

**OVERSIGHT BOARD OF SUCCESSOR AGENCY
TO CATHRAL CITY REDEVELOPMENT AGENCY**

Board Meeting Minutes

October 1, 2012

9:00 A.M.

City of Cathedral City

Study Session Room

MEETING CALLED TO ORDER AT 9:03 A.M.

ROLL CALL:

Present: Members - DeRosa, Aguilar, Henry, Scott, Ellis, England .Absent: Howell.

CONFIRMATION OF AGENDA – Confirmed.

PUBLIC COMMENT – No Public Comments were presented.

APPROVAL OF MINUTES – Approval unanimously passed.

INFORMATIONAL ITEMS- No informational items presented

BUSINESS ITEMS

1. Receive and file report – pursuant to Health & Safety Code (HSC) section 3417(a)(2), requiring submittal of Housing Asset Transfer Form to the California Dept. of Finance.

Staff member Ms. Scott explained that the Housing Asset Transfer Form was required to be submitted to the State Department of Finance (“DOPF”) by August 1, 2012. This was an informational item only to provide confirmation to the Oversight Board the requirements and timetable was met, the report was accepted by DOF and there were no objections by DOF.

Opened for discussion: Members Henry and Aguilar inquired as to the report referencing the transfers and residual receipts that were listed? Mr. Henry asked where if any of funds would go if they come in to the Successor Agency. Are the funds available to the taxing entities? Ms. Scott explained there were no funds for taxing entities as the funds were encumbered for enforceable obligations. There was an inquiry of the sale of future assets, where would that money go? Those funds are available to the Successor Housing Agency and would only be available to implement housing related activities as we understand it. However, as it stands now, there are no monies to transmit. The Board unanimously accepted the report.

2. Receive and File Report. Oversight Board received the Agreed Upon Procedures Audit Report conducted by the Riverside County engaged audit firm of Brown Armstrong of Bakersfield, CA. The results of the report are required to be submitted to the State Controller's office by the County Auditor Controller by October 5, 2012. The report reflected all implementation procedures were achieved and there were no exceptions noted.

The Chair opened for public comment to which there were none. The Board unanimously accepted the report.

3. A Public Comment Session was convened to provide the public and the Oversight Board the results of the Due Diligence Review of the Low and Moderate Income Housing Fund. The Due Diligence Review was conducted by the Riverside County Auditor Controller approved, licensed accounting firm of Lance Sol & Lunghard, LLC of Brea, CA. The report indicated there was no available cash or cash equivalents to allocation to taxing entities.

There were no Public Comments during the open Public Comment Session. Staff indicated the Due Diligence Review would be transmitted to the appropriate parties in accordance to Health & Safety Code 34179.6 to include the Department of Finance, State Controller's Office, Riverside County Administrative Officer and the Riverside County Auditor Controller. The report was unanimously accepted by the Board but also acknowledged the report would be coming back to the Board again for final review and approval at the October 11, 2012 meeting.

Board Member Scott commented on Staff discussions with the Department of Finance. She commented that the D.O.F. is struggling with the concept of the City Urban Revitalization Company (CURC) as it pertains to items submitted on the ROPS III schedule, and commented that the Agency may have to file an appeal with the D.O.F. Ms. Scott confirmed with the Oversight Board that should DOF reject any items on the ROPS that Ms. Scott had the authority to file an appeal and commence a meet and confer process if necessary. The Board acknowledged this was accurate.

CHAIR AND BOARD MEMBERS' ITEMS – The next Board Meeting was set for October 11th 2012 at 9:30 a.m. at Cathedral City Hall.

ADJOURNMENT – Meeting adjourned at 3:15 P.M. without objection.

cc: K. DeRosa, C. England, J. Aguilar, W. Ellis, S. Henry, L. Howell, T. Scott
D. Bradley, C. Green, A. Hall, K. Biersack, J. Sherman