

**ANNOTATED
AGENDA
OVERSIGHT BOARD
TO THE SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT AGENCY**

**ANTIOCH COUNCIL CHAMBERS
THIRD & "H" STREETS**

October 15, 2012 at 3:00 PM (3:03)

ROLL CALL

Board Members:

Brian Kalinowski, Chair
Martha Parsons, Vice Chair
Keith Archuleta
Tim Forrester
David Fraser (**arrived 3:05 pm**)
Francisco Hinojoso (**absent**)
Tina Wehrmeister

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

ITEMS

1. Annotated Agenda for October 8, 2012

Action: Motion to approve the Annotated Agenda

STAFF REPORT

**APPROVED; 5/0
1 Abstention - Forrester**

2. Due Diligence Review of the Low and Moderate Income Housing Fund

Action: Adopt a Resolution approving the Due Diligence Review for the Low and Moderate Income Housing Fund with direction regarding retention of administrative funds

OB RESOLUTION 2012-07; 6/0

3. Administrative Cost Allowance

Action: Adopt a Resolution requesting the Contra Costa Auditor-Controller to pay the City of Antioch as Successor Agency to the Antioch Development Agency the full administrative cost allowance per the Recognized Obligation Payment Schedule and supporting the City as Successor Agency's action to invoke the meet and confer process with the State Department of Finance

OB RESOLUTION 2012-08; 6/0

STAFF REPORT

STAFF REPORT

4. Update on Property Transfers

RESOLUTION

RESOLUTION

NO UPDATE AT THIS TIME

ORAL COMMUNICATIONS

WRITTEN COMMUNICATIONS

BOARD REPORTS

ADJOURNMENT (3:18 PM)

Notice of Availability of Reports

This agenda is a summary of the actions proposed to be taken by the Oversight Board to the Successor Agency to the Antioch Development Agency. Materials provided regarding the agenda items will be available at the following website: <http://www.ci.antioch.ca.us/citygov/oversight/default.htm> or at the City of Antioch Community Development Department located on the 2nd floor of City Hall, 3rd and H Streets, Antioch, California, 94509, between the hours of 8:00 a.m. and 11:30 a.m. or by appointment only between 1:00 p.m. and 5:00 p.m. Monday through Thursday for inspection and copying (for a fee). The meetings of the Oversight Board are accessible to those with disabilities. Auxiliary aides will be made available upon advance request for persons with hearing or vision disabilities at (925) 779-7009 or TDD (925) 779-7081.

**REPORT TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE ANTIOCH DEVELOPMENT AGENCY FOR CONSIDERATION AT THE
MEETING OF October 15, 2012**

Prepared By: Cheryl Hammers, Planning Secretary 
Date: October 8, 2012
Subject: October 8, 2012 Annotated Agenda Approval

RECOMMENDED ACTION

Motion to approve the annotated agenda from the meeting of October 8, 2012

DISCUSSION

The annotated agenda from the meeting of the Oversight Board on October 8, 2012 is attached for review and approval of the board.

ATTACHMENT

Annotated Agenda from the meeting of October 8, 2012

**ANNOTATED
AGENDA
OVERSIGHT BOARD
TO THE SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT AGENCY**

**ANTIOCH COUNCIL CHAMBERS
THIRD & "H" STREETS**

October 8, 2012 at 3:00 PM

ROLL CALL

Board Members:

Brian Kalinowski, Chair
Martha Parsons, Vice Chair
Keith Archuleta (**arrived 3:02**)
Tim Forrester (**absent**)
David Fraser
Francisco Hinojoso (**absent**)
Tina Wehrmeister

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

ITEMS

1. **Annotated Agenda for August 20, 2012**

Action: Motion to approve the Annotated Agenda

APPROVED; 4/0

2. **Due Diligence Review of the Low and Moderate Income Housing Fund**

Action: Receive public comments regarding the attached Due Diligence Review of the Low and Moderate Income Housing Fund of the former Antioch Development Agency and provide comments.

NO PUBLIC COMMENTS REC'D

3. **Update on the Recognized Obligation Payment Schedule (ROPS) and Property Transfers**

UPDATE RECEIVED

ORAL COMMUNICATIONS

WRITTEN COMMUNICATIONS

BOARD REPORTS

ADJOURNMENT 3:10 p.m.

(Next meeting scheduled for Monday, October 15, 2012 at 3:00 p.m.)

Notice of Availability of Reports

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REPORT TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT AGENCY FOR CONSIDERATION AT THE MEETING OF OCTOBER 15, 2012

Prepared By: Dawn Merchant, City of Antioch Finance Director

Date: October 9, 2012

Subject: Due Diligence Review

RECOMMENDED ACTION

Motion to adopt the resolution approving the due diligence review of the Low and Moderate Income Housing Fund of the former Antioch Development Agency and authorization to retain certain housing assets.

BACKGROUND

By October 1st, successor agencies are required to have a review of housing funds completed by a certified public accountant acceptable to the County Auditor-Controller and submitted to the Oversight Board for review and approval. The purpose of this review is to determine the amount of unencumbered (or unobligated) funds that are to be remitted to taxing agencies. Upon receipt of the review, the Oversight Board must convene a public comment session at least five business days prior to voting on approval of the review. This session took place on October 8th and no public comments were received. The Oversight Board supported the retention of assets detailed in the report and discussed in more detail in the next section.

DISCUSSION

The City of Antioch as Successor Agency to the Antioch Development Agency contracted with Badawi & Associates, Certified Public Accountants, to complete the due diligence review of the former Low and Moderate Income Housing Fund (LMIHF) of the redevelopment agency. This selection was approved by the Contra Costa County Auditor-Controller.

The report is attached for your review and approval. Per exhibits 1 and 6 of the report, the LMIHF transferred \$1,236,650 to the Successor Agency for remittance to the County to be distributed to taxing entities.

Exhibit 2 of the report details assets (both cash and non-cash) transferred to the City as Housing Successor that the City as Housing Successor believes qualify as housing assets to be retained. A summary of those is provided on the next page.

| Amount | Type of Asset & Purpose |
|---------------------|---|
| \$904,505 | Cash to retain to pay for Vista Diablo enforceable obligation through contract end date |
| 3,537,849 | Long term receivable from former Project Area 1 for deferred set aside payments (previously denied as enforceable obligation, but now allowed under AB1484) |
| 14,436,459 | Loans receivable approved as housing assets by DOF |
| 140,560 | Cash to retain for administration of housing loans until sufficient revenues generated to pay for |
| \$19,019,373 | |

As noted on page 2 of the report, Badawi & Associates issued a finding in relation to the \$140,560, listed above, that the City as Housing Successor retained for the administration of housing loans. The finding states that the administration of housing loans does not qualify as an enforceable obligation and does not meet the definition of a housing asset and therefore should not be retained. The City as Successor Agency's response to the finding is also listed on page 2 of the report. In summary, as the housing loans have been approved as housing assets by the DOF and administration of these loans are listed on the approved ROPS, we believe administration does qualify as an enforceable obligation and that funds need to be retained until sufficient loan repayments are generated to pay for administration in the future. The projected revenue stream is detailed in Exhibit 5 of the report.

Per Health and Safety Code Section 34179.6 (c), the oversight board has the power to authorize the successor agency to retain assets or funds identified as:

- (a) Legally restricted as to purpose, such as bond proceeds or grant funds;
- (b) Assets that are not cash or cash equivalents such as land, loans, equipment;
- (c) Balances restricted for funding of an enforceable obligation; or
- (d) Balances needed to satisfy obligations as listed on the ROPS for the current fiscal year.

City staff believes that the long term receivable and loans receivable balances are non-cash equivalent housing assets falling into category (b) above; and that the cash balances retained for Vista Diablo and loan administration fall into category (c) above. The attached resolution approves the review by the Oversight Board and retention of assets as identified in Exhibit 2 of the report for the identified purposes. The DOF will make the final determination on the retention of assets and may adjust the amount to remit to the County.

ATTACHMENTS

- A. Due Diligence Review**
- B. Resolution Approving the Due Diligence Review and Retention of Housing Assets**

ATTACHMENT A

City of Antioch Redevelopment Agency's Successor Agency

Antioch, California

*Independent Accountants' Report on
Applying Agreed-Upon Procedures on the
Low and Moderate Income Housing Fund of
the RDA Successor Agency in Accordance with
California Assembly Bill No. 1484*



BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES ON THE
LOW AND MODERATE INCOME HOUSING FUND OF THE RDA SUCCESSOR AGENCY IN
ACCORDANCE WITH CALIFORNIA ASSEMBLY BILL NO. 1484**

To the Oversight Board of
the City of Antioch Redevelopment Agency's Successor Agency
Antioch, California

We have performed the procedures enumerated below, which were agreed to by the City of Antioch Redevelopment Agency's Successor Agency (Successor Agency), solely to assist you in meeting the requirement of the due diligence review of the Low and Moderate Income Housing Fund of the Successor Agency, as required by the California Assembly Bill No. 1484. The Successor Agency's management is responsible for all schedules and exhibits prepared for this due diligence review. 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 those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings are described below:

1. Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency to the Successor Agency on 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 in Exhibit 1.

Finding: No exceptions were noted as a result of our procedures.

2. 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. The State Controller's Office review has not occurred; therefore, we will perform the following procedures:

A. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) 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. No transfers occurred from January 1, 2011 through January 31, 2012 from the redevelopment agency to the City, therefore no procedures were performed.

B. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from 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, determine that the Successor Agency described the purpose of the transfer and described in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. See Exhibit 2 for the listing.

C. For each transfer, obtain the legal document that formed the basis for the enforceable obligation or other legal requirements that required any transfer.

Finding: No procedures were performed for 2A since the former redevelopment agency did not have any transfers to the City. For 2B and 2C, amounts to fund projected administration costs net of related future revenues associated with the housing loans which were transferred to the Housing Successor do not meet the definition of housing assets because they are not encumbered by an enforceable obligation to build or acquire low and moderate income housing.

Successor Agency's Response: Successor Agency management has reviewed the report and does not concur with the exception that \$140,560 cannot be retained by the Housing Successor for administrative costs related to the housing program. These costs are listed as an enforceable obligation of the Housing Fund on the Recognized Obligation Payment Schedule (ROPS) for the Agency and the ROPS was approved by the Department of Finance via letter dated May 27, 2012. It is management's position that the administration of the housing loans is a specific project cost associated with the housing program and should be treated as an enforceable obligation of that program. A review of forecasted revenue streams to be received demonstrates that insufficient revenues will be available to cover the cost of the administration now but should be available later in the future. Therefore the City has calculated a portion of the balance of the Low and Moderate Income Housing Fund to be retained to fund the obligation until there is a revenue stream.

3. 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, we will perform the following procedures:
 - A. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) 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.
 - B. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from 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.
 - C. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer.

Finding: Procedures not applicable, there were no transfers made to public agencies or private parties.

4. Perform the following procedures:
 - A. Obtain from the Successor Agency a summary of the financial transactions of the Redevelopment Agency and the Successor Agency for the following periods: June 30, 2010; June 30, 2011; January 31, 2012 and June 30, 2012.
 - B. Ascertain that for each period presented the total of revenues, expenditures, and transfers accounts fully for the changes in equity from the previous fiscal period by comparing these balances to the Successor Agency's accounting records.
 - C. Compare amounts in the schedule relevant to the fiscal year ended June 30, 2010 to the state controller's report filed for the Redevelopment Agency for that period.

D. Compare amounts in the schedule for the other fiscal periods presented to account balances in the accounting records or other supporting schedules which includes Financial Statements and General Ledger Reports.

Finding: No exceptions were noted as a result of our procedures. See Exhibit 3.

5. Obtain from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012. For the Low and Moderate Income Housing Fund, the schedule attached as an exhibit will include only those assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency as of June 30, 2012 and will exclude all assets held by the entity that assumed the housing function previously performed by the former redevelopment agency. Agree the assets so listed to recorded balances reflected in the accounting records of the Successor Agency. See Exhibit 4 for the listing.

Finding: No exceptions were noted as a result of our procedures.

6. Obtain from the Successor Agency a listing of asset balances held on June 30, 2012 that are restricted for the following purposes because there were no applicable account balances:

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.
- iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances.

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.
- iii. Obtain from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances, and verify the existence of language restricting the use of the balances.

C. Other assets considered to be legally restricted:

- 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

- iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances, and verify the existence of language restricting the use of the balances.

Finding: Procedures not applicable. There were no applicable asset balances that were restricted.

7. Perform the following procedures:

A. Obtain from the Successor Agency a listing of assets 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 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 7(A) 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 7(B), inspect evidence of disposal of the assets 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 7(A) 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.

Finding: Procedures not applicable. There were no applicable assets as of June 30, 2012.

8. Perform the following procedures:

A. If the Successor Agency believes that asset balances 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.

Finding: Management has represented to us that they do not believe assets balances need to be retained to satisfy enforceable obligations. No procedures performed.

B. If the Successor Agency believes that future revenues together with balances 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 from 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 revenue:
 - a. Obtain from the Successor Agency its assumptions for the forecasted annual revenues and disclose in the report major assumptions associated with the projections.

Finding: Management has represented to us that they believe future revenues will be sufficient to fund future obligations. No procedures performed.

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 disclosed major assumptions associated with the projections.
- iii. Obtain the assumptions for the forecasted other general purpose revenues and disclosed major assumptions associated with the projections.

Finding: Management has represented to us that they do not have any outstanding bond issues. No procedures performed.

D. If procedures A, B, or C were performed, calculate the amount of current unrestricted balances 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.

Finding: Procedures were not performed because procedures A, B, or C were not required to be performed.

- 9. If the Successor Agency believes that cash balances as of June 30, 2012 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, verify the Successor Agency added columns identifying (1) any dollar amounts of existing cash that are needed to satisfy that obligation and (2) the Successor Agency's explanation as to why the Successor Agency believes that such balances are needed to satisfy the obligation.

Finding: Management has represented to us that they believe cash balance as of June 30, 2012 do not 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. No procedures performed.

- 10. Obtain a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. Amounts included in the calculation have been agreed to the results of the procedures performed in each section above. The schedule included 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 has been agreed to evidence of payment. Schedule was attached as Exhibit 6.

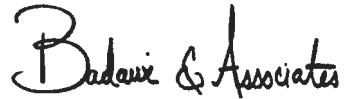
Finding: No exceptions were noted as a result of our procedures.

- 11. Obtain a representation letter from Successor Agency management acknowledging their responsibility for the data provided to us and the data presented in the report or in any attachments to the report. Determine that management representations included an acknowledgment that management is not aware of any transfers (as defined by Section 34179.5) 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.

Finding: Management provided a representation letter on September 27, 2012.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the accompanying schedules attached to this report. 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 State of California Department of Finance, the Successor Agency Oversight Board and management of the Successor Agency and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

The image shows a handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi and Associates
Certified Public Accountants
Oakland, CA
September 27, 2012

City of Antioch Redevelopment Agency's Successor Agency
Exhibit 1- Listing of All Assets Transferred From the Former Redevelopment Agency (LMIHF) to the Successor Agency
on February 1, 2012

| <u>Assets</u> | <u>Amount</u> |
|---------------------|---------------------|
| Cash & Investments | \$ 1,236,650 |
| Total Assets | \$ 1,236,650 |

City of Antioch Redevelopment Agency's Successor Agency
 Exhibit 2- Listing of All Assets Transferred from the former Redevelopment Agency (LMIHF) to the City of Antioch
 from February 1, 2011 through June 30, 2012

| Date | Amount | Purposes | Describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements |
|----------|----------------------|----------------------|---|
| 2/1/2012 | \$ 904,505 | Cash and investment | Per AB 1484, loans receivables and related cash and investment are housing assets |
| | 140,560 * | Cash and investment | Per AB 1484, loans receivables and related cash and investment are housing assets |
| | 3,537,849 | Long term receivable | Per AB 1484, amount borrows from the LMIHF are housing assets |
| | 14,436,459 | Loans receivables | Per AB 1484, loans receivables and related cash and investment are housing assets |
| Total | <u>\$ 19,019,373</u> | | |

* Please see Exhibit 5 for detail calculation

City of Antioch Redevelopment Agency's Successor Agency

Exhibit 3- Summary of the Financial Transaction of the Redevelopment Agency and the Successor Agency

| | LMIHF Redevelopment Agency 12 Months Ended 6/30/2010 | LMIHF Redevelopment Agency 12 Months Ended 6/30/2011 | LMIHF Redevelopment Agency 7 Months Ended 1/31/2012 | LMIHF Successor Agency 5 Months Ended 6/30/2012 |
|---|--|--|---|---|
| Assets (modified accrual basis) | | | | |
| Cash | \$ 2,140,863 | \$ 2,552,855 | \$ 2,287,980 | \$ 1,236,650 |
| Accounts Receivable | - | 2,800 | - | - |
| Prepaid Items | 45,374 | - | - | - |
| Loan Receivables | 13,464,076 | 14,324,018 | 14,436,459 | - |
| Advances to other Funds | 3,562,849 | 3,537,849 | 3,537,849 | - |
| Total Assets | \$ 19,213,162 | \$ 20,417,522 | \$ 20,262,288 | \$ 1,236,650 |
| Liabilities (modified accrual basis) | | | | |
| Accounts Payable | \$ 71,838 | \$ 49,980 | \$ 2,850 | \$ - |
| Accrued Payroll | 759 | 2,286 | 3,415 | - |
| Unearned Revenue | 13,464,076 | 14,324,018 | 14,436,459 | - |
| Total Liabilities | 13,536,673 | 14,376,284 | 14,442,724 | - |
| Equity | 5,676,489 | 6,041,238 | 5,819,564 | 1,236,650 |
| Total Liabilities + Equity | \$ 19,213,162 | \$ 20,417,522 | \$ 20,262,288 | \$ 1,236,650 |
| Total Revenues: | \$ 49,307 | \$ 35,663 | \$ 3,896 | \$ - |
| Total Expenditures: | \$ (1,574,430) | \$ (1,140,660) | \$ (225,570) | \$ - |
| Total Transfers/Extraordinary item: | \$ 1,601,577 | \$ 1,469,746 | \$ - | \$ 1,236,650 |
| Net change in equity | \$ 76,454 | \$ 364,749 | \$ (221,674) | \$ 1,236,650 |
| Beginning Equity: | \$ 5,600,035 | \$ 5,676,489 | \$ 6,041,238 | \$ - |
| Ending Equity: | \$ 5,676,489 | \$ 6,041,238 | \$ 5,819,564 | \$ 1,236,650 |
| Other Information: | | | | |
| Capital assets as of end of year | - | - | - | - |
| Long-term debt as of end of year | - | - | - | - |

City of Antioch Redevelopment Agency's Successor Agency
Exhibit 4- Listing of All Assets of the Low and Moderate Income Housing Fund as of June 30, 2012

| <u>Assets</u> | <u>Amount</u> |
|---------------------|---------------------|
| Cash and investment | \$ 1,236,650 |
| Total Assets | \$ 1,236,650 |

City of Antioch Redevelopment Agency's Successor Agency
 Exhibit 5 - Enforceable Obligations Schedule

| | ROTS Amount | Projected Amounts (up to FY2022) | Major Assumptions of Projections | | | | |
|--|-------------|-------------------------------------|----------------------------------|----------|----------|----------|----------|
| | | | 2013 | 2014 | 2015 | 2016 | 2017 |
| Enforceable Obligations to be paid after 7/1/12 (per Jul-Dec 12 Approved ROPS): | | | | | | | |
| Administration of NPP loans | 45,720.00 | 35,400 | 3,720 | 3,720 | 3,720 | 3,720 | 3,720 |
| Administration of housing loans | 693,000.00 | 180,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| Administration Rental Rehab loans | 198,708.00 | 125,160 | 12,516 | 12,516 | 12,516 | 12,516 | 12,516 |
| | 937,428.00 | 340,560 | 34,236 | 34,236 | 34,236 | 34,236 | 34,236 |
| Projected Receipts: | | | | | | | |
| Housing Rehab/Rental Rehab loan repayments | | 100,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Multi-family housing loans: | | | | | | | |
| Terrace Glen - P&I due 3/31/64 | | | | | | | |
| Pinecrest Apts - P&I due 9/2/55 | | | | | | | |
| Hillcrest Terrace - P&I due 6/7/55 | | | | | | | |
| Hillcrest Terrace-2001 - P&I due 10/7/68 | | | | | | | |
| Eden Housing - P&I due 2/11/57 | | | | | | | |
| Eden Housing/West Rivertown II - P&I pymts due each 5/1-final 11/19/60 | | 100,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Rivertown Senior Housing - Prinscp. Due 10/7/63 | | | | | | | |
| Rivertown Apts Loan - P&I pymts start 5/7/63 - due 7/7/62 | | | | | | | |
| Tabora Gardens - P&I due 6/6/69 | | | | | | | |
| Total Projected Receipts by Fiscal Year | | 200,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Obligation payment shortfall | | \$ 140,560 | (14,236) | (14,236) | (14,236) | (14,236) | (14,236) |
| Calculation is for the period from Year 2013 to Year 2022 | | | | | | | |

City of Antioch Redevelopment Agency's Successor Agency
Exhibit 6- Summary of Balances Available for Allocation to Affected Taxing Entities
Period ended June 30, 2012

SUMMARY OF BALANCES AVAILABLE FOR ALLOCATION TO AFFECTED TAXING ENTITIES

| | | |
|--|----|------------------|
| Total amount of assets held by the housing successor agency as of June 30, 2012 (procedure 5) | \$ | 1,236,650 |
| 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 (procedures 2 and 3) | | - |
| Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (procedure 6) | | - |
| Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7) | | - |
| Less balances that are legally restricted for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) - (procedure 8) | | - |
| Less balances needed to satisfy ROPS for the 2012-13 fiscal year (procedure 9) | | - |
| Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance | | - |
| Amount to be remitted to county for disbursement to taxing entities | \$ | <u>1,236,650</u> |

ATTACHMENT B

OB RESOLUTION NO. _____

**RESOLUTION OF THE OVERSIGHT BOARD
TO THE CITY AS SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT AGENCY
APPROVING THE INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-
UPON PROCEDURES ON THE LOW AND MODERATE INCOME HOUSING FUND IN
ACCORDANCE WITH CALIFORNIA ASSEMBLY BILL NO. 1484 (DUE DILIGENCE
REVIEW) AND AUTHORIZING THE RETENTION OF ASSETS AS IDENTIFIED IN EXHIBIT
2 OF THE REPORT**

Whereas, Health and Safety Code section 34179.5 provides that Successor Agencies are required to employ a licensed accountant approved by the county to conduct a due diligence review to determine unobligated balances available for transfer to taxing entities; and

Whereas, the City of Antioch as Successor Agency to the Antioch Development Agency engaged the firm of Badawi & Associates, Certified Public Accountants to conduct the review (the Review) upon approval of the firm by Contra Costa County; and

Whereas, the pursuant to Health and Safety Code section 34179.6 (c) the oversight board may authorize the successor agency to retain assets or funds identified in subparagraphs (B) to (E) of section 34179.5 with the authorization identifying the source of funds, and the purpose for which the funds are being retained; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency hereby approves the attached Independent Accountants' Report on Applying Agreed-Upon Procedures on the Low and Moderate Income Housing Fund of the RDA Successor Agency in Accordance with California Assembly Bill No. 1484 (the Review).
2. The Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency hereby authorizes the City of Antioch as Successor Agency to the Antioch Development Agency or the City as Housing Successor to retain the following housing assets (as identified in Exhibit 2 of the attached Review):
 - a. \$904,505 of low and moderate income housing funds for the purpose of satisfying the Vista Diablo enforceable obligation;
 - b. \$140,560 of low and moderate income housing funds for the purpose of satisfying the administration of housing, rental rehabilitation and NPP loans enforceable obligation;
 - c. \$3,537,849 of low and moderate long term receivable (non-cash asset) related to the deferred set aside owed to the former low and moderate income housing fund; and
 - d. \$14,436,459 of low and moderate loans receivable (non-cash assets and approved by the Department of Finance on August 25, 2012).

ATTACHMENT B

The foregoing resolution was passed and adopted by the Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency at a regular meeting thereof, held on the ____ day of _____, 2012 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Oversight Board

**REPORT TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
ANTIOCH DEVELOPMENT AGENCY FOR CONSIDERATION AT THE MEETING OF
OCTOBER 15, 2012**

Prepared By: Dawn Merchant, City of Antioch Finance Director

Date: October 10, 2012

Subject: Administrative Cost Allowance

RECOMMENDED ACTION

Motion to adopt the resolution requesting Contra Costa County to pay the City of Antioch as Successor Agency to the Antioch Development Agency the full administrative cost allowance per the Recognized Obligation Payment schedule and supporting the City as Successor Agency's action to invoke the meet and confer process with the State Department of Finance.

BACKGROUND

Per Health and Safety Code Section 34171 (b), successor agencies shall receive an administrative cost allowance up to 3% of the property tax allocated to the successor agency provided that the amount shall not be less than \$250,000 for any fiscal year unless a lesser amount is agreed to by the successor agency.

DISCUSSION

The Recognized Obligation Payment Schedule (ROPS) for the City of Antioch as Successor Agency (Agency) lists an enforceable obligation for administrative costs of the Agency. Two ROPS covering fiscal year 2013 were prepared by the Agency and approved by both the Oversight Board and Department of Finance (DOF). On the first ROPS prepared for the period of July 2012 through December 2012, the Agency claimed an annual amount of \$577,497 with \$288,750 estimated to be spent over the six month period. This number was revised and reduced to \$250,000 in the second ROPS with \$125,000 estimated to be spent over the six month period to coincide with the amount allowed per legislation. The first distribution of tax funds was received by Contra Costa County in June for July 2012 through December 2012 obligations. As part of this distribution, the County Auditor-Controller only paid the Agency \$10,526.80 towards the administrative cost allowance. City staff contacted the County and was told that this was the only amount left available after all senior enforceable obligations were accounted for and that if funds were available in the next distribution, the Agency would get the balance.

On October 1st, the Agency received an estimated tax distribution worksheet for January 2013 through June 2013 obligations. This estimate includes payment for only \$125,000 of administration as reported on the ROPS and no adjustment for the shortfall in the administrative cost allowance in the prior distribution. This means the Agency is slated to receive only \$135,526.80 out of \$250,000 for administration, a shortfall of \$114,473.20 for the fiscal year.

City staff contacted the County Auditor-Controller regarding the issue and was told that they can only pay for the current period ROPS and not account for any shortfalls of prior periods and to contact the DOF and consider revising the ROPS to capture the shortfall. City staff has been told by the DOF that the ROPS cannot be revised and to request a meet and confer with the DOF to discuss the issue. The City Manager has sent a letter to the County requesting the balance due be paid to the Agency, see Attachment A.

We are asking the Oversight Board to adopt a resolution confirming the payment of the full administrative cost allowance to the Agency, requesting the Contra Costa County Auditor-Controller to remit the balance and supporting the Agency's action to invoke the meet and confer process with DOF if unsuccessful with the County Auditor-Controller.

ATTACHMENTS

- A.** Letter sent to Contra Costa County Auditor-Controller by City of Antioch
- B.** Resolution Requesting the Contra Costa County Auditor-Controller to Pay the City of Antioch as Successor Agency to the Antioch Development Agency the Full Administrative Cost Allowance Per the Recognized Obligation Payment Schedule and Supporting the City As Successor Agency's Action to Invoke the Meet and Confer Process with the State Department of Finance



October 9, 2012

Robert R. Campbell
Contra Costa County Auditor-Controller
625 Court Street
Martinez, CA 94553-1282

Dear Mr. Campbell:

This letter serves as notice that the City of Antioch as Successor Agency to the Antioch Development Agency disagrees with the calculation of the estimated distribution to the City for the January 2013 through June 2013 ROPS with respect to the administrative cost allowance.

It is our belief that the City should also be paid the shortfall of the administrative cost allowance not paid with the June 2012 distribution for the July 2012 through December 2012 ROPS. The City received a total distribution of \$2,625,654.80 for all approved obligations in June 2012. Of that amount, only \$10,526.80 was received towards the administrative cost allowance notated as "subject to funds available". It is our belief that the City should have received at least \$125,000, or 50% of the total minimum amount entitled to the City under AB 1X 26. The distribution summary is attached. The Finance Director contacted the County after this distribution questioning the total and how the City would receive the remaining funds. She was advised that the balance may be paid with the next distribution if funds were available.

The City received the estimated distribution amount for the January 2013 through June 2013 from the County on October 1, 2012 and it did not include any estimate or adjustment for the administrative cost allowance shortfall from the prior distribution. Based upon the prior distribution and the estimate for the upcoming period, the City is slated to receive a total of \$135,526.80 for the administrative cost allowance and not \$250,000 as shown on the ROPS approved by the Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency and by the California Department of Finance. This is a shortfall of \$114,473.20 towards the administrative cost allowance.

Per Health and Safety Code Section 34171 (b), successor agencies shall receive an administrative cost allowance up to 3% of the property tax allocated to the successor agency provided that the amount shall not be less than \$250,000 for any fiscal year unless a lesser amount is agreed to by the successor agency. The City as Successor Agency did not agree to a lesser amount as demonstrated on the approved ROPS.

Robert R. Campbell
Contra Costa County Auditor Controller
October 9, 2012
Page 2

ATTACHMENT A, P. 2

Further, Health and Safety Code Section 34183 specifically directs the County Auditor-Controller to pay the administrative cost allowance before any additional payments to the taxing entities. Please provide the legal authority upon which the County is relying to withhold the administrative cost allowance from the City of Antioch. We have been advised by your office to contact the Department of Finance regarding this issue and will be submitting a meet and confer request.

In the future, if the County Auditor-Controller provides the estimated distribution amounts before the ROPS is due, then this issue can be avoided. For this year, we are simply asking the County Auditor-Controller to pay the City the full administrative allowance as authorized by State law.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim Jakel", is written over the word "Sincerely,".

Jim Jakel
City Manager

Enclosure

cc: Dawn Merchant, Finance Director
Lynn Tracy Nerland, City Attorney
Department of Finance, Redevelopment Administration

ATTACHMENT A, P. 3

County of Contra Costa
 Redevelopment Property Tax Trust Fund Allocations for June 1, 2012

*for July-Dec 12
 pymts*

| <u>Redev. Prop. Tax Trust Fund (RPTTF) Activity</u> | ANTIOCH |
|---|----------------------------|
| RPTTF Beginning Balance | 0.00 |
| Deposits: | |
| Secured Property Tax Increment | 3,079,679.14 |
| Unsecured Property Tax Increment | 0.00 |
| Supplemental Property Tax Increment | -71,637.36 |
| Unitary | <u>62,096.32</u> |
| Deposit totals | <u>3,070,138.11</u> |
| RPTTF Available Balance | <u>3,070,138.11</u> |
| H&S Code 34183 Distributions | |
| <u>Admin. Fees to County Auditor-Controller:</u> | |
| SB2557 | 69,524.00 |
| ABX1-26 (To be charged next period) | 0.00 |
| Total Admin. Fees | <u>69,524.00</u> |
| <u>Pass Through Payments:</u> | |
| Total Pass Throughs | <u>374,959.31</u> |
| Total ROPS Payable | 2,765,631.00 |
| ROPS Payments from non-RPTTF Sources | 150,503.00 |
| ROPS Items Denied/Disputed | 0.00 |
| ROPS Payable from Prop. Taxes - Subject to Funds Available | 2,615,128.00 |
| Successor Agency Admin. Cost Allowance - Subject to Funds Available | 10,526.80 |
| SCO Invoices for Audit and Oversight | <u>0.00</u> |
| RPTTF Balance - For Distribution to Affected Taxing Entities | <u>2,625,654.80</u> |
| DISTRIBUTION TO SUCCESSOR AGENCY RORF | <u>2,625,654.80</u> |

ATTACHMENT B

OB RESOLUTION NO. _____

**RESOLUTION OF THE OVERSIGHT BOARD
TO THE CITY AS SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT AGENCY
REQUESTING THE CONTRA COSTA COUNTY AUDITOR-CONTROLLER TO PAY THE
CITY OF ANTIOCH AS SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT
AGENCY THE FULL ADMINISTRATIVE COST ALLOWANCE PER THE RECOGNIZED
OBLIGATION PAYMENT SCHEDULE AND SUPPORTING THE CITY AS SUCCESSOR
AGENCY'S ACTION TO INVOKE THE MEET AND CONFER PROCESS WITH THE STATE
DEPARTMENT OF FINANCE**

Whereas, Health and Safety Code section 34171 (b) states successor agencies shall receive an administrative cost allowance up to 3% of the property tax allocated to the successor agency provided that the amount shall not be less than \$250,000 for any fiscal year unless a lesser amount is agreed to by the successor agency; and

Whereas, the City of Antioch as Successor Agency to the Antioch Development Agency, the Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency and the State Department of Finance have approved a Recognized Obligation Payment Schedule for the Successor Agency with a total administrative cost allowance of \$250,000 for the 2013 fiscal year; and

Whereas, the Contra Costa County Auditor-Controller intends to pay the City of Antioch as Successor Agency to the Antioch Development Agency a total of only \$135,526.80 for the administrative cost allowance for the 2013 fiscal year; and

Whereas, the City of Antioch as Successor Agency to the Antioch Development Agency is invoking its right to request a meet and confer with the State Department of Finance regarding the payment of the administrative cost allowance if the County Auditor-Controller does not change his position; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency hereby requests the Contra Costa County Auditor-Controller to pay the remaining balance of the administrative cost allowance to the City of Antioch as Successor Agency to the Antioch Development Agency.
2. The Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency hereby supports the City of Antioch as Successor Agency to the Antioch Development Agency's action to invoke the meet and confer process with the State Department of Finance in regards to the administrative cost allowance if unsuccessful with the County Auditor-Controller.

ATTACHMENT B

The foregoing resolution was passed and adopted by the Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency at a regular meeting thereof, held on the ____ day of _____, 2012 by the following vote:

AYES:

NOES:

ABSENT:

Chair, Oversight Board

OB RESOLUTION NO. 2012-07

**RESOLUTION OF THE OVERSIGHT BOARD
TO THE CITY AS SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT AGENCY
APPROVING THE INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-
UPON PROCEDURES ON THE LOW AND MODERATE INCOME HOUSING FUND IN
ACCORDANCE WITH CALIFORNIA ASSEMBLY BILL NO. 1484 (DUE DILIGENCE
REVIEW) AND AUTHORIZING THE RETENTION OF ASSETS AS IDENTIFIED IN EXHIBIT
2 OF THE REPORT**

Whereas, Health and Safety Code section 34179.5 provides that Successor Agencies are required to employ a licensed accountant approved by the county to conduct a due diligence review to determine unobligated balances available for transfer to taxing entities; and

Whereas, the City of Antioch as Successor Agency to the Antioch Development Agency engaged the firm of Badawi & Associates, Certified Public Accountants to conduct the review (the Review) upon approval of the firm by Contra Costa County; and

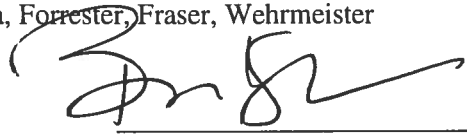
Whereas, the pursuant to Health and Safety Code section 34179.6 (c) the oversight board may authorize the successor agency to retain assets or funds identified in subparagraphs (B) to (E) of section 34179.5 with the authorization identifying the source of funds, and the purpose for which the funds are being retained; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency hereby approves the attached Independent Accountants' Report on Applying Agreed-Upon Procedures on the Low and Moderate Income Housing Fund of the RDA Successor Agency in Accordance with California Assembly Bill No. 1484 (the Review).
2. The Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency hereby authorizes the City of Antioch as Successor Agency to the Antioch Development Agency or the City as Housing Successor to retain the following housing assets (as identified in Exhibit 2 of the attached Review):
 - a. \$904,505 of low and moderate income housing funds for the purpose of satisfying the Vista Diablo enforceable obligation;
 - b. \$140,560 of low and moderate income housing funds for the purpose of satisfying the administration of housing, rental rehabilitation and NPP loans enforceable obligation;
 - c. \$3,537,849 of low and moderate long term receivable (non-cash asset) related to the deferred set aside owed to the former low and moderate income housing fund; and
 - d. \$14,436,459 of low and moderate loans receivable (non-cash assets and approved by the Department of Finance on August 25, 2012).

The foregoing resolution was passed and adopted by the Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency at a regular meeting thereof, held on the 15th day of October, 2012 by the following vote:

AYES: Kalinowski, Parsons, Archuleta, Forrester, Fraser, Wehrmeister
NOES: None
ABSENT: Hinojoso



Brian Kalinowski
Chair, Oversight Board

OB RESOLUTION NO. 2012-08

**RESOLUTION OF THE OVERSIGHT BOARD
TO THE CITY AS SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT AGENCY
REQUESTING THE CONTRA COSTA COUNTY AUDITOR-CONTROLLER TO PAY THE
CITY OF ANTIOCH AS SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT
AGENCY THE FULL ADMINISTRATIVE COST ALLOWANCE PER THE RECOGNIZED
OBLIGATION PAYMENT SCHEDULE AND SUPPORTING THE CITY AS SUCCESSOR
AGENCY'S ACTION TO INVOKE THE MEET AND CONFER PROCESS WITH THE STATE
DEPARTMENT OF FINANCE**

Whereas, Health and Safety Code section 34171 (b) states successor agencies shall receive an administrative cost allowance up to 3% of the property tax allocated to the successor agency provided that the amount shall not be less than \$250,000 for any fiscal year unless a lesser amount is agreed to by the successor agency; and

Whereas, the City of Antioch as Successor Agency to the Antioch Development Agency, the Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency and the State Department of Finance have approved a Recognized Obligation Payment Schedule for the Successor Agency with a total administrative cost allowance of \$250,000 for the 2013 fiscal year; and

Whereas, the Contra Costa County Auditor-Controller intends to pay the City of Antioch as Successor Agency to the Antioch Development Agency a total of only \$135,526.80 for the administrative cost allowance for the 2013 fiscal year; and

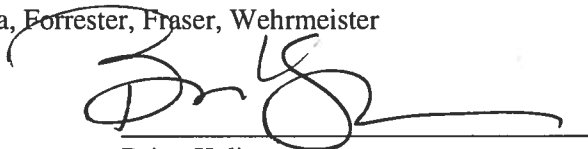
Whereas, the City of Antioch as Successor Agency to the Antioch Development Agency is invoking its right to request a meet and confer with the State Department of Finance regarding the payment of the administrative cost allowance if the County Auditor-Controller does not change his position; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency hereby requests the Contra Costa County Auditor-Controller to pay the remaining balance of the administrative cost allowance to the City of Antioch as Successor Agency to the Antioch Development Agency.
2. The Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency hereby supports the City of Antioch as Successor Agency to the Antioch Development Agency's action to invoke the meet and confer process with the State Department of Finance in regards to the administrative cost allowance if unsuccessful with the County Auditor-Controller.

The foregoing resolution was passed and adopted by the Oversight Board to the City of Antioch as Successor Agency to the Antioch Development Agency at a regular meeting thereof, held on the 15th day of October, 2012 by the following vote:

AYES: Kalinowski, Parsons, Archuleta, Forrester, Fraser, Wehrmeister
NOES: None
ABSENT: Hinojoso

A handwritten signature in black ink, appearing to read 'Brian Kalinowski', written over a horizontal line.

Brian Kalinowski
Chair, Oversight Board