City Council; provided, however, it shall hold at least one regular meeting each year. The date, hour and place of the holding of the regular meetings shall be fixed by resolution of the Commission and a copy of such resolution shall be filed with each party hereto; provided that if the Chair determines that there will be no business to transact at such meeting, such meeting shall be cancelled.

(2) Special Meetings.

Special meetings of the Commission may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California.

(3) Ralph M. Brown Act.

All meetings of the Commission shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code of the State of California).

(4) Minutes.

The Secretary of the Authority shall cause to be kept minutes of all meetings of the Commission and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Commission.

(5) Quorum.

A majority of the members of the Commission shall constitute a quorum for the transaction of business. No action may be taken by the Commission except upon the affirmative vote of a majority of the members of the Commission, except that less than a quorum may adjourn a meeting to another time and place.

E. RULES AND REGULATIONS.

The Authority may adopt, from time to time, by resolution of the Commission such rules and regulations for the conduct of its meetings and affairs as may be required.

SECTION 4. POWERS

The Authority shall have the power to purchase, with the amounts received or to be received by it pursuant to a Bond Purchase Agreement, Bonds issued by the City, the Successor Agency or the Housing Authority at public or negotiated sale, for the purposes set forth in Section 1 hereof all in accordance with the Act. Any such bonds so purchased may be held by the Authority or sold to public or private purchasers at public or negotiated sale, in whole or in part. The Authority shall set any other terms and conditions on any purchase or sale contemplated herein as it deems to be necessary, appropriate and in the public interest, in furtherance of the Act.

The Authority is hereby authorized to do all acts necessary for the exercise of such powers, including, but not limited to, any or all of the following: to make and enter into contracts; to employ agents and employees; to acquire, construct, provide for maintenance and operation of, or maintain and operate, any buildings, works or improvements; to acquire, hold or dispose of property wherever located; to incur debts, liabilities or obligations; to receive gifts,

contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations and any governmental entity; to sue and be sued in its own name; and generally to do any and all things necessary or convenient to accomplish the purposes set forth in Section 1 hereof. Without limiting the generality of the foregoing, the Authority may issue or cause to be issued bonded and other indebtedness, and pledge any property or revenues as security to the extent permitted under the Act, including Article 4 or any other applicable provision of law.

The manner in which the Authority shall exercise its powers and perform its duties is and shall be subject to the restrictions upon the manner of exercising such power as are imposed upon the Agency in the exercise of similar powers, as provided in Section 6509 of the Act.

SECTION 5. FISCAL YEAR

For the purposes of this Agreement, the term “Fiscal Year” shall mean the fiscal year as established from time to time by the Authority, being, at the date of this Agreement, the period from July 1 to and including the following June 30.

SECTION 6. DISPOSITION OF ASSETS

At the end of the term hereof or upon the earlier termination of this Agreement as set forth in Section 2 hereof after payment of all expenses and liabilities of the Authority, all property of the Authority both real and personal shall automatically vest in the City.

SECTION 7. BONDS

The Authority shall issue Bonds for the purpose of exercising its powers and raising the funds necessary to carry out its purposes under this Agreement. Said Bonds may, at the discretion of Authority, be issued in series.

The services of bond counsel, financing consultants and other consultants and advisors working on the projects and/or their financing shall be used by the Authority. The fees and expenses of such counsel, consultants, advisors, and the expenses of the City, the Successor Agency, or the Housing Authority and the Commission shall be paid from the proceeds of the Bonds or any other unencumbered funds of the Authority available for such purpose.

SECTION 8. BONDS ONLY LIMITED AND SPECIAL OBLIGATIONS OF AUTHORITY

The Bonds, together with the interest and premium, if any, thereon, shall not be deemed to constitute a debt of the City, the Successor Agency or the Housing Authority or pledge of the faith and credit of the City, the Successor Agency, the Housing Authority, or the Authority. The Bonds shall be only special obligations of the Authority, and the Authority shall under no circumstances be obligated to pay the Bonds or the respective project costs except from revenues

and other funds pledged therefor. Neither the City, the Successor Agency, the Housing Authority, nor the Authority shall be obligated to pay the principal of, premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the City, the Successor Agency, Housing Authority nor the Authority shall be pledged to the payment of the principal of, premium, if any, or interest on the Bonds nor shall the City, the Successor Agency, the Housing Authority, or the Authority in any manner be obligated to make any appropriation for such payment.

No covenant or agreement contained in any Bond or Indenture shall be deemed to be a covenant or agreement of any member of the Commission, or any officer, agent or employee of the Authority in his individual capacity and neither the Commission of the Authority nor any officer thereof executing the Bonds shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

SECTION 9. ACCOUNTS AND REPORTS

All funds of the Authority shall be strictly accounted for. The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice and by any provision of any Indenture (to the extent such duties are not assigned to a trustee of Bonds). The books and records of the Authority shall be open to inspection at all reasonable times by the City, the Successor Agency, the Housing Authority and their representatives.

The Treasurer of the Authority shall cause an independent audit to be made of the books of accounts and financial records of the Agency by a certified public accountant or public accountant in compliance with the provisions of Section 6505 of the Act. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When such an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as public records with the City and also with the county auditor. Such report shall be filed within 12 months of the end of the Fiscal Year or Years under examination.

Any costs of the audit, including contracts with, or employment of certified public accountants or public accountants in making an audit pursuant to this Section, shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for that purpose.

In any Fiscal Year the Commission may, by resolution adopted by unanimous vote, replace the annual special audit with an audit covering a two-year period.

The Treasurer of the Authority, within 12 months after the close of each Fiscal Year, shall give a complete written report of all financial activities for such Fiscal Year to the

Authority to the extent such activities are not covered by the reports of the trustees for the Bonds. The trustee appointed under each Indenture shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said Indenture. Said trustee may be given such duties in said Indenture as may be desirable to carry out this Agreement.

SECTION 10. FUNDS

Subject to the applicable provisions of each Indenture, which may provide for a trustee to receive, have custody of and disburse Authority funds, the Treasurer of the Authority shall receive, have the custody of and disburse Authority funds pursuant to the accounting procedures developed under Section 9 hereof, and shall make the disbursements required by this Agreement or otherwise necessary to carry out any of the provisions or purposes of this Agreement.

SECTION 11. NOTICES

Notices and other communications hereunder to the City, the Successor Agency and the Housing Authority shall be sufficient if delivered to the clerk of the City Council.

SECTION 12. INDEMNIFICATION

To the full extent permitted by law, the City shall indemnify, protect, and hold harmless any person who is or was a member or alternate member of the Commission, or an officer, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a member or alternate member of the Commission, or an officer, employee or other agent of the Authority, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances

SECTION 13. CONTRIBUTIONS AND ADVANCES

Contributions or advances of public funds and of the use of personnel, equipment or property may be made to the Authority by the parties hereto for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution. Any such advance may be made subject to repayment, and in such case shall be repaid, in the manner agreed upon by the Authority and the party making such advance at the time of such advance.

SECTION 14. IMMUNITIES

All of the privileges and immunities from liabilities, exemptions from laws, ordinances and rules, all pension, relief, disability, workers' compensation, and other benefits which apply to the activity of officers, agents or employees of the City, the Successor Agency, and Housing Authority when performing their respective functions, shall apply to them to the same degree and extent while engaged as members of the Commission or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

SECTION 15. AMENDMENTS

This Agreement shall not be amended, modified, or altered except by a written instrument duly executed by the City, the Successor Agency, and the Housing Authority.

SECTION 16. PARTIAL INVALIDITY

If any one or more of the terms, provisions, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.

SECTION 17. SUCCESSORS

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Party may assign any right or obligation hereunder without the consent of the other Parties.

SECTION 18. TERMINATION OF SUCCESSOR AGENCY

At such time as the Successor Agency terminates as a matter of law, this Agreement shall remain in full force and effect and the members of the Authority thereafter shall be the City and the Housing Authority.

SECTION 19. MISCELLANEOUS

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section referred to.

Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

This Agreement is made in the State of California, under the Constitution and laws of such state and is to be so construed.

This Agreement is the complete and exclusive statement of the agreement between the Parties hereto, which supersedes and merges all prior proposals, understandings, and other agreements, including, without limitation, the Initial Agreement and the First and Second Amended and Restated Joint Exercise of Powers Agreements, whether oral, written, or implied in conduct, between and among the Parties relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF SAN DIEGO

By _____
Mayor

ATTEST:

By _____
City Clerk

APPROVED AS TO FORM AND LEGALITY

Jan I. Goldsmith
City Attorney

By: _____
Brant C. Will
Deputy City Attorney

CITY OF SAN DIEGO, SOLELY IN ITS
CAPACITY AS THE DESIGNATED
SUCCESSOR AGENCY TO
REDEVELOPMENT OF THE CITY OF
SAN DIEGO,

By: _____
Chief Operating Officer

ATTEST:

By: _____
Secretary

APPROVED AS TO FORM AND LEGALITY

Jan I. Goldsmith
City Attorney

By: _____
Kevin Reisch
Deputy City Attorney

HOUSING AUTHORITY OF THE CITY
OF SAN DIEGO

By _____
Executive Director

ATTEST:

By: _____
Secretary

APPROVED AS TO FORM AND LEGALITY:

Jan I. Goldsmith
City Attorney and
General Counsel to the Housing Authority

By: _____
Leslie Fitzgerald
Deputy City Attorney and
Deputy General Counsel to the Housing Authority

BCW: jdf:sc
11/05/2012
Doc. No. 320700_6

OVERSIGHT BOARD RESOLUTION NUMBER OB-2012-39

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY APPROVING A THIRD AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT CREATING THE PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO.

WHEREAS, the former Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City); and

WHEREAS, in accordance with Assembly Bill x1 26 (AB 26), the Former RDA dissolved as of February 1, 2012, at which time the City of San Diego, solely in its capacity as the designated successor agency to the Former RDA (Successor Agency), assumed the Former RDA's assets and obligations; and

WHEREAS, the Successor Agency is required to administer the winding down of the Former RDA's operations and to ensure compliance with the Former RDA's obligations in accordance with AB 26, as amended by Assembly Bill 1484 (AB 1484); and

WHEREAS, the Former RDA is a party, along with the City, to a joint exercise of powers agreement (JPA Agreement), which formed the Public Facilities Financing Authority of the City of San Diego (PFFA), a financing authority of the Former RDA and the City; and

WHEREAS, consistent with California Health and Safety Code section 34178(b)(3), the Successor Agency has assumed the Former RDA's role in the PFFA, but the Successor Agency's rights, duties, and performance obligations under the JPA Agreement are limited by the constraints imposed on successor agencies under AB 26 and AB 1484; and

WHEREAS, it is not presently anticipated that the PFFA will restructure any bond debt related to redevelopment, but it is unclear whether the PFFA will be able to issue any bonds,

including bonds unrelated to redevelopment, if such bonds will mature after the dissolution of the Successor Agency; and

WHEREAS, on November 27, 2012, the City, the Successor Agency and the Housing Authority of the City of San Diego (Housing Authority) each approved a Third Amended and Restated Joint Exercise of Powers Agreement Creating the Public Facilities Financing Authority (Amended JPA Agreement) in order to allow the PFFA to continue to operate after the termination of the Successor Agency by adding the Housing Authority as a member of the PFFA and other changes; and

WHEREAS, the Amended JPA Agreement has no fiscal impact on the Successor Agency and does not create any additional liabilities for the Successor Agency.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board that the Amended JPA Agreement is hereby approved.

PASSED AND ADOPTED by the Oversight Board at a duly noticed meeting of the Oversight Board held on December ____, 2012.

Chair, Oversight Board

ITEM 3

**OVERSIGHT BOARD FOR CITY OF SAN DIEGO
REDEVELOPMENT SUCCESSOR AGENCY**

DATE ISSUED: December 7, 2012

SUBJECT: Approval of the Amount of Cash and Cash Equivalents in the Low and Moderate Income Housing Fund That Are Available for Disbursement to Local Taxing Entities, as Determined by the Independent Accountant's Due Diligence Review Report on Applying Agreed-Upon Procedures to the Successor Agency to the former Redevelopment Agency of the City of San Diego.

CONTACT/PHONE NUMBER: Jeff Graham/533-7181

DESCRIPTIVE SUMMARY OF ITEM:

On December 29, 2011, the California Supreme Court upheld Assembly Bill x1 26 ("AB 26"), the redevelopment dissolution law, and invalidated Assembly Bill x1 27 ("AB 27"), the "voluntary alternative redevelopment program." On February 1, 2012, the Redevelopment Agency of the City of San Diego ("Former RDA") dissolved. On June 27, 2012, the State Legislature enacted Assembly Bill 1484 ("AB 1484"), which modified AB 26 substantially. Pursuant to California Health and Safety Code ("Code") Section 34179.5 of AB 1484, two Due Diligence Reviews ("DDR") are required, including a DDR of the Low and Moderate Income Housing Fund ("Housing DDR") and a DDR of other remaining, non-housing account balances. Each DDR must be prepared by a licensed accountant with experience and expertise in local government accounting, approved by the county auditor-controller ("CAC"), to determine the unobligated balances of housing funds and non-housing funds available for transfer to taxing entities.

The Successor Agency selected, and the CAC approved, the independent accounting firm of Macias Gini & O'Connell, LLP ("MGO") to complete each DDR. Attachment A is MGO's report applying the agreed-upon procedures for the Housing DDR ("MGO Report"). Pursuant to Code Section 34179.6(b), the Oversight Board must hold a public comment session on the MGO Report at least five business days before holding a meeting to consider approval of the amount of cash and cash equivalents related to housing assets that are available for disbursement to taxing entities as determined in the MGO Report. The public comment session occurred on December 4, 2012, although no members of the public testified with respect to the MGO Report.

STAFF RECOMMENDATION:

That the Oversight Board:

1. Approves the determination in the MGO Report that the amount of cash and cash equivalents in the Low and Moderate Income Housing Fund that are available for disbursement to the taxing entities, as determined according to the method provided in Code Section 34179.5, is equal to zero dollars.
2. Directs Successor Agency staff to transmit the resolution approving this determination, together with a copy of the MGO Report, to the State Department of Finance ("DOF") and the CAC.

DISCUSSION:

Background

As described above, the MGO Report has been prepared in compliance with Code Section 34179.5 to determine the amount of cash and cash equivalents of the Former RDA related to housing assets that are available for disbursement to taxing entities. Pursuant to Code Section 34179.5(c), the Housing DDR must, at a minimum, include a review of the following:

- 1) The dollar value of assets transferred from the former redevelopment agency to the successor agency on or about February 1, 2012;
- 2) The dollar value of assets and cash and cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to the city, county, or city and county that formed the redevelopment agency and the purpose of each transfer including a review of the documentation of the enforceable obligation that required the transfer;
- 3) The dollar value of any cash or cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to any other public agency or private party and the purpose of each transfer including a review of the documentation of the enforceable obligation that required the transfer;
- 4) The review should provide expenditure and revenue accounting information and identify transfers and funding sources for the 2010-2011 and 2011-2012 fiscal years that reconciles balances, assets, and liabilities of the successor agency on June 30, 2012 to those reported to the State Controller for the 2009-2010 fiscal year;
- 5) The review should provide a separate accounting for all other funds and accounts combined as follows:
 - a. A statement of the total value of each fund as of June 30, 2012;
 - b. An itemized statement listing of any amounts that are legally restricted as to purpose and cannot be provided to taxing entities including such things as bond proceeds, grant fund or other such funds;
 - c. An itemized statement of the values of any assets that are not cash or cash equivalents such as but not limited, land, equipment and records;
 - d. An itemized listing of any current balances that are legally or contractually dedicated or restricted for the funding of an enforceable obligation that identifies the nature of the dedication or restriction and the specific enforceable obligation;
 - e. An itemized listing and analysis of any amounts of current balances that are need to satisfy obligation that will be placed on the Recognized Obligation Payment Schedules (“ROPS”) for the current fiscal year;
 - f. The review shall total the net balances available to for allocation to affected taxing entities pursuant to Code Section 34179.6.

Code Section 34179.6(a) contemplates that, by October 1, 2012, the Successor Agency was to provide the written report on the Housing DDR to the Oversight Board. Code Section 34179.6(c) contemplates that, by October 15, 2012, the Oversight Board would hold the public comment session on the Housing DDR, followed at least five (5) business days later by a meeting for the approval vote on the Housing DDR. The Oversight Board held its public comment session on December 4, 2012, although no members of the public testified with respect to the MGO Report. The Oversight Board must review and approve the amount of

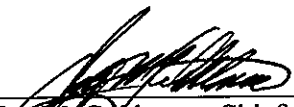
cash and cash equivalents of the Former RDA related to housing assets that are available for disbursement to taxing entities as determined in the MGO Report, and must transmit its determination to the DOF and the CAC. The MGO Report has determined that the unobligated balance in the Low and Moderate Housing Income Fund is zero dollars. The County Auditor received a copy of the MGO Report in advance of the public comment session held on December 4, 2012, and has not provided any opinions concerning the contents of the MGO Report. Pursuant to Code Section 34179.6(d), the DOF will make the final determination with respect to the Housing DDR, after considering the Oversight Board's decision. Code Section 34179.6(e) entitles the Successor Agency to request to meet and confer with the DOF to resolve any disputes regarding the DOF's preliminary determination.

Due to circumstances beyond the Successor Agency's control, the statutory timelines for completion and approval of the Housing DDR could not be met. The Successor Agency has been in contact with the DOF and kept the DOF apprised of its progress, both before and after the target completion date of October 1. One item that significantly delayed the preparation of the Housing DDR was the postponed release of the written agreed-upon procedures needed to initiate and perform each DDR. Independent auditing firms across the state were hesitant to proceed with any work related to any DDR until the DOF released its official written procedures to be completed by the auditing firms. While AB 1484 was approved and signed into law on June 27, 2012, the DOF did not release its list of procedures until August 28, 2012, thereby reducing the time auditing firms had to complete their review by two full months. As a result, the DOF reported that, as of November 1, 2012 (i.e., one month after the target completion date), the DOF had received the written report on the Housing DDR with respect to only 240 of over 400 dissolved redevelopment agencies throughout the state.

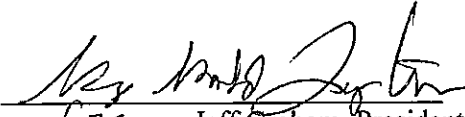
Once the DOF released the written procedures, the Successor Agency engaged Macias to prepare both DDRs with respect to the Former RDA, and MGO began field work by mid-September 2012. This timing left only a few weeks to complete the Housing DDR by the statutory deadline for one of the largest former redevelopment agencies in the state. Successor Agency staff and MGO have been working diligently to complete the DDRs in an expedited manner.

Conclusion

The MGO Report has been prepared in compliance with Code Section 34179.5 to determine the amount of cash and cash equivalents in the Low and Moderate Income Housing Fund available for disbursement to taxing entities. The Oversight Board's public comment session on the Housing DDR occurred on December 4, 2012, and the Oversight Board is now requested to approve the determination in the MGO Report, as described above, and transmit this determination to the DOF and the CAC. Representatives of the Successor Agency and MGO will be available to explain the contents of the MGO Report.



Jay M. Goldstone, Chief Operating Officer
City of San Diego



for Jeff Graham, President
Civic San Diego

Attachment A – MGO Report related to the Housing DDR

**SUCCESSOR AGENCY TO
THE REDEVELOPMENT AGENCY OF THE
CITY OF SAN DIEGO**

Independent Accountant's Report on
Applying Agreed-Upon Procedures on the
Successor Agency to the Redevelopment
Agency of the City of San Diego

As Prescribed in Section 34179.5 of
the California Health and Safety Code

**SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SAN DIEGO**

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Successor Agency to the Redevelopment
of the City of San Diego
San Diego, California

**Independent Accountant's Report on
Applying Agreed-Upon Procedures**

We have performed the procedures in Attachment A, which were agreed to by the Successor Agency to the Redevelopment Agency of the City of San Diego (Successor Agency), California State Controller's Office and California Department of Finance (collectively referred to as Specified Parties) solely to assist you in determining the balances available for transfer to taxing entities from assets transferred to the Successor Agency from the Low and Moderate Income Housing Funds of the former redevelopment agency, as prescribed in Section 34179.5 of the California Health and Safety Code (Code) as of June 30, 2012.

Management of the Successor Agency is responsible for the accounting records. 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 the Specified Parties. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested, or for any other purpose.

The scope of this engagement was limited to performing the agreed-upon procedures set forth in Attachment A. Attachment A also identifies the findings noted as a result of the procedures performed. We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the assets transferred to the Successor Agency from the Low and Moderate Income Housing Fund of the former redevelopment agency and the balance available for transfer to the taxing entities. 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, California State Controller's Office and the California Department of Finance, and is not intended to be, and should not be used by anyone other than these specified parties.

Macias Jini & O'Connell LLP

San Diego, California
November 30, 2012

Attachment

**SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SAN DIEGO
Attachment A - Agreed-Upon Procedures and Findings
Low and Moderate Income Housing Fund**

Our procedures and findings are as follows:

1) **Procedure:**

Obtain from the Successor Agency a listing of all assets that were transferred from the Low and Moderate Income Housing Funds of the former redevelopment agency to the Successor Agency on or about 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.

Finding: We noted the former redevelopment agency transferred assets in the amount of \$337,209,868 from the Low and Moderate Income Housing Funds to the Successor Agency on February 1, 2012. We verified such asset transfers to the Successor Agency through review of the accounting records. The assets transferred include \$49,181,043 in cash and investments, \$38,989,833 of investments held with third party fiscal agents for bond reserves, \$178,727,309 in notes receivable, \$70,178,363 in working capital advances, and \$133,320 in land held for resale.

2) **Procedures:**

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 Low and Moderate Income Housing Funds 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 Low and Moderate Income Housing Funds held by 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.
- 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.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SAN DIEGO
Attachment A - Agreed-Upon Procedures and Findings (Continued)
Low and Moderate Income Housing Fund**

Findings: We noted that the State Controller's Office has not completed its review of transfers as of the date of this report.

We also noted that the Successor Agency submitted its Housing Asset Transfer Form, approved by the Oversight Board on September 18, 2012, to the California Department of Finance. We obtained a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Low and Moderate Income Housing Funds to the City of San Diego for the period January 1, 2011 through June 30, 2012. We obtained the legal document that required each transfer. Please refer to Exhibits A1 and A2 for the results of the procedures performed.

3) **Procedures:**

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 Low and Moderate Income Housing Funds 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 Low and Moderate Income Housing Funds held by 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: We noted that the State Controller's Office has not completed its review of transfers as of the date of this report. We also noted that the Successor Agency submitted its Housing Asset Transfer Form, approved by the Oversight Board on September 18, 2012, to the California Department of Finance.

We obtained a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Low and Moderate Income Housing Funds held by the Successor Agency to other public agencies or private parties for the period January 1, 2011 through June 30, 2012. Transfers to other public agencies or private parties, as defined in Health and Safety Code 34179.5 (C)(3), is the "...dollar value of any cash and cash equivalents transferred after January

**SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SAN DIEGO
Attachment A - Agreed-Upon Procedures and Findings (Continued)
Low and Moderate Income Housing Fund**

1, 2011, through June 30, 2012...". We obtained the legal document that required each transfer. Please refer to Exhibit B for the results of the procedures performed.

4) **Procedure:**

Obtain from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency as of June 30, 2012. 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 AUP report.

Finding: No exceptions were noted as a result of the procedure performed. Please refer to Exhibit C for a listing of the Low and Moderate Income Housing Funds assets held by the Successor Agency as of June 30, 2012.

5) **Procedures:**

Obtain from the Successor Agency a listing of asset balances transferred from the Low and Moderate Income Housing Fund 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:

**SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SAN DIEGO
Attachment A - Agreed-Upon Procedures and Findings (Continued)
Low and Moderate Income Housing Fund**

- 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 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: No exceptions were noted as a result of the procedure performed. Please refer to Exhibit D for the listing of the Low and Moderate Income Housing Funds restricted assets held by the Successor Agency as of June 30, 2012.

6) **Procedures:**

- A. Obtain from the Successor Agency a listing of assets transferred from the Low and Moderate Income Housing Fund 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 6A 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 6B, 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 6A 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: No exceptions were noted as a result of the procedure performed. Please refer to Exhibit E for a listing of the Low and Moderate Income Housing Funds assets, other than cash and cash equivalents, held by the Successor Agency as of June 30, 2012 and the results of procedures performed.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SAN DIEGO
Attachment A - Agreed-Upon Procedures and Findings (Continued)
Low and Moderate Income Housing Fund**

7) **Procedures:**

- A. If the Successor Agency believes that asset balances transferred from the Low and Moderate Income Housing Funds 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 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.
- B. If the Successor Agency believes that future revenues, together with balances transferred from the Low and Moderate Income Housing Funds 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:

**SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SAN DIEGO
Attachment A - Agreed-Upon Procedures and Findings (Continued)
Low and Moderate Income Housing Fund**

- 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 7A, B, or C were performed, calculate the amount of current unrestricted balances of assets transferred from the Low and Moderate Income Housing Funds 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 does not believe that procedures 7A and 7C are applicable. However, for procedures 7B and 7D, the Successor Agency believes that forecasted annual revenues are insufficient to cover the \$14,040,844 in the forecasted annual spending requirements for enforceable obligations payments from July 1, 2013 through June 30, 2014. Please refer to Exhibit F for the results of procedures 7A and 7D.

8) **Procedure:**

If the Successor Agency believes that, as of June 30, 2012, cash balances transferred from the Low and Moderate Income Housing Funds need to be retained to satisfy obligations on the Recognized Obligation Payment Schedule (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 transferred from the Low and Moderate Income Housing Funds that are needed to satisfy that obligation and (2) the Successor Agency's explanation as to

**SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SAN DIEGO
Attachment A - Agreed-Upon Procedures and Findings (Continued)
Low and Moderate Income Housing Fund**

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: Based on our inquiry with management, the Successor Agency believes that \$45,671,402 of the unencumbered cash balances transferred from the Low and Moderate Income Housing Funds as of June 30, 2012, are needed to satisfy obligations on the ROPS for the period July 1, 2012 through December 31, 2012 and to satisfy obligations on the ROPS for the period January 1, 2013 through June 30, 2013. No exceptions were noted as a result of the procedure performed. Please refer to Exhibit G for the results of this procedure.

9) **Procedure:**

Include a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities from assets transferred to the Successor Agency from the Low and Moderate Income Housing Fund. 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.

Finding: We noted that the deduction of the amount paid to the County Auditor-Controller on July 12, 2012, did not include any funds from the Low and Moderate Income Housing Fund. Please refer to Exhibit H for the results of this procedure.

10) **Procedure:**

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 34179.5) from assets of the Low and Moderate Income Housing Fund 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.

Finding: No exceptions were noted as a result of this procedure.

Exhibits

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS HELD BY THE SUCCESSOR AGENCY**

EXHIBIT A1 - ASSET TRANSFERS TO THE CITY OF SAN DIEGO FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012

Asset Description	Name of the Recipient (Sponsoring Community)	Date of Transfer	Book Value of Asset at Date of Transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement.	Finding	
					Description	Book Value of Asset at Date of Transfer
1 Cash	City of San Diego acting as the Successor Agency	1/21/2011	\$ 70,422.95	Pursuant to City Council resolution R-306178 and R-306179 funds provided for the transitional housing program from homeless seniors.		\$ -
2 Cash	City of San Diego acting as the Successor Agency	3/16/2011	47,684.98	Pursuant to City Council resolution R-306178 and R-306179 funds provided for the transitional housing program from homeless seniors.		-
3 Cash	City of San Diego acting as the Successor Agency	6/30/2011	679,409.34	Pursuant to City Council resolution R-306178 and R-306179 funds provided for the transitional housing program from homeless seniors.		-
4 Cash	City of San Diego acting as the Successor Agency	10/31/2011	23,191.69	Pursuant to City Council resolution R-306178 and R-306179 funds provided for the transitional housing program from homeless seniors.		-
5 Cash	City of San Diego acting as the Successor Agency	1/10/2012	21,259.00	Pursuant to City Council resolution R-306178 and R-306179 funds provided for the transitional housing program from homeless seniors.		-
6 Cash	City of San Diego acting as the Successor Agency	6/30/2011	74,093,346.34	R-306632 - Cooperation Agreement Funds	Pursuant to a California Department of Finance (DOF) letter dated October 19, 2012, related to the DOF's review of the Successor Agency's Recognized Obligation Payment Schedule (ROPS) for the period January through June 2013, the DOF noted that the related enforceable obligations did not qualify under Health and Safety Code section 34171(d). The Successor Agency is in the process of scheduling a meet and confer with the DOF regarding its objections and it is anticipated that the DOF will issue its final determination in mid-December 2012.	-
7 Cash	City of San Diego acting as the Successor Agency	1/1/2012	(2,000,000.00)	R-306632 - Cooperation Agreement Funds Reversal		-
8 Cash	City of San Diego acting as the Successor Agency	1/31/2012	(600,015.24)	R-306632 - Cooperation Agreement Funds Reversal		-
9 Land Held for Resale - Hilltop & Euclid	City of San Diego acting as the Successor Agency	3/16/2011	1,900,000.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	1,900,000.00
10 Land Held for Resale - 14th & Broadway Fire Station (1320 Broadway)	City of San Diego acting as the Successor Agency	3/16/2011	643,712.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	643,712.00
11 Land Held for Resale - 533 13th Street	City of San Diego acting as the Successor Agency	3/16/2011	267,503.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	267,503.00
12 Land Held for Resale - 529 13th Street	City of San Diego acting as the Successor Agency	3/16/2011	732,497.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	732,497.00
13 Land Held for Resale - Cedar Gateway (1601 5th Avenue)	City of San Diego acting as the Successor Agency	3/16/2011	5,275,337.31	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	5,275,337.31
14 Land Held for Resale - 1453-1457 4th Street	City of San Diego acting as the Successor Agency	3/16/2011	4,951,626.50	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	4,951,626.50
15 Land Held for Resale - 1434 5th Avenue (Bisby)	City of San Diego acting as the Successor Agency	3/16/2011	1,080,934.50	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	1,080,934.50

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS HELD BY THE SUCCESSOR AGENCY**

EXHIBIT A1 - ASSET TRANSFERS TO THE CITY OF SAN DIEGO FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012

Asset Description	Name of the Recipient (Sponsoring Community)	Date of Transfer	Book Value of Asset at Date of Transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement.	Finding	
					Description	Book Value of Asset at Date of Transfer
16 Land Held for Resale - 1492-1494 5th Avenue	City of San Diego acting as the Successor Agency	3/16/2011	1,342,898.50	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	1,342,898.50
17 Land Held for Resale - 7th & Market / Parking Lot #3	City of San Diego acting as the Successor Agency	3/16/2011	8,223,191.67	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	8,223,191.67
18 Land Held for Resale - Barney's Liquor East Village (1301 Market St)	City of San Diego acting as the Successor Agency	3/16/2011	1,500,000.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	1,500,000.00
19 Land Held for Resale - Barney's Liquor East Village (1325-1333 Market St)	City of San Diego acting as the Successor Agency	3/16/2011	750,000.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	750,000.00
20 Land Held for Resale - Popular Market East Village (901 Park Blvd)	City of San Diego acting as the Successor Agency	3/16/2011	1,108,608.24	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	1,108,608.24
21 Land Held for Resale - 12th & Market (1101 G Street)	City of San Diego acting as the Successor Agency	3/16/2011	8,433,600.80	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	8,433,600.80
22 Land Held for Resale - 40th & Alpha Site	City of San Diego acting as the Successor Agency	3/16/2011	21,639.03	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	21,639.03
23 Land Held for Resale - 40th & Alpha Site	City of San Diego acting as the Successor Agency	3/16/2011	203,304.97	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	203,304.97
24 Capital Assets - Columbia Residential (904 State St)	City of San Diego acting as the Successor Agency	3/16/2011	461,190.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	461,190.00
25 Capital Assets - Market St. Square / 606 3rd Avenue	City of San Diego acting as the Successor Agency	3/16/2011	3,625,692.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	3,625,692.00
26 Capital Assets - GSR Childcare Center / 475 W Broadway	City of San Diego acting as the Successor Agency	3/16/2011	2,092,078.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	2,092,078.00
27 Capital Assets - CCBA Senior Housing	City of San Diego acting as the Successor Agency	3/16/2011	611,672.20	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	611,672.20

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
 LOW AND MODERATE INCOME HOUSING FUNDS HELD BY THE SUCCESSOR AGENCY

EXHIBIT A1 - ASSET TRANSFERS TO THE CITY OF SAN DIEGO FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012

Asset Description	Name of the Recipient (Sponsoring Community)	Date of Transfer	Book Value of Asset at Date of Transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement.	Finding	
					Description	Book Value of Asset at Date of Transfer
28 Capital Assets - Forest City West /Heritage Apt(750 Beech St)	City of San Diego acting as the Successor Agency	3/16/2011	6,000,000.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	6,000,000.00
29 Capital Assets - 9th & Broadway Affordable Apartments	City of San Diego acting as the Successor Agency	3/16/2011	7,591,599.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	7,591,599.00
30 Capital Assets - 13th & Broadway Fire Station	City of San Diego acting as the Successor Agency	3/16/2011	5,752,908.00	Pursuant to City Council resolution R-04654 assets were transferred to accomplish important municipal and other public purposes in accordance and consistent with the redevelopment plans adopted for the redevelopment project areas.	Pursuant to City Council resolution R-307600 dated July 31, 2012, the assets previously transferred to the City in accordance with resolution R-306632 was reversed, and the assets were transferred to the Successor Agency	5,752,908.00
			<u>\$ 134,905,291.78</u>			<u>\$ 62,569,992.72</u>

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS HELD BY THE SUCCESSOR AGENCY**

EXHIBIT A2 - ASSET TRANSFERS TO THE CITY OF SAN DIEGO FOR THE PERIOD FEBRUARY 1, 2012 THROUGH JUNE 30, 2012

Asset Description	Name of the Recipient (Sponsoring Community)	Date of Transfer	Book Value of Asset at Date of Transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement.	Finding	
					Description	Book Value of Asset at Date of Transfer
1 Cash	City of San Diego acting as the Successor Agency	6/30/2012	\$ 854,799.77	Pursuant to City Council Resolution R-306632 - Cooperation Agreement Funds	Pursuant to a California Department of Finance (DOF) letter dated October 19, 2012, related to the DOF's review of the Successor Agency's Recognized Obligation Payment Schedule (ROPS) for the period January through June 2013, the DOF noted that the related enforceable obligations did not qualify under Health and Safety Code section 34171(d). The Successor Agency is in the process of scheduling a meet and confer with the DOF regarding its objections and it is anticipated that the DOF will issue its final determination in mid-December 2012.	\$ -
2 Cash	City of San Diego acting as the Successor Agency	6/30/2012	(31,631,862.57)	Pursuant to City Council Resolution R-306632 - Cooperation Agreement Funds Reversal		-
			<u>\$ (30,777,062.80)</u>			<u>\$ -</u>

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS HELD BY THE SUCCESSOR AGENCY**

EXHIBIT B - ASSET TRANSFERS TO OTHER PUBLIC AGENCIES OR TO PRIVATE PARTIES FOR THE PERIOD JANUARY 1, 2011 THROUGH JUNE 30, 2012

Asset Description	Name of the Recipient (Sponsoring Community)	Date of Transfer	Book Value of Asset at Date of Transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement.	Finding
1 Cash	San Diego Housing Commission	4/6/2011	\$ 212,500.00	Rehabilitation Loan Agreement related to the North Park Redevelopment Plan Housing Enhancement Loan Program (HELP)	\$ -

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS**

EXHIBIT C - ASSETS HELD BY THE SUCCESSOR AGENCY AS OF JUNE 30, 2012

Assets	June 30, 2012
Cash or Equity in Pooled Cash and Investments (Excluding Unrealized Gain)	\$ 64,008,728.47
Cash and Investments with Fiscal Agent (Excluding Unrealized Gain)	35,312,084.84
Notes Receivable	185,041,515.69
Interest Receivable	41,487.06
Interest Receivable with Fiscal Agent	74,370.10
Capital Assets	5,526,405.00
Land Held for Resale	<u>2,847,264.33</u>
	<u>\$ 292,851,855.49</u>

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS**

EXHIBIT D - RESTRICTED ASSETS HELD BY THE SUCCESSOR AGENCY AS OF JUNE 30, 2012

A. Unspent Bond Proceeds

Assets	June 30, 2012	Source for the computation of the restricted balance (i.e. accounting records or other supporting documentation)	Identify the document requiring the restriction. For each restriction identified on these schedules, indicate in the period of time for which the restrictions are in effect. Note whether the restrictions are in effect until the related assets are expended for their intended purpose.	Unspent Bond Proceeds
Fund #200586 Assets	\$ 30,094,656.08	Accounting Records	Bond Official Statement - starts in 2008 ends September 1, 2020	\$ -
Fund #200635 Assets	14,962,271.58	Accounting Records	Bond Trust Indenture - starts in 2010 ends September 1, 2040	12,899,074.57
Fund #200571 Assets	1,189,330.01	Accounting Records	Bond Official Statement - starts in 2006 ends September 1, 2031	1,185,890.92
Fund #200574 Assets	373,385.15	Accounting Records	Bond Official Statement and Trust Indenture - starts in 2004 ends September 1, 2029	13,487.91
Fund #200572 Assets	272,680.12	Accounting Records	Bond Official Statement and Trust Indenture - starts in 2003 ends November 1, 2021	272,192.13
Fund #200583 Assets	56,271.36	Accounting Records	Bond Official Statement - starts in 2007 ends October 1, 2037	-
Fund #200553 Assets	12,339.03	Accounting Records	Bond Official Statement - starts in 2007 ends October 1, 2037	3,281.75
Fund #200562 Assets	3,008.16	Accounting Records	Bond Official Statement and Trust Indenture - starts in 2000 ends September 1, 2029	2,999.49
Fund #200560 Assets	2,372.39	Accounting Records	Bond Official Statement - starts in 2007 ends October 1, 2037	2,365.52
Fund #200573 Assets	2,339.69	Accounting Records	Bond Official Statement and Trust Indenture - starts in 2004 ends September 1, 2029	2,332.92
Fund #200567 Assets	1,563.39	Accounting Records	Bond Official Statement and Trust Indenture - starts in 2003 ends September 1, 2027	1,558.85
Fund #200566 Assets	1,399.03	Accounting Records	Bond Official Statement and Trust Indenture - starts in 2000 ends September 1, 2030	1,394.97
Fund #200584 Assets	382.76	Accounting Records	Bond Official Statement and Trust Indenture - starts in 2003 ends September 1, 2030	381.65
Fund #200563 Assets	70.60	Accounting Records	Bond Official Statement and Trust Indenture - starts in 2003 ends September 1, 2013	70.39
Fund #200580 Assets	0.84	Accounting Records	Bond Official Statement - starts in 1995 ends October 1, 2019	0.84
Fund #200554 Assets	0.71	Accounting Records	Bond Official Statement - starts in 2000 ends October 1, 2030	0.71
Fund #200581 Assets	0.28	Accounting Records	Bond Official Statement - starts in 2002 ends October 1, 2026	0.28
Fund #200576 Assets	0.18	Accounting Records	Bond Official Statement - starts in 1995 ends October 1, 2013	0.18
Fund #300133 Assets	132,426.82	Accounting Records	Bond Official Statement	132,426.82
Fund #300134 Assets	5,886,899.74	Accounting Records	Bond Trust Indenture	5,905,100.61
Fund #300137 Assets	5,781,535.34	Accounting Records	Bond Official Statement	5,797,429.70
Fund #300140 Assets	363,275.01	Accounting Records	Bond Official Statement and Trust Indenture	363,278.05
Fund #300141 Assets	86,500.00	Accounting Records	Bond Official Statement and Trust Indenture	86,500.00
Fund #300142 Assets	245,552.80	Accounting Records	Bond Official Statement	245,552.80
Fund #300150 Assets	308,953.09	Accounting Records	Bond Official Statement	308,953.09
Fund #300167 Assets	43,380.61	Accounting Records	Bond Official Statement and Trust Indenture	43,380.61
Fund #300168 Assets	240,971.90	Accounting Records	Bond Official Statement	240,971.90
Fund #300177 Assets	14,521,760.89	Accounting Records	Bond Official Statement and Trust Indenture	14,559,591.46
Fund #300180 Assets	1,626,283.55	Accounting Records	Bond Official Statement and Trust Indenture	1,628,647.68
Fund #300185 Assets	198,529.81	Accounting Records	Bond Official Statement and Trust Indenture	198,529.81
Fund #300190 Assets	19,247.00	Accounting Records	Bond Official Statement and Trust Indenture	19,247.00
Fund #300337 Assets	5,856,768.30	Accounting Records	Bond Official Statement and Trust Indenture	5,856,845.43
Total Assets	\$ 82,284,156.22			\$ 49,771,488.04

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS**

EXHIBIT D - RESTRICTED ASSETS HELD BY THE SUCCESSOR AGENCY AS OF JUNE 30, 2012 (CONTINUED)

B. Grant Proceeds and Program Income

Assets	June 30, 2012	Source for the computation of the restricted balance (i.e. accounting records or other supporting documentation)	Identify the document requiring the restriction. For each restriction identified on these schedules, indicate in the period of time for which the restrictions are in effect. Note whether the restrictions are in effect until the related assets are expended for their intended purpose.
None			

C. Other Assets Considered Legally Restricted

Assets	June 30, 2012	Source for the computation of the restricted balance (i.e. accounting records or other supporting documentation)	Identify the document requiring the restriction. For each restriction identified on these schedules, indicate in the period of time for which the restrictions are in effect. Note whether the restrictions are in effect until the related assets are expended for their intended purpose.	Unspent Bond Proceeds
Fund #200601 Assets	\$ 1,253,430.00	Accounting Records	Loan agreement - starts October 6, 2006 and ends October 6, 2013	\$ 3,419.85
Fund #200630 Assets	103,237.11	Accounting Records	Disposition and Development Agreement between the former Redevelopment Agency of the City of San Diego and Broadway Tower Associates, LP - starts January 22, 2010 and ends October 31, 2013	102,938.60
Total Assets	<u>\$ 1,356,667.11</u>			<u>\$ 106,358.45</u>
Summary of Restricted Assets Listed in Tables A, B and C	<u>\$ 83,640,823.33</u>			<u>\$ 49,877,846.49</u>

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS**

EXHIBIT E - ASSETS OTHER THAN CASH AND CASH EQUIVALENTS HELD BY THE SUCCESSOR AGENCY AS OF JUNE 30, 2012

Asset	Funded by Low and Moderate Income Housing Funds - June 30, 2012	Portion Funded by Non Low and Moderate Income Housing Funds	Basis (i.e. Book Value/Fair Market Value)	Description of the records provided supporting the book value listed (i.e. previously audited financial statements or the accounting records) and any differences noted. If differences pertain to disposal of assets, note whether the proceeds were deposited into the Successor Agency.	Description of the methodology used to support the market value listed. If no evidence is available to support the value and/or the methodology used, note as a finding in the report.
Cash with Fiscal Agent	\$ 35,312,084.84	\$ -	Book Value	Accounting Records	
Interest Receivable	41,487.06	-	Book Value	Accounting Records	
Interest Receivable with Fiscal Agent	74,370.10	-	Book Value	Accounting Records	
Land Held for Resale:					
Hon Property (528-542 14th Street)	973,944.33	526,055.67	Fair Market Value	Accounting Records	Fair Market Value as appraised by City Real Estate Department
Monarch School (808 West Cedar)	1,740,000.00	-	Fair Market Value	Accounting Records	Fair Market Value as appraised by City Real Estate Department
Gallegos Lara Site (6395 & 6397 Imperial Avenue)	-	579,900.30	Book Value	Accounting Records	
Ouchi Site Housing (5003 Imperial Avenue)	133,320.00	270,680.00	Book Value	Accounting Records	
Capital Assets:					
Horton House (333 G Street)	1,126,405.00	-	Book Value	Accounting Records	
1050 B Street	4,400,000.00	-	Book Value	Accounting Records	
Notes Receivable (Non-Forgivable):					
Horton 4th Ave/ Oliver McMillian	2,736,595.00	-	Book Value	Accounting Records	
Hacienda Townhomes - 1st Note	363,196.00	-	Book Value	Accounting Records	
9th & Broadway (Church/Library)Trilogy	545,555.64	-	Book Value	Accounting Records	
Logan Development, Logan Ave. Apartments	150,000.00	-	Book Value	Accounting Records	
Cuatro Corporation (Yale Hotel)	265,962.52	-	Book Value	Accounting Records	
Lincoln Hotel Partnership	501,490.27	-	Book Value	Accounting Records	
Smith & Russell, Lind C-2 (Merrimac)	15,126.44	-	Book Value	Accounting Records	
CCBA Senior Garden, LP	858,068.00	-	Book Value	Accounting Records	
Little Italy Family Housing (LIND A-1)	1,684,270.00	-	Book Value	Accounting Records	
900 F Street Partners (07/2044)	3,283,425.00	-	Book Value	Accounting Records	
Villa Harvey Mandel Construction Loan	920,000.00	-	Book Value	Accounting Records	
Downtown 1st Time Homebuyers	945,630.00	-	Book Value	Accounting Records	
500 West Broadway (YMCA) Construction Loan	1,512,869.30	-	Book Value	Accounting Records	
City Heights Metro Villas Developer	2,000,000.00	-	Book Value	Accounting Records	
Metro Villas Housing Partners	2,595,495.00	-	Book Value	Accounting Records	
Catholic Charities (9th & F Apts) Construction Loan #1	600,000.00	-	Book Value	Accounting Records	
Catholic Charities (9th & F Apts) Construction Loan #2	1,244,000.00	-	Book Value	Accounting Records	
Renaissance Senior Housing	1,200,000.00	-	Book Value	Accounting Records	
Talmadge Senior Village (Ken-Tal Senior)	5,216,423.77	-	Book Value	Accounting Records	
Lillian Place, LLC	7,289,000.00	-	Book Value	Accounting Records	
Auburn Park Family Housing	6,472,135.51	-	Book Value	Accounting Records	
Gateway I Housing Investors, LP	3,593,124.20	-	Book Value	Accounting Records	
La Entrada Family Housing	13,035,786.55	-	Book Value	Accounting Records	
Studio 15 Housing Partners, LLC	900,000.00	-	Book Value	Accounting Records	

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS**

EXHIBIT E - ASSETS OTHER THAN CASH AND CASH EQUIVALENTS HELD BY THE SUCCESSOR AGENCY AS OF JUNE 30, 2012

Asset	Funded by Low and Moderate Income Housing Funds - June 30, 2012	Portion Funded by Non Low and Moderate Income Housing Funds	Basis (i.e. Book Value/Fair Market Value)	Description of the records provided supporting the book value listed (i.e. previously audited financial statements or the accounting records) and any differences noted. If differences pertain to disposal of assets, note whether the proceeds were deposited into the Successor Agency.	Description of the methodology used to support the market value listed. If no evidence is available to support the value and/or the methodology used, note as a finding in the report.
Studio 15 Housing Partners, LLC	16,497,999.43	-	Book Value	Accounting Records	
Mayberry Townhomes Note II (MAAC)	\$ 799,370.00	-	Book Value	Accounting Records	
Mayberry Townhomes Note I (MAAC)	799,956.80	-	Book Value	Accounting Records	
Los Vientos Family Apts	8,298,000.00	-	Book Value	Accounting Records	
Parkside Terrace L.P.	13,800,000.00	-	Book Value	Accounting Records	
Boulevard Apartments	2,400,000.00	-	Book Value	Accounting Records	
SYEP-El Pedregal Family Apts	4,642,639.00	-	Book Value	Accounting Records	
Vietnam Veterans (Phase III HELP)	1,250,000.00	-	Book Value	Accounting Records	
Pathfinders of San Diego	1,999,940.11	-	Book Value	Accounting Records	
Florida Street Apartments	4,539,180.74	-	Book Value	Accounting Records	
Wakeland Village Green Apartments	5,788,475.00	-	Book Value	Accounting Records	
Verbena San Ysidro, L.P.	6,801,000.00	-	Book Value	Accounting Records	
Broadway Towers Associates	580,461.66	-	Book Value	Accounting Records	
Cedar Gateway	2,615,746.34	-	Book Value	Accounting Records	
15th & Commercial Affordable Housing	6,569,736.80	-	Book Value	Accounting Records	
Entrada LLC Construction Loan	2,900,000.00	-	Book Value	Accounting Records	
Mercado del Barrio	8,203,116.00	-	Book Value	Accounting Records	
Mission Apartment	5,399,951.48	-	Book Value	Accounting Records	
Ten Fifty B Affordable Housing	29,293,007.00	-	Book Value	Accounting Records	
Housing Development Partners	885,943.74	-	Book Value	Accounting Records	
Connections Housing Downtown, LP 20%	3,048,838.69	-	Book Value	Accounting Records	
	<u>228,843,127.32</u>				
Less Cash with Fiscal Agent to eliminate the effect of double counting (amount included in Exhibit G)	(35,312,084.84)				
Less Interest Receivable with Fiscal Agent to eliminate the effect of double counting (amount included in Exhibit C)	<u>(74,370.10)</u>				
Total Assets Other than Cash and Cash Equivalents	<u>\$ 193,456,672.38</u>				

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS

EXHIBIT F - ASSETS TRANSFERRED TO THE SUCCESSOR AGENCY THAT ARE REQUIRED TO PAY ENFORCEABLE OBLIGATIONS: PROJECTION OF ANNUAL SPENDING REQUIREMENTS AND REVENUE

Enforceable Obligation as Identified on the Recognized Obligation Payment Schedule	Total Obligation	Projected Annual Spending Requirement	Projected Long Term Encumbrance	Assumptions Utilized in the Spending Projections	Projected Annual Revenue	Assumptions Utilized in the Revenue Projections	Surplus /(Deficit)
140	\$ 42,500.00	\$ 17,000.00	\$ -	The anticipated expenditures from July 1, 2013 to June 30, 2014	\$ -	Balance of Actuals of CY2012 after deducting Tax Sharing, County Administration, and Debt Service Payments.	\$ (17,000.00)
161	89,790.06	89,790.06	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(89,790.06)
168	2,785,750.50	909,555.00	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(909,555.00)
169	18,572.60	5,810.00	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(5,810.00)
170	910,043.69	296,945.00	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(296,945.00)
171	4,879,705.52	1,592,690.00	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(1,592,690.00)
173	190,034.24	-	170,234.24	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(170,234.24)
177	20,672,991.52	9,672,992.00	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(9,672,992.00)
322	108,444.00	36,503.00	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(36,503.00)
325	100,232.50	22,162.00	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(22,162.00)
349	62,753.92	16,546.00	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(16,546.00)
354	75,000.00	75,000.00	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(75,000.00)
360	75,000.00	75,000.00	-	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(75,000.00)
424	1,185,462.68	-	1,060,616.76	The anticipated expenditures from July 1, 2013 to June 30, 2014	-		(1,060,616.76)
	\$ 31,196,281.23	\$ 12,809,993.06	\$ 1,230,851.00		\$ -		\$ (14,040,844.06)

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS

EXHIBIT G - ITEMIZED LIST AND ANALYSIS OF AMOUNTS OF CURRENT BALANCES NEEDED TO SATISFY RECOGNIZED
OBLIGATION PAYMENTS FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

Enforceable Obligation	Project Name / Debt Obligation	Payee	Project Area	Total Obligation	February 1, 2012 - June 30, 2012	July 1, 2012 - December 31, 2012	January 1, 2013 - June 30, 2013	Less projected from RPTTF	Dollar Amounts Needed	Why Agency Needs This Amount
					Unspent ROPS1 Funds	ROPS2	ROPS3			
86	Hon v. Redevelopment Agency of the City of San Diego, et al. (SDSCCN: 37-2011-00090762-CU-OR-CTL)	Hon	Centre City	\$ 1,793,168.00	\$ 1,793,168.00	\$ -	\$ -	\$ -	\$ 1,793,168.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
118	Owner Participation Agreement	Florida Street Housing Associates, L.P.	North Park	586,299.00	-	-	586,299.00	(586,299.00)	-	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
124	Mission Apartments	AMCAL Mission Fund, L.P.	North Bay	600,049.00	49.00	600,000.00	-	-	600,049.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
125	Veterans Village of San Diego Phase IV	Dixieline Builders Fund Control, Inc. (fund control for Vietnam Veterans of San Diego dba Veterans Village of San Diego)	North Bay	1,561,780.00	-	780,890.00	780,890.00	-	1,561,780.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
140	Home in the Heights First-Time Homebuyer Assistance Program	Community HousingWorks	City Heights	17,100.00	8,500.00	-	8,600.00	-	17,100.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
143	College Grove Housing Enhancement Loan Program	San Diego Housing Commission	College Grove	126,133.00	126,133.00	-	-	-	126,133.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
154	Estrella del Mercado Project	Mercado CIC, L.P.	San Ysidro	800,000.00	-	800,000.00	-	-	800,000.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
155	Estrella del Mercado Project	Mercado CIC, L.P.	San Ysidro	220,800.00	-	110,400.00	-	(110,400.00)	-	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
160	Hilltop	Hilltop	Centre City	358,817.52	358,817.52	-	-	-	358,817.52	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
168	COMM22	COMM22 Family Housing, L.P.	Horton Plaza	1,876,483.06	-	690,939.56	972,450.00	-	1,663,389.56	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS

EXHIBIT G - ITEMIZED LIST AND ANALYSIS OF AMOUNTS OF CURRENT BALANCES NEEDED TO SATISFY RECOGNIZED
OBLIGATION PAYMENTS FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

Enforceable Obligation	Project Name / Debt Obligation	Payee	Project Area	Total Obligation	February 1, 2012 - June 30, 2012	July 1, 2012 - December 31, 2012	January 1, 2013 - June 30, 2013	Less projected from RPTTF	Dollar Amounts Needed	Why Agency Needs This Amount
					Unspent ROPS1 Funds	ROPS2	ROPS3			
169	COMM22	COMM22 Family Housing , L.P.	Southeastern San Diego	12,615.85	-	4,680.28	6,480.00	-	11,160.28	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
170	COMM22	COMM22 Family Housing , L.P.	Southeastern San Diego	612,763.86	-	225,527.17	317,664.00	-	543,191.17	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
171	COMM22	COMM22 Family Housing , L.P.	Centre City	3,287,210.52	-	1,210,348.16	1,703,406.00	-	2,913,754.16	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
173	Yale Lofts	Yale Lofts multiple payees (Stephen David Reichbart, Isa D Lefkowitz, Ahron Y Lefkowitz, Mirell N. Lefkowitz, Jeffrey Allan Coatta and Pamela Cotta, Jered A Cotta, Brendan N Cotta, Marshall I Cotta, Landis D Cotta)	Centre City	19,800.00	-	9,900.00	9,900.00	-	19,800.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
174	15th & Commercial	15th & Commercial LP	Centre City	729,984.00	729,984.00	-	-	-	729,984.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
177	Ninth & Broadway	Broadway Towers Associates, LP	Centre City	11,000,000.00	-	1,000,000.00	10,000,000.00	-	11,000,000.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
178	Hotel Sandford	San Diego Housing Commission	Centre City	1,357,279.98	1,357,279.98	-	-	-	1,357,279.98	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
180	Permanent Homeless Shelter	Connections Housing LP	Centre City	11,065,935.22	-	5,683,191.22	3,810,683.00	(745,423.12)	8,748,451.10	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
200	Senior Transitional Housing	Senior Community Center	Horton Plaza	73,125.00	-	73,125.00	-	-	73,125.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS

EXHIBIT G - ITEMIZED LIST AND ANALYSIS OF AMOUNTS OF CURRENT BALANCES NEEDED TO SATISFY RECOGNIZED
OBLIGATION PAYMENTS FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

Enforceable Obligation	Project Name / Debt Obligation	Payee	Project Area	Total Obligation	February 1, 2012 - June 30, 2012	July 1, 2012 - December 31, 2012	January 1, 2013 - June 30, 2013	Less projected from RPTTF	Dollar Amounts Needed	Why Agency Needs This Amount
					Unspent ROPS1 Funds	ROPS2	ROPS3			
227	Affordable Housing Enhancement Loan Program (HELP Program)	San Diego Housing Commission	Southeastern San Diego	342,000.00	8,515.00	-	-	-	8,515.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
231	Project management expense. Affordable Housing Compliance Monitoring	SEDC	Southeastern San Diego	23,000.00	5,000.00	12,000.00	6,000.00	-	23,000.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
242	Special Legal Counsel	Kane Ballmer & Berkman	Centre City	36,996.16	12,348.66	-	-	-	12,348.66	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
278	Seventh and Market, Fire Station Station No. 2, and other approved projects.	Advantage Environmental Consultants	Centre City	154,655.00	-	48,000.00	21,860.00	-	69,860.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
279	Environmental Review Consultant Services.	AECOM/EDAW	Centre City	58,818.00	-	27,818.00	-	-	27,818.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
285	St. Joseph's Park, Atmosphere, 1451 F Street, Atmosphere, LaFornara	Daley & Heft, LLP	Centre City	27,234.81	-	6,814.00	-	-	6,814.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
289	St. Joseph's Park, East Village Green, Mason Hotel.	Epic Land Solutions & various location payees	Centre City	95,166.00	-	95,166.00	-	-	95,166.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
303	Misc. Affordable Housing - Closings, Amendments, Affordable rent memo, etc. as needed (Cedar, 9th & Broadway, Connections, COMM22, others)	Keyser Marston & Associates	Centre City	24,458.75	24,458.75	-	-	-	24,458.75	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
311	St. Joseph's Park, East Village Green, Seventh & Market, 6th & K Parkade, Children's Park, Fire Station No. 2, Monarch School, Harbor Drive Pedestrian Bridge and other Agency approved projects	Opper & Varco	Centre City	311,256.01	-	81,619.98	199,998.00	-	281,617.98	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
318	East Village Green West & East Block, 1451 F Street and 1420 6th Avenue.	N.N. Jaeschke, Inc.	Centre City	16,991.30	-	5,772.00	-	-	5,772.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS

EXHIBIT G - ITEMIZED LIST AND ANALYSIS OF AMOUNTS OF CURRENT BALANCES NEEDED TO SATISFY RECOGNIZED
OBLIGATION PAYMENTS FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

Enforceable Obligation	Project Name / Debt Obligation	Payee	Project Area	Total Obligation	February 1, 2012 - June 30, 2012	July 1, 2012 - December 31, 2012	January 1, 2013 - June 30, 2013	Less projected from RPTTF	Dollar Amounts Needed	Why Agency Needs This Amount
					Unspent ROPS1 Funds	ROPS2	ROPS3			
322	Connections Housing, Cedar Gateway, COMM22.	Roel Construction	Centre City	71,941.00	11,941.00	30,000.00	30,000.00	-	71,941.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
323	Civic Center, Seventh & Market, East Village Green, 1451 F Street.	SCS Engineers	Centre City	89,814.16	-	26,307.78	26,307.78	-	52,615.56	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
325	15th & Commerical, Hotel Sandford, COMM22, Joan Kroc Center and other Affordable housing projects	Swinerton	Centre City	78,070.50	18,070.50	30,000.00	30,000.00	-	78,070.50	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
337	I-5 Bridge Streetlights, East Village Streetscape, Park Boulevard Crossing, Park and San Diego High School Crosswalk.	Nasland Engineering	Centre City	278,269.84	-	109,800.00	77,231.00	-	187,031.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
340	World Trade Center, East Village Green	Overland Pacific	Centre City	80,607.30	-	80,607.30	-	-	80,607.30	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
348	SEDC Contract for environmental consulting related to DDA and OPA Schedule and Strategic Economic Smart Code Master EIR	Helix Environmental Planning Inc	Southeastern San Diego	139,712.73	7,465.11	28,671.96	-	-	36,137.07	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
349	SEDC Contract for economic consulting related to DDA and OPA Schedule	Keyser Marston & Associ.	Southeastern San Diego	46,207.96	-	33,108.00	13,099.96	(19,972.00)	26,235.96	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
353	SEDC Contract for engineering services related to DDA and OPA Schedule	Rick Engineering	Southeastern San Diego	86,841.04	-	78,978.42	7,862.62	(23,659.47)	63,181.57	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
354	SEDC Contract for Property Management Services related to DDA Schedule-SEDC Tab 5 Item 37	Rodney Smith DBA Rightway Landscaping	Southeastern San Diego	75,000.00	-	37,500.00	36,750.00	-	74,250.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
358	SEDC Corporate Contract for construction management services related to DDA for 33rd and E Street (Petarca)	Swinerton Management & Consulting	Southeastern San Diego	123,473.00	-	74,766.94	5,000.00	(32,779.38)	46,987.56	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (l)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS

EXHIBIT G - ITEMIZED LIST AND ANALYSIS OF AMOUNTS OF CURRENT BALANCES NEEDED TO SATISFY RECOGNIZED
OBLIGATION PAYMENTS FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

Enforceable Obligation	Project Name / Debt Obligation	Payee	Project Area	Total Obligation	February 1, 2012 - June 30, 2012	July 1, 2012 - December 31, 2012	January 1, 2013 - June 30, 2013	Less projected from RPTTF	Dollar Amounts Needed	Why Agency Needs This Amount
					Unspent ROPS1 Funds	ROPS2	ROPS3			
360	SEDC Contract for property management services	Urban Corps	Southeastern San Diego	75,000.00	-	37,500.00	37,500.00	-	75,000.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (1)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
364	SEDC Contract for corporate legal services related to the wind-down of redevelopment and potential related litigation	Kane Ballmer & Berkman	Southeastern San Diego	133,329.90	53,598.19	-	-	-	53,598.19	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (1)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
424	Cortez Hill Family Center	Western Surety Co.	Centre City	55,886.85	55,886.85	-	-	-	55,886.85	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (1)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
539	Operating Agreement between the City of San Diego and the Redevelopment Agency of the City of San Diego and associated First Amended Agreement dated July 30, 1991. FY 2011-2012 Memorandum of Understanding 6/13/11.-SEDC	City of San Diego	Southeastern San Diego	3,794.64	3,794.64	-	-	-	3,794.64	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (1)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
792	Contingency Costs for All Project Areas	TBD	All	500,000.00	-	-	500,000.00	-	500,000.00	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (1)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
797	Reserve for Debt Service on Housing Bonds	TBD	All	11,393,511.50	-	-	11,393,511.50	-	11,393,511.50	ROPS 2 and ROPS 3 were prepared with the understanding that the Successor Agency was to spend cash on hand prior to requesting monies from the RPTTF. This was based on discussion with the DOF and AB x1 26 section 34177 (1)(1)(E). The amount requested in ROPS 2 & ROPS 3 from RPTTF is not enough to support the enforceable obligations.
\$ 50,421,380.46					\$ 4,575,010.20	\$ 12,033,431.77	\$ 30,581,492.86	\$ (1,518,532.97)	\$ 45,671,401.86	

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LOW AND MODERATE INCOME HOUSING FUNDS**

EXHIBIT H - ASSETS AVAILABLE TO DISTRIBUTE TO AFFECTED TAXING ENTITIES

Total amount of assets held by the successor agency as of June 30, 2012 (Exhibit C)	\$ 292,851,855.49
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 (Exhibit A1)	62,569,992.72
Less the amount of any asset transfers reversed subsequent to June 30, 2012 for which an enforceable obligation with a third party requiring such transfer and obligating the use of the transferred assets did not exist (Exhibit A1)	(62,569,992.72)
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (Exhibit D)	(49,877,846.49)
Less assets that are not cash or cash equivalents (e.g., physical assets) (Exhibit E)	(193,456,672.38)
Less balances that are designated for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) (Exhibit F)	(14,040,844.06)
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (Exhibit G)	(45,671,401.86)
Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance	<u>-</u>
Amount to be remitted to county for disbursement to taxing entities	<u>\$ (10,194,909.30)</u>

OVERSIGHT BOARD RESOLUTION NUMBER OB-2012-40

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY APPROVING THE AMOUNT OF CASH AND CASH EQUIVALENTS IN THE LOW AND MODERATE INCOME HOUSING FUND THAT ARE AVAILABLE FOR DISBURSEMENT TO LOCAL TAXING ENTITIES, AS DETERMINED BY THE INDEPENDENT ACCOUNTANT'S REPORT APPLYING AGREED-UPON PROCEDURES TO THE SUCCESSOR AGENCY.

WHEREAS, the former Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City); and

WHEREAS, in accordance with Assembly Bill x1 26 (AB 26), the Former RDA dissolved as of February 1, 2012, at which time the City of San Diego, solely in its capacity as the designated successor agency to the Former RDA (Successor Agency), assumed the Former RDA's assets and obligations; and

WHEREAS, the Successor Agency is required to administer the winding down of the Former RDA's operations and to ensure compliance with the Former RDA's obligations in accordance with AB 26, as amended by Assembly Bill 1484 (AB 1484); and

WHEREAS, California Health and Safety Code section 34179.5 requires the performance of two due diligence reviews applying agreed-upon procedures, including a review of account balances in the Low and Moderate Income Housing Fund (Housing DDR) and a review of non-housing account balances, in order to determine the unobligated balances available for transfer to the local taxing entities; and

WHEREAS, pursuant to California Health and Safety Code section 34179.5(a), the Successor Agency selected, and the San Diego County Auditor-Controller (County Auditor) approved, the independent accounting firm of Macias Gini & O'Connell, LLP (MGO) to complete each due diligence review of the Successor Agency; and

WHEREAS, MGO has completed the report (MGO Report) applying the agreed-upon procedures for the Housing DDR in accordance with California Health and Safety Code section 34179.5, a copy of which is included as Attachment A to the accompanying staff report; and

WHEREAS, the MGO Report has determined that the amount of cash and cash equivalents in the Low and Moderate Income Housing Fund that are available for disbursement to the taxing entities is zero dollars; and

WHEREAS, as required by California Health and Safety Code section 34179.6(b), the Oversight Board held a public comment session regarding the MGO Report and the Housing DDR on December 4, 2012, and held a public hearing for an approval vote regarding the results of the Housing DDR on the date of this Resolution, as shown below; and

WHEREAS, the County Auditor received a copy of the MGO Report in advance of the public comment session held on December 4, 2012, and has not provided any opinions for the Oversight Board's consideration with respect to the contents of the MGO Report.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board as follows:

1. The Oversight Board approves the determination in the MGO Report that the amount of cash and cash equivalents in the Low and Moderate Income Housing Fund that are available for disbursement to the taxing entities, as determined according to the method provided in California Health and Safety Code section 34179.5, is equal to zero dollars.

2. The Oversight Board directs Successor Agency staff to transmit a copy of this Resolution, together with a copy of the MGO Report, to the DOF and the County Auditor.

PASSED AND ADOPTED by the Oversight Board at a duly noticed meeting of the Oversight Board held on December ____, 2012.

Chair, Oversight Board