



THE CITY OF
NOVATO
CALIFORNIA

75 Rowland Way, #200
Novato, CA 94945-3232
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www.novato.org

SPECIAL MEETING

OVERSIGHT BOARD

TO THE SUCCESSOR AGENCY TO THE DISSOLVED
REDEVELOPMENT AGENCY OF THE CITY OF NOVATO
to be held at

NOVATO CITY HALL
COUNCIL CHAMBERS
901 SHERMAN AVENUE

January 03, 2013
11:00 A.M

AGENDA

Matthew Hymel, Chair
County Administrator,
Marin County

A. CALL TO ORDER

Michael Frank, Vice Chair
City Manager, City of
Novato

B. APPROVAL OF FINAL AGENDA

Tony Elshout,
Citizen Appointee

C. PUBLIC COMMENT

Al Harrison,
Vice President, College
Operations, College of
Marin

At this time, member of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Oversight Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration. Upon being acknowledged by the Chair, please step forward and begin by stating and spelling your name.

Karen Maloney,
CFO, Novato Unified
School District

D. CONSENT CALENDAR

No items are listed for this section.

Stephen Marshall,
Senior Planner, City of
Novato

E. REGULAR CALENDAR

Vacant
Novato Fire Protection
District

1. PUBLIC COMMENT AND DISCUSSION ON DUE DILIGENCE REVIEW OF FORMER NOVATO REDEVELOPMENT AGENCY ALL OTHER FUNDS BALANCES

Recommendation: Receive Public Comment and Discuss.

F. ADJOURNMENT

AFFIDAVIT OF POSTING

I, Carla Hansen, certify that on December 20, 2012, I caused to be posted the agenda of the open session of the January 03, 2013 special meeting of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency of the City of Novato, California, on the City Community Service Board in the Police Department and on the City's website at www.cityofnovato.org.

/Carla Hansen/
Carla Hansen, Management Analyst

Oversight Board to the Successor Agency to the Dissolved Redevelopment Agency of the City of Novato



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STAFF REPORT

MEETING

DATE: January 03, 2013

TO: Oversight Board to the to the Successor Agency to the
Dissolved City of Novato Redevelopment Agency

FROM: Cathy Capriola, Assistant City Manager
Brian Cochran, Finance Manager
Carla Hansen, Management Analyst

SUBJECT: Public Comment Session: Results of Due Diligence Review of the former
Novato Redevelopment Agency All Other Funds Balance

REQUEST

Accept public comment on results of due diligence review (DDR) of All Other Funds balance and discuss DDR.

RECOMMENDATION

None.

DISCUSSION

AB 1484 Requirements

Assembly Bill 1484 (Chapter 26, Statutes of 2012) was signed into law on June 27, 2012. Among other provisions, this legislation added Sections 34179.5 and 34179.6 to the California Health and Safety Code.

Section 34179.5 requires successor agencies 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 in the former redevelopment agency funds (All Other Funds and Low and Moderate Income Housing Fund) for transfer to taxing entities. The statute also defines various terms and outlines what the due diligence review must include. This process has been completed for the housing fund DDR.

Section 34179.6 required the due diligence reviews to be submitted to the Oversight Board for review. AB 1484 further outlines a specific, expedited process for the due diligence review of the

Novato City Council Agenda Staff Report Date: _____ File No. _____

All Other Funds balances, which is the topic of the January 3rd meeting. The Successor Agency must provide the All Other Funds Due Diligence Review report to the Oversight Board, the County Auditor-Controller, the State Controller and the Department of Finance by December 15, 2012. Successor Agency staff distributed the report as outlined above on December 15th as required. The Oversight Board must approve the All Other Funds DDR and transmit the document to the Department of Finance and the County Auditor-Controller by January 15th, 2013.

Due Diligence Review:

The Agency contracted with R.J. Ricciardi, Incorporated to complete the All Other Funds due diligence review. The review was completed on December 15th and is an attachment to this staff report. The review conducted a number of procedures, including: verifying the Successor Agency's and the RDA's asset balances at various points in time and whether the current assets are committed or uncommitted; reviewing and documenting any transfers that occurred after January 1, 2011; and calculating the dollar amount that should be remitted from Successor Agency balances to the County Auditor-Controller for distribution. As staff has discussed with the Oversight Board in the past, the Successor Agency ended the June 30, 2012 fiscal year with a negative cash balance, which was to be backfilled with a loan from the City. As such, there are no funds to remit from the Successor Agency.

The Oversight Board Two-Step Public Meeting Process

The Oversight Board must hold two meetings, at least five business days apart, on the due diligence review of the All Other Funds balance. This first meeting is a public comment session, where the Board will hear from members of the public. At this meeting, the Board may consider and/or discuss any opinions offered by the County Auditor-Controller on the review results. However, the Board may not take action on the DDR at this first meeting.

The second meeting will be held January 10, 2013. Upon approval by the Oversight Board, the Board must transmit the due diligence review, showing the amount of cash and cash equivalents that are available for disbursement to the local taxing entities, to the Department of Finance and the County Auditor-Controller. In Novato's case, there is no cash available for distribution.

Public Outreach and Communication:

The Successor Agency staff distributed a "Notice Inviting Public Comment" on the DDR to the Marin Advance for posting on December 20th. The notice was posted on the City's bulletin boards at the City Administrative Office at 75 Rowland Way and the Police Department building at 909 Machin Avenue and distributed electronically to residents via the City's website and social media outlets.

FISCAL IMPACT

None.

ATTACHMENTS

1. Due Diligence Review from R.J. Ricciardi, Incorporated
2. Notice Inviting Public Comment

NOTICE INVITING PUBLIC COMMENT

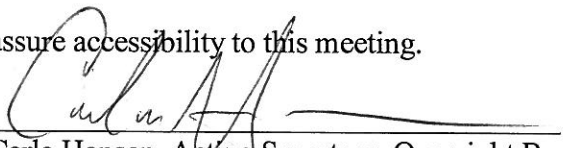
NOTICE IS HEREBY GIVEN that the Oversight Board to the Successor Agency to the Dissolved Redevelopment Agency of the City of Novato, pursuant to Health and Safety Code Section 34179.6(b), invites public comment at its meeting to be held on **January 3, 2013, at 901 Sherman Ave p.m. at 11:00 a.m., Novato, California**, concerning the results of the Due Diligence Review of the All Other Funds balances of the Dissolved Redevelopment Agency of the City of Novato prepared by the firm of R.J Ricciardi, INC, Certified Public Accountants.

Any member of the public may appear and be heard regarding this Due Diligence Review of the All Other Funds of the Dissolved Redevelopment Agency of the City of Novato.

If you challenge the above in court the challenge may be limited to only issues raised at the public comment session described in this notice.

Copies of the Due Diligence Review of the All Other Funds of the Dissolved Redevelopment Agency of the City of Novato are available for inspection by interested persons at the City Clerk's Office, Novato City Hall, 75 Rowland Way, #200, Novato, California 94945, during regular business hours.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (415) 899-8900. Notification by noon on January 2, 2013, will enable the City to make reasonable arrangements to assure accessibility to this meeting.


Carla Hansen, Acting Secretary, Oversight Board
to the Successor Agency to the Dissolved
Redevelopment Agency of the City of Novato