

## Robin Scherr

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**From:** Tom Marston  
**Sent:** Thursday, September 27, 2012 4:06 PM  
**To:** [Successor@auditor.lacounty.gov](mailto:Successor@auditor.lacounty.gov); [oversightboard@ceo.lacounty.gov](mailto:oversightboard@ceo.lacounty.gov); [redvelopment\\_administration@dof.ca.gov](mailto:redvelopment_administration@dof.ca.gov); [RDA-SDsupport@sco.ca.gov](mailto:RDA-SDsupport@sco.ca.gov)  
**Cc:** Robin Scherr; Peter L. Wallin  
**Subject:** Housing Due Diligence Review  
**Attachments:** Final Housing DDR Report.pdf

Dear Sir or Madam:

Attached for your information and use is the Low and Moderate Income Housing Fund Due Diligence Review for the City of San Gabriel in accordance with State legislation AB 1484. This Review has also been submitted to the Oversight Board for the purpose of conducting a Public Hearing. It is our intention to have the Public Hearing on October 8th and a Special Meeting of the Oversight Board on October 15th. Any action taken by the Oversight Board will be communicated back to you in order to meet the noticing requirements pursuant to AB 1484.

If you have any questions or need additional information, please feel free to contact me at (626) 308-2812 or email at [tmarston@sgch.org](mailto:tmarston@sgch.org) or Robin Scherr at (626) 308-2806 or email at [rscherr@sgch.org](mailto:rscherr@sgch.org). Thank you.

Thomas C. Marston  
Finance Director



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**City of San Gabriel**  
(Successor Agency to the former San Gabriel  
Redevelopment Agency)

**Low and Moderate Income Housing Fund**

*Independent Accountants' Report  
on Applying Agreed-Upon Procedures  
with respect to AB1484*

**CITY OF SAN GABRIEL  
(SUCCESSOR AGENCY TO THE FORMER SAN GABRIEL REDEVELOPMENT AGENCY)  
LOW AND INCOME MODERATE INCOME HOUSING FUND**

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**INDEPENDENT ACCOUNTANTS' REPORT ON  
APPLYING AGREED-UPON PROCEDURES**

Oversight Board  
City of San Gabriel (Successor Agency to the former San Gabriel Redevelopment Agency)  
San Gabriel, California

We have performed the agreed-upon procedures enumerated in Attachment A, which were agreed to by the California State Controller's Office, the State of California Department of Finance ("State Agencies") and the City of San Gabriel (Successor Agency to the former San Gabriel Redevelopment Agency) solely to assist you in ensuring that the Low and Moderate Income Housing Fund of the City of San Gabriel (Successor Agency to the former San Gabriel Redevelopment Agency) is complying with its statutory requirements with respect to AB1484. Management of the City of San Gabriel are responsible for the accounting records pertaining to statutory compliance pursuant to Health and Safety Code Section 34179.5(c)(1) through 34179.5 (c)(3) and Sections 34179.5(c)(5) through 34179.5 (c)(6). 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 identified below 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 as 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 as to the appropriateness of the results summarized in Attachment A. 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 City of San Gabriel and applicable State Agencies, and is not intended to be, and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

*Marcum LLP*

Irvine, California  
September 25, 2012



**City of San Gabriel (Successor Agency to the former San Gabriel  
Redevelopment Agency)  
Low and Moderate Income Housing Fund  
Agreed-Upon Procedures with Respect to AB1484  
Attachment A**

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**CITATION:**

*Section 34179.5(c)(1)-The dollar value of assets transferred from the former redevelopment agency to the successor agency on or about February 1, 2012.*

**Procedure 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 assets transferred to the Successor Agency as of that date.

**Results/Findings:**

No exceptions noted. The total amount of assets transferred to the Successor Agency as of February 1, 2012 was \$1,958,083.

**CITATION:**

*Section 34179.5(c)(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. The review shall provide documentation of any enforceable obligation that required the transfer.*

**CITATION:**

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 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 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.

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- 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.

**Results/Findings:**

Procedure 2A:

Based on the representations of the Successor Agency, there were no 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.

Procedure 2B:

Based on the representations of the Successor Agency, there were no 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.

Procedure 2C:

Not applicable. See results / findings of procedures 2A and 2B.

**CITATION:**

*Section 34179.5(c)(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. The review shall provide documentation of any enforceable obligation that required the transfer.*

**Procedure 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, 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. Provide this listing as an attachment to the AUP report.

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- 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. 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.

**Results/Findings:**

Procedure 3A:

Based on the representations of the Successor Agency, there were no 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.

Procedure 3B:

Based on the representations of the Successor Agency, there were no transfers (excluding payments for goods and services) from the Successor Agency to any other public agency or to private parties for the period from February 1, 2012 through June 30, 2012.

Procedure 3C:

Not applicable. See results/findings of procedures 3A and 3B

**CITATION:**

*Section 34179.5(c)(5)-A separate accounting for the balance for the Low and Moderate Income Housing Fund for all other funds and accounts combined shall be made as follows:*

- (A) A Statement of the total value of each fund as of June 30, 2012.*

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**Procedure 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. When this procedure is applied to the Low and Moderate Income Housing Fund, the schedule attached as an exhibit will only include those assets of the Low and Moderate 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. The listings should be attached as an exhibit to the appropriate AUP report.

**Results/Findings:**

See Exhibit 5-01 for a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012. No exceptions noted.

**CITATION:**

*Section 34179.5(c)(5)(B)-An itemized statement listing any amounts that are legally restricted as to purpose and cannot be provided to taxing entities. This could include the proceeds of any bonds, grant funds, or funds provided by other governmental entities that place conditions on their use.*

**Procedure 6:**

Obtain from the Successor Agency a listing of asset balances 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.

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- 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:
- 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 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.
- D. Attach the above mentioned Successor Agency prepared schedule (s) as an exhibit to the AUP in 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.

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**Results/Findings:**

Procedure 6A

Based on the representation of the Successor Agency, there are no asset balances held on June 30, 2012 that are restricted for unspent bond proceeds.

Procedure 6B:

Based on the representation of the Successor Agency, there are no asset balances held on June 30, 2012 that are restricted because the assets were from grant proceeds or program income that are restricted by third parties.

Procedure 6C:

Based on the representation of the Successor Agency, there are no asset balances held on June 30, 2012 that are considered to be legally restricted.

Procedure 6D:

Not applicable. See results/findings of procedures 6A through 6C above.

**CITATION:**

*Section 34179.5(c)(5)(C)-An itemized statement of the values of any assets that are not cash or cash equivalents. This may include physical assets, land, records, and equipment. For the purpose of this accounting, physical assets may be valued at purchase cost or at any recently estimated market value. The statement shall list separately housing-related assets.*

**Procedure 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 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 7(A) are listed at purchase cost, trace the amounts to previously audited financial statements (or to the accounting records of the Successor Agency) and note any differences.

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- C. For any differences noted in 7(B), 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 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.

**Results/Findings:**

Procedure 7A:

Based on the representations of the Successor Agency, there are no assets as of June 30, 2012 that are not liquid or otherwise available for distribution.

Procedure 7B:

Not applicable. See results/findings of procedure 7A.

Procedure 7C:

Not applicable. See results/findings of procedure 7A.

Procedure 7D:

Not applicable. See results/findings of procedure 7A.

**CITATION:**

*Section 34179.5(c)(5)(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. In addition, the successor agency shall provide a listing of all approved enforceable obligations that includes a projection of annual spending requirements to satisfy each obligation and a projection of annual revenues available to fund those requirements. If a review finds that future revenues together with dedicated balances are insufficient to fund future obligations and thus retention of current balance is required, it shall identify the amount of current balances necessary for retention. The review shall also detail the projected property tax revenues and other general purpose revenues to be received by the Successor Agency, together with both the amount and timing of the bond debt service payments of the successor agency, for the period in which the oversight board anticipates the successor agency will have insufficient property tax revenue to pay the specified obligations.*

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**Procedure 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 balance 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 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.

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- ii) Compare the forecasted annual spending requirements to the legal document supporting each the 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:
    - 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 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.

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**Results/Findings:**

Procedure 8A:

See Exhibit 8A-01 for the itemized schedule of asset balances (resources) as of June 30, 2012 that are dedicated or restricted for the funding of enforceable obligations. The Successor Agency recorded an obligation of \$3,118 on the Recognized Obligations Payment Schedule (ROPS) for the period of January 1, 2012 – June 30, 2012 for coordination, planning, and consulting services for the Greater Los Angeles County Homeless Count and the amount noted on the supporting document for that enforceable obligation was \$3,100. A difference of \$18 was noted.

Procedure 8B:

This procedure is not applicable. The Successor Agency does not believe that future revenues together with balances dedicated or restricted to an enforceable obligation are insufficient to fund future obligation payments and retention of current balances is required.

Procedure 8C:

There are no outstanding bond obligations. Therefore, this procedure is not applicable.

Procedure 8D:

The calculation of the amount of current unrestricted balances necessary for retention in order to meet the enforceable obligations is as follows:

Identified current dedicated or restricted balances	\$ 1,672,000
Forecasted annual revenues	_____ --
Total resources available to fund enforceable obligations	1,672,000
Forecasted annual spending requirements	_____ --
Amount of current unrestricted balances necessary for retention	<u>\$ 1,672,000</u>

**CITATION:**

*Section 34179.5(c)(5)(E)-An itemized list and analysis of any amounts of current balances that are needed to satisfy obligations that will be placed on the Recognized Obligation Payment Schedules for the current fiscal year.*

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**Procedure 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, the Successor Agency should add 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. Include this schedule as an attachment to the AUP report.

**Results/Findings:**

See Exhibit 9-01 and 9-02 for the schedules of the cash balance at June 30, 2012 that needs to be retained to satisfy obligations on the Recognized Obligations Payment Schedule (ROPS) for the period of July 1, 2012 – December 31, 2012 and January 1, 2013 - June 30, 2013.

**CITATION:**

*Section 34179.5(c)(6)-The review shall total the net balances available after deducting the total amounts described in subparagraphs (B) to (E), inclusive, of paragraph (5). The review shall add any amounts that were transferred as identified in paragraphs (2) and (3) of subdivision (c) if an enforceable obligation to make that transfer did not exist. The resulting sum shall be available for allocation to affected taxing authorities pursuant to Section 34179.6. It shall be a rebuttable presumption that cash and cash equivalent balances available to the Successor Agency are available and sufficient to disburse the amount determined in this paragraph to taxing entities. If the review finds that there are insufficient cash balances to transfer or that cash or cash equivalents are specifically obligated to the purposes described in subparagraphs (B), (D), and (E) of paragraph (5) in such amounts that there is insufficient cash to provide the full amount determined pursuant to this paragraph, that amount shall be demonstrated in an additional itemized schedule.*

**Procedure 10:**

Include (or present) a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. 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. The attached example summary schedule may be considered for this purpose. Separate schedules should be completed for the Low and Moderate Income Housing Fund and for all other funds combined (excluding the Low and Moderate Income Housing Fund).

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**Results/Findings:**

See attached Exhibit 10-01 for the schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities.

**Procedure 11:**

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 acknowledgement 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 period from January 1, 2011 through June 30, 2012 that may not have 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.

**Result/Findings:**

Said management representation letter was received. No exceptions noted.

**City of San Gabriel**

**(Successor Agency to the former San Gabriel Redevelopment Agency)**

**Listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012**

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	ASSETS	June 30, 2012
Cash		\$ 1,958,083
<b>Total assets</b>		<b>\$ 1,958,083</b>

# City of San Gabriel

(Successor Agency to the former San Gabriel Redevelopment Agency)

## Itemized Schedule of Assets Balances (Resources) as of June 30, 2012 that are Dedicated or Restricted for Funding of Enforceable Obligations

ASSETS DEDICATED OR RESTRICTED	June 30, 2012
Cash dedicated or restricted for item A	\$ 1,668,900
Cash dedicated or restricted for item B	3,100
<b>Total assets</b>	<b>\$ 1,672,000</b>

### Item A:

The above amounts are dedicated or restricted by an Agreement For the Provision of Affordable Housing entered into by the former San Gabriel Redevelopment Agency and CETT Investments Corporation on January 6, 2011. This agreement required that the Agency, pursuant to Health and Safety Code Section 33413, ensure that 15% of the housing developed within the project area formed under the California Community Redevelopment Law, be occupied by very low and low-moderate income families at affordable housing costs. The Project generated an inclusionary housing requirement of three units available at affordable housing cost to low-or moderate income households and two units available at affordable housing cost to very low income households. In order to satisfy the inclusionary requirement generated by the Project, the Developer was required to provide affordable housing as follows: a) Three of the two bedroom housing units produced shall be sold to and occupied by and be available at Affordable Housing Cost to Moderate Income Households; b) Two one-bedroom units shall be sold to and occupied by and be available at Affordable Housing Costs to Very Low Income Households; C) The affordable housing units must be subject to covenants recorded in the Office of the County Recorder in a form satisfactory to the City Attorney, ensuring affordability at the above income levels for a period of 45 years. The Agency had agreed to purchase affordability covenants for Moderate Income Households in four of the two bedrooms units. The Developer will dedicate affordability covenants for Very Low Income Households in two one-bedroom units, and the Agency will be granted an option to purchase the fee interest or an affordability covenant in one two bedroom unit for the purpose of making it available at Affordable Housing Cost to a Very Low Income Household. As compensation in full for Developer's provision of Moderate Income Program Units the Agency will pay to Developer, in cash from the Low-Mod Fund, the sum of \$288,600.00 per unit for each of the four Moderate Income Program Units. The Developer granted the Agency an option to purchase an additional two bedroom unit in the Project at a sales price equal to the then current market price of the two bedroom units, not to exceed Five Hundred Fourteen Thousand Five Hundred Dollars (\$514,500). As an alternative to the Agency purchasing a fee interest the Developer granted the Agency an option to purchase an affordability covenant for a Very Low Income Household at a purchase price of Four Hundred Sixty Thousand Six Hundred Dollars (\$460,600.00). The maximum amount the Agency will pay the Developer is \$1,668,900. This obligation relates to the same item on the recognized obligation payment schedule for the period of January 1, 2012 - June 30, 2012.

### Item B:

The above amount is dedicated or restricted by an invoice dated 9/24/12 in the amount of \$3,100 made payable to Camille L. Paton for coordination, planning, and consulting services related to the implementation of the 2011 Greater Los Angeles Homeless Count. This invoice is related to purchase order # 6633 dated 12/1/10 in the amount of \$6,377. This obligation relates to the same item on the recognized obligation payment schedule for the period of January 1, 2012 - June 30, 2012 but the amount recorded on the recognized obligation payment schedule was \$3,118 a difference of \$18 from the actual invoice received.





City of San Gabriel  
(Successor Agency to the former San Gabriel Redevelopment Agency)  
Schedule of the Cash Balance at June 30, 2012 that Needs to be Retained to Satisfy Obligations on the Recognized Obligations Payment Schedule (ROPS) for the period of January 1, 2013 - June 30, 2013.

Name of Successor Agency: City of San Gabriel  
County: Los Angeles  
Overight Board Approval Date: July 30, 2013

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III)**  
January 1, 2013 through June 30, 2013

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Obligation After 6/30/2013	Total Due During Fiscal Year 2012-13	Outlier Amount (if Existing Cash in June 30, 2012 That is Needed to Satisfy Obligation)	Explanation On Why Successor Agency Believes Cash Balance is Needed to Satisfy Obligation	Lump Sum	Bond Proceeds	Reserve Balance	Admin Allowance	RPTIF (Project)	Other	Six-Month Total
<b>NON-OPERATING</b>																	
1	City Loan (City-Agency Cooperation Agreement)	6/15/1993	On-going	City of San Gabriel	City loan to the Agency including interest.	East San Gabriel Commercial Development Project	4,940,557	4,270,907							230,250		230,250
2					REMOVED BY ACTION OF THE OVERSIGHT BOARD - SEE NOTE 2												
3					REMOVED BY ACTION OF THE OVERSIGHT BOARD - SEE NOTE 3												
4					REMOVED BY ACTION OF THE OVERSIGHT BOARD - SEE NOTE 4												
<b>PROJECTS</b>																	
17	Agreement for the Provision of Affordable Housing between the Agency and CETT Investments	3/6/2011	On-going	Staff (R. Scherr), Wallya Kress, Rethymil & Kratz	Project Management/Support Legal Services	Project Management/Support Legal Services	0	18,000	9,000	See Note B below	9,000						9,000
18	Lucky Center Loan (Subsidiary for the construction of site improvements, and landscaping upgrades to attract new tenants) for major tenant improvements	1/8/2011	On-going	KMA	Housing Consulting Services	Housing Consulting Services	0	15,000	7,500	See Note C below	7,500						7,500
19	Lucky Center Loan (Subsidiary for the construction of site improvements, and landscaping upgrades to attract new tenants) for major tenant improvements	1/8/2011	On-going	CETT Investments Corporation	Financial assistance	Financial assistance	0	1,665,900			1,665,900						1,665,900
20	Visual Identity and Wayfinding Improvement Project	7/21/2009	On-going	Staff (R. Scherr)	Loan Compliance Monitoring	Loan Compliance Monitoring	On-going	4,000				2,000					2,000
21	Visual Identity and Wayfinding Improvement Project	7/21/2009	On-going	Staff (R. Scherr)	Legal Services	Legal Services	On-going	5,000				2,000					2,000
22	Visual Identity and Wayfinding Improvement Project	7/21/2009	On-going	Hurt Design (PO 6585)	Design Services including in-10 Gateway Monument Sign	Design Services including in-10 Gateway Monument Sign	5,500										5,500
23	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	Closed	Melina Landscapes (PO 6755)	Continuation Project	Continuation Project	553,870					553,870					553,870
24	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	Closed	ACE	Reimbursement	Reimbursement	483,835										483,835
25	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	MTA	Agency approved MTA grant application and committed local match on January 15, 2011. MTA awarded grant on 3/14/2011	Agency approved MTA grant application and committed local match on January 15, 2011. MTA awarded grant on 3/14/2011		459,598									459,598
26	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	Staff (R. Scherr)	Project Management	Project Management	TBD	8,800						4,400			4,400
27	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	Wallya Kress, Rethymil & Kratz	Legal Services	Legal Services	TBD	11,000						5,500			5,500
28	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	TBD	Real Estate Services	Real Estate Services	Real Estate Services	TBD	20,000						10,000			10,000
29	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	National Construction PO (639)	Phase retail	Phase retail	TBD	4,000						2,000			2,000
30	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	Colburne & Lusk, PC	Professional Legal Services	Professional Legal Services	On-going	30,000						15,000			15,000
31	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	Full Time Employees	Full Time Employees to answer phones, scan and file documents, prepare reports, respond to website, update website	Full Time Employees to answer phones, scan and file documents, prepare reports, respond to website, update website	On-going	20,000						10,000			10,000
32	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	Contract Rate (50% FTE per project)	Contract Rate (50% FTE per project)	Contract Rate (50% FTE per project)	On-going	15,000						8,000			8,000
33	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	R. Scherr	Health Insurance	Health Insurance	On-going	3,600						1,800			1,800
34	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	Carroll PO (644)	Multi-Municipal Copier Lease	Multi-Municipal Copier Lease	On-going	3,720						3,720			3,720
35	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	505 PO (6607)	Multi-Municipal Copier maintenance agreement	Multi-Municipal Copier maintenance agreement	TBD	5,388						2,694			2,694
36	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	Turbo-Charged Inc.	File, access, and security services for office facility	File, access, and security services for office facility	TBD	1,334						792			792
37	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	Kress, Wallya, Rethymil & Kratz	HOAC Nightmares	HOAC Nightmares	TBD	780						390			390
38	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	Office Depot, Coburn, Amazon & other vendors	Legal Services (General Counsel)	Legal Services (General Counsel)	On-going	26,000						13,000			13,000
39	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	Hardware's Key	Office equipment & supplies	Office equipment & supplies	On-going	5,500						2,750			2,750
40	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	SG County Water District	Water utility costs	Water utility costs	TBD	300						150			150
41	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	SG County Water District	Water utility costs	Water utility costs	TBD	3,000						1,500			1,500
42	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	SG County Water District	Water utility costs	Water utility costs	TBD	2,100						1,050			1,050
43	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	552						276			276
44	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
45	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
46	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
47	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
48	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
49	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
50	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
51	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
52	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
53	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
54	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
55	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
56	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
57	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
58	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
59	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
60	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
61	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
62	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
63	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
64	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
65	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
66	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
67	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
68	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
69	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
70	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
71	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
72	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
73	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
74	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
75	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
76	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
77	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
78	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
79	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
80	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
81	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
82	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
83	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
84	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
85	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
86	San Gabriel Blvd. Streetscape Improvement Project	3/9/2011	On-going	City of San Gabriel	Water utility costs	Water utility costs	TBD	83,080						31,500			31,500
87																	

**SUMMARY OF BALANCES AVAILABLE FOR ALLOCATION TO AFFECTED TAXING ENTITIES**

Total amount of assets held by the successor agency as of June 30, 2012 (procedure 5)(Exhibit 5-01)	\$ 1,958,083
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)(Exhibit 8A-01)	(1,672,000)
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (procedure 9)(Exhibits 9-01 and 9-02)	(56,000)
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>\$ 230,083</u>

*Note that separate computations are required for the Low and Moderate Income Housing Fund held by the Successor Agency and for all other funds held by the Successor Agency.*

NOTES: For each line shown above, an exhibit should be attached showing the composition of the summarized amount.

If the review finds that there are insufficient funds available to provide the full amount due, the cause of the insufficiency should be demonstrated in a separate schedule.