



AGENDA
CITY OF VALLEJO
OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY
TO THE VALLEJO REDEVELOPMENT
AGENCY
REGULAR MEETING

CHAIR
Linda Seifert

BOARDMEMBERS:
Annette Taylor, Vice-Chair
Marti Brown
Melvin Jordan
LaGuan Lea
Shane McAfee
Alvaro da Silva

THURSDAY, NOVEMBER 1, 2012
8:30 A.M.

CITY COUNCIL CHAMBERS, 2ND FLOOR
555 SANTA CLARA STREET, VALLEJO

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the Board without prior notice and are not listed on the AGENDA, no specific answers or response should be expected at this meeting per State law.

Those wishing to address the Board on any matter for which another opportunity to speak is not provided on the AGENDA but which is within the jurisdiction of the Board to resolve may come forward to the podium during the "COMMUNITY FORUM" portion of the AGENDA.

Notice of Availability of Public Records: All public records relating to an open session item, which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to a majority of the Board will be available for public inspection at the City Clerk's Office, 555 Santa Clara Street, Vallejo, CA at the same time that the public records are distributed or made available to the Board. Such documents may also be available on the City of Vallejo website at <http://www.ci.vallejo.ca.us> subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (707) 648-4527, TDD (707) 649-3562.

Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990) and the federal rules and regulations adopted in implementation thereof

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **COMMUNITY FORUM**
4. **APPROVAL OF THE MINUTES**
 - A. Approval of the Minutes from the September 20, 2012 Regular Meeting
5. **OLD BUSINESS – None.**
6. **NEW BUSINESS**
 - A. **Public Session Review And Comment Of The Audit Report on the Low And Moderate Income Housing Fund (LMIHF) Balances of the Dissolved City of Vallejo Redevelopment Agency**
Recommendation: No action. Hold a public session and receive public comment
Contact: Ursula Luna Reynosa, Economic Development Director, 648-4382

7. AGENDA ITEMS FOR FUTURE MEETINGS

A. Discussion of Agenda Items for Future Meetings.

8. ADJOURNMENT

CERTIFICATION:

I, Dawn Abrahamson, Secretary, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the Oversight Board for the Successor Agency of the Vallejo Redevelopment Agency, at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 12:00 p.m., October 25, 2012.

Dated: October 25, 2012



Dawn Abrahamson, Secretary

**CITY OF VALLEJO
OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY TO THE VALLEJO REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
SEPTEMBER 20, 2012**

1. CALL TO ORDER

The meeting was called to order by Chair Seifert at 8:30 a.m.

2. ROLL CALL

Boardmembers Present: Chair Seifert (Solano County Board of Supervisors' Appointee), Vice Chair Taylor (member representing Employees of Former Redevelopment Agency Appointee), Boardmembers McAfee (GVRD, Largest Special District), da Silva (Solano County Board of Supervisors Public Member Appointee), Jordan (County Superintendent of Education Appointee), Brown (Mayor of Vallejo Appointee), and Boardmember Lea (Chancellor of California Community College Appointee) arrived at 8:34 a.m.

Absent: None

Staff Present: City of Vallejo Economic Development Director Luna-Reynosa and Dawn Abrahamson, Secretary

3. COMMUNITY FORUM – None.

4. APPROVAL OF MINUTES

A. Approval of Minutes from August 16, 2012 Regular Meeting

Action: Moved by Boardmember da Silva, seconded by Boardmember McAfee and carried unanimously to approve the minutes.

5. OLD BUSINESS – None.

6. NEW BUSINESS

A. Appointment of an Ad-hoc Committee for the Purpose of Recommending Legal Counsel Options

Recommendation: Adopt a Resolution approving the appointment of an ad-hoc committee for the purpose of discussing legal counsel options and recommending a path forward to the Oversight Board.

Action: Moved by Vice Chair Taylor, seconded by Boardmember da Silva and carried unanimously to adopt Resolution No. 12-5 appointing Chair Seifert and Boardmembers Brown and Jordan to the Ad-hoc Committee.

B. Update on Property Disposition

Recommendation: No action. This is an informational item only.

Economic Development Director Luna Reynosa provided a report. Staff responded to questions from Boardmembers.

7. Agenda Items for Future Meetings

A. Discussion of Agenda Items for Future Meetings

Staff provided an update on the status of the Health & Safety Code Section 34179.5 review for Low and Moderate Income Housing Fund (LMIHF) Balances Audit of the Dissolved City of Vallejo Redevelopment Agency, which is required to be furnished to the Oversight Board, the County Auditor Controller, the Department of Finance and the State Controller's Office by October 1, 2012.

Chair Seifert requested that the audit be provided to the Oversight Board with enough time prior to the public session hearing for their review.

8. ADJOURNMENT

The meeting adjourned at 8:43 a.m.

LINDA SEIFERT, CHAIR

ATTEST:

DAWN G. ABRAHAMSON, SECRETARY



CHAIR
Linda Seifert

BOARDMEMBERS:
Annette Taylor, Vice-Chair
Marti Brown
Melvin Jordan
LaGuan Lea
Shane McAfee
Alvaro da Silva

STAFF REPORT: CITY OF VALLEJO OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VALLEJO REDEVELOPMENT AGENCY

Date: November 1, 2012

TO: Chair and Members of the Board

FROM: Ursula Luna Reynosa, Economic Development Director

SUBJECT: PUBLIC SESSION REVIEW AND COMMENT OF THE AUDIT REPORT ON
THE LOW AND MODERATE INCOME HOUSING FUND BALANCES OF THE
DISSOLVED CITY OF VALLEJO REDEVELOPMENT AGENCY

RECOMMENDATION

Hold a public session and receive public comment

BACKGROUND

On June 29, 2011, the Governor signed into law AB1X 26 (the Dissolution Act) and AB1X 27 relating to redevelopment. AB1X 26 immediately suspended agency activities and eliminated redevelopment agencies effective October 1, 2011. This action was subsequently challenged and the California Supreme court ruled on the challenge December 29, 2011. The Supreme Court found that the Dissolution Act was a valid action under the California Constitution. AB1X 27 was found to be unconstitutional.

Pursuant to Section 34179.5(a) of the California Health and Safety Code, successor agencies are required to employ a licensed accountant, approved by the county auditor-controller and with experience and expertise in local government accounting, to conduct a due diligence review to determine the unobligated balances available for transfer to taxing entities. As an alternative, an audit provided by the county auditor-controller that provides the information required by this section may be used to comply with this section with the concurrence of the oversight board.

Pursuant to Section 34179.6(a) of the California Health and Safety Code, the Successor Agency is to provide to the Oversight Board, the County Auditor Controller, the Department of Finance and the State Controller's Office results of the Health & Safety (H&S) Code Section 34179.5 review (Review) for the Low and Moderate Income Housing Fund (LMIHF) balances of a Dissolved Redevelopment Agency by October 1, 2012. In summary, the Review required pursuant to H&S Code Section 34179.5 generally requires that a successor agency cause a review to determine the unobligated balances available for transfer to taxing entities from the LMIHF.

The Vallejo Successor Agency was not able to meet the deadline of October 1, 2012. Staff understands that many other successor agencies found themselves in similar situations due to

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VALLEJO REDEVELOPMENT AGENCY
NOVEMBER 1, 2012
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the lack of available auditors. This is the Auditors busy season and many were committed to year end audits for cities. Staff was able to contract with an Audit firm to complete the LMIHF Audit, but they indicated that they would not be able to meet the October 1, 2012 deadline. The Auditor provided a qualified date of mid-October to have the audit report complete. Staff sent a letter (attached) to the DOF requesting a time-extension.

Audit report on the LMIHF fund is attached for your review. The statute requires a 'public comment session' 5 days prior to your formal action on the audit report by the Oversight Board. Staff is proposing a Special Oversight Board Meeting on November 8, 2012 at 8:00 a.m. to approve the audit report pursuant to Section 34179.5 on the LMIHF balances of the dissolved redevelopment agency.

CONTACT

Ursula Luna-Reynosa, 707-648-4382, uluna@ci.vallejo.ca.us

DOCUMENTS ATTACHED

1. Attachment A – Results of the H&S Cod Section 34179.5 Review
2. Attachment B – Letter to Department of Finance



CITY OF VALLEJO

SUCCESSOR AGENCY TO THE FORMER
REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO

555 SANTA CLARA STREET • P.O. BOX 3068 • VALLEJO • CALIFORNIA • 94590-5934 • (707) 648-4592
FAX (707) 649-5406

September 21, 2012

Department of Finance
915 L Street, Floor 8
Sacramento, CA 95814-3706

To Whom It May Concern:

Pursuant to Health & Safety Code section 34179.5, the Successor Agency to the Former Redevelopment Agency of the City of Vallejo (the "Successor Agency") is required to employ a licensed accountant to conduct a Due Diligence Review for the Low and Moderate Income Housing Fund (the "Review"). The Review is to be submitted to the Successor Agency's Oversight Board, the county auditor-controller, the State Controller's Office and the Department of Finance by October 1, 2012.

The Successor Agency has received and accepted a proposal from an accounting firm to perform the Review and is currently in the process of executing a contract with the accounting firm to perform the Review. However, due to the short amount of time between the issuance of the procedures for the Due Diligence Review and the October 1, 2012, due date for the report, many accounting firms are reluctant to undertake the Review and, as a result, those accounting firms that will undertake the review are overbooked.

The Successor Agency respectfully requests a two-week extension for submittal of the Due Diligence Review of the Low and Moderate Income Housing Fund.

Sincerely,

Daniel E. Keen
Executive Director of the Successor Agency to
the Former Redevelopment Agency of the City of Vallejo

Cc: Simona Padilla-Scholtens, Solano County Auditor-Controller