



CITY OF SOLANA BEACH

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December 13, 2012

Members of the Oversight Board for the Solana Beach Successor Agency

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

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 Auditor-Controller for the County of San Diego

(the "Auditor-Controller"), to conduct a due diligence review (the "Non-Housing Fund Due Diligence Review") to determine the unobligated balances from the former redevelopment agency's funds and accounts (excluding the Low and Moderate Income Housing Fund).

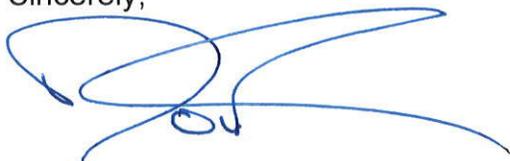
Under Health and Safety Code Section 34179.6(a), by December 15, 2012 the Successor Agency is required to provide its Oversight Board, the County Administrator Officer for the County of San Diego, the Auditor-Controller, the State Controller's Office, and the Department of Finance the results of the Non-Housing Fund Due Diligence Review.

Attached for your review is the Non-Housing Fund Due Diligence Review prepared in conformance with Health and Safety Code Section 34179.5. The Oversight Board will receive public comment on the Non-Housing Fund Due Diligence Review at 4:30 p.m. on Thursday, December 13, 2012.

Also in compliance with Health and Safety Code Section 34179.6, accompanying this transmittal of the Non-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.

Please contact me, as the Designated Communication Official for the Oversight Board, if you have any questions regarding the notifications and transmittals described and contained in this letter and enclosures.

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)

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