



CITY OF SOLANA BEACH

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September 27, 2012

Members of the Oversight Board for the Solana Beach Successor Agency

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Auditor-Controller
County of San Diego
1600 Pacific Highway, Room 166
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Walter F. Ekard, County Administrative Officer
County of San Diego
1600 Pacific Highway, Room 209
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cao_mail@sdcounty.ca.gov

Re: Notice Regarding Transmittal of the Housing Fund Due Diligence Review for the Successor Agency of the City of Solana Beach

To whom it may concern:

I write on behalf of the Successor Agency of the former Redevelopment Agency of the City of Solana Beach, a separate legal entity (the "Successor Agency"), in fulfillment of Health and Safety Code Sections 34179.5 and 34179.6.

Pursuant to Health and Safety Code Section 34179.5, the Successor Agency employed a licensed accountant, approved by the County Auditor-Controller for the County of San

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Diego (the "Auditor-Controller"), to conduct a due diligence review (the "Housing Fund Due Diligence Review") to determine the unobligated balances from the dissolved redevelopment agency's low and moderate income housing fund (the "Housing Fund") held by the Successor Agency available for transfer to taxing entities.

Under Health and Safety Code Section 34179.6(a), by October 1, 2012 the Successor Agency is required to provide its Oversight Board, the County Administrator Officer for the County of San Diego (the "County Administrator"), the Auditor-Controller, the State Controller's Office (the "Controller"), and the Department of Finance (the "DOF") the results of the Housing Fund Due Diligence Review.

Attached for your review is the Housing Fund Due Diligence Review prepared in conformance with Health and Safety Code Section 34179.5. The session for the Oversight Board to receive public comment on the Due Diligence Review for the Housing Fund is scheduled for October 1, 2012. The Oversight Board is scheduled to consider approval of the Due Diligence Review at its meeting on October 9, 2012, in conformance with the requirements set forth in Health and Safety Code Section 34179.6(b). The Successor Agency staff expects to be able to re-submit the completed and approved Due Diligence Review at that time.

Also in compliance with Health and Safety Code Section 34179.6, accompanying this transmittal of the Housing Fund Due Diligence Review are copies of the Successor Agency's Fiscal Year 2012-13 recognized obligation payment schedules, as approved by the Oversight Board (the "FY 2012-13 ROPS's").

For further information about the matters set forth in this notice or about the Successor Agency and the Oversight Board in general, inquiries may be directed to the undersigned, as Designated Contact Official of the Oversight Board, at:

Phone Number: 858-720-2430
E-mail Address: dott@cosb.org

Sincerely,

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

Designated Contact Official
for the Solana Beach Successor Agency Oversight Board

Enclosures (2)

Housing Fund Due Diligence Review
FY 2012-13 ROPS's