

**SANTA MONICA REDEVELOPMENT
SUCCESSOR AGENCY**

**Independent Accountant's Report on
Applying Agreed-Upon Procedures on the Santa
Monica Redevelopment Successor Agency,
Except its Low and Moderate
Income Housing Fund**

**As Prescribed in Section 34179.5 of
the California Health and Safety Code**



Certified Public Accountants.

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY

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Sacramento

Walnut Creek

Oakland

Newport Beach

San Diego

Seattle

City of Santa Monica Redevelopment Successor Agency
Santa Monica, California

**Independent Accountant's Report on
Applying Agreed-Upon Procedures**

We have performed the procedures enumerated in Attachment A, which were agreed to by the City of Santa Monica Redevelopment Successor Agency (Successor Agency), California State Controller's Office and California Department of Finance (collectively referred to as Specified Parties) solely to assist you in determining the balances available for transfer to taxing entities from assets transferred to the Successor Agency, excluding assets transferred from the Low and Moderate Income Housing Fund of the former redevelopment agency, as prescribed in Sections 34179.5 and 34179.6 of the California Health and Safety Code (Code). Management of the Successor Agency is responsible for the accounting records. 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 the Specified Parties. Consequently, we make no representation regarding the sufficiency of the procedures described in Attachment A, 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 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 on the assets transferred from the former redevelopment agency to the Successor Agency, excluding its Low and Moderate Income Housing Fund, and the balances available for transfer to the taxing entities. 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 Successor Agency, the California State Controller's Office, and the California Department of Finance and is not intended to be, and should not be, used by anyone other than these specified parties.

Macias Fini & O'Connell LLP

Los Angeles, California
December 27, 2012

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SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
Attachment A – Agreed-Upon Procedures and Findings

Our procedures and findings are as follows:

1) **Procedure:**

Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency (Agency) to the Successor Agency on or about February 1, 2012, excluding the assets that were transferred from the Low and Moderate Income Housing Fund. 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.

Finding: We inquired of the Financial Reporting Supervisor of the City of Santa Monica's (City) Finance Department and noted that the former redevelopment agency transferred assets in the amount of \$45,618,941, excluding its Low and Moderate Income Housing Fund, to the Successor Agency on February 1, 2012. We agreed the amount of transfers to the Successor Agency's accounting records.

2) **Procedures:**

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 of assets from the former redevelopment agency (excluding payments for goods and services), excluding the Low and Moderate Income Housing Fund, 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 of assets (excluding payments for goods and services) from the Successor Agency, excluding transfers from the Low and Moderate Income Housing Fund held by 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.
- 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.

Findings: We noted that the State Controller's Office has not completed its review of transfers as of the date of this report. As such, we performed procedures 2A through 2C.

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)

We inquired of the Financial Reporting Supervisor of the City's Finance Department and noted that there were asset transfers (excluding payments for goods and services) from all funds of the former redevelopment agency, excluding its Low and Moderate Income Housing Fund, to the City for the period January 1, 2011 through January 31, 2012. No exceptions were noted as a result of this procedure. Please refer to Exhibit A.

We noted that there were no asset transfers (excluding payments for goods and services) from the assets held by the Successor Agency, excluding its Low and Moderate Income Housing assets, to the City for the period February 1, 2012 through June 30, 2012. No exceptions were noted as a result of this procedure. Please refer to Exhibit B.

The transfers between the former redevelopment agency and the City for the period January 1, 2011 through January 31, 2012 under the Master Cooperation Agreement dated September 1, 2010 and various Cooperation Agreements dated January 9, 2003, June 30, 2003, May 28, 2009, and July 1, 2010, as summarized in Exhibit A, are subject to review and approval by the State Controller's Office (SCO). The SCO will make the final determination as to the enforceability of the obligations under the Cooperation Agreement.

3) **Procedures:**

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 of assets (excluding payments for goods and services) from the former redevelopment agency, excluding the Low and Moderate Income Housing Fund, 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.
- B. Obtain a listing prepared by the Successor Agency of transfers of assets (excluding payments for goods and services) from the Successor Agency, excluding transfers from the Low and Moderate Income Housing Fund held by 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.

Findings: We noted that State Controller's Office has not completed its review of transfers as of the date of this report. As such, we performed procedures 3A through 3C.

We inquired of the Financial Reporting Supervisor of the City's Finance Department and noted that there were asset transfers from the former redevelopment agency, excluding the Low and

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)

Moderate Income Housing Fund, (excluding payments for goods and services) to any other public agency or to private parties for the period from January 1, 2011 through June 30, 2012. No exceptions were noted as a result of these procedures. Please refer to Exhibits C and D.

4) **Procedures:**

- A. Obtain from the Successor Agency a summary of the financial transactions of the Redevelopment Agency and the Successor Agency in the format set forth in the attached schedule (Exhibit E) for the fiscal periods indicated in the schedule. For purposes of this summary, the financial transactions should be presented using the modified accrual basis of accounting. End of year balances for capital assets (in total) and long-term liabilities (in total) should be presented at the bottom of this summary schedule for information purposes.
- 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.
- 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. Describe in the report the type of support provided for each fiscal period.

Findings: We obtained from the Successor Agency a summary of the financial transactions of the former redevelopment agency and the Successor Agency for the fiscal periods as presented on Exhibit E. Account balances were traced to the accounting records of the former redevelopment agency and Successor Agency.

We ascertained that for the periods presented as of June 30, 2010 and 2011 and January 31, 2012, the total of revenues, expenditures, and transfers accounts fully for the changes in equity from the previous fiscal period. For the period ended June 30, 2012, please refer to Exhibit E for a reconciliation of the change in equity from the previous fiscal period. No exceptions were noted as a result of this procedure.

We compared amounts for the fiscal year ended June 30, 2010 to the State Controller's Report filed for the former redevelopment agency for that period and noted reclassification differences of \$456,824, \$3,041 and \$4,653,297 in Contract Retainage Payable, Accrued Liabilities, and Due to Other Agencies, respectively and (\$5,113,162) in Other Liabilities, resulting in a net difference in total liabilities of \$0.

We also noted differences of \$150,680,495 in Capital Assets as this amount was inadvertently omitted on the State Controller's report, and (\$3,368,615) in Long Term Debt as bonds are reported at par on the State Controller's Report and do not include discounts, premiums or deferred losses on refunding.

5) **Procedure:**

Obtain from the Successor Agency a listing of all assets of all funds of the Successor Agency as of June 30, 2012, excluding assets of its Low and Moderate Income Housing Fund. 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 AUP report.

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)

Finding: We inquired of the Financial Reporting Supervisor of the City’s Finance Department and noted assets in the aggregate amount of \$35,629,644 were held by the Successor Agency at June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund). We traced the assets balances to the accounting records of the Successor Agency. No exception noted as a result of this procedure performed. Please refer to Exhibit F for the results of the procedures performed.

6) **Procedures:**

Obtain from the Successor Agency a listing of asset balances of all other funds of the Successor Agency, excluding the previously reported Low and Moderate Income Housing Fund, 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.

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 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 Successor the Agency as restricted.

D. Attach the above mentioned Successor Agency prepared schedule(s) as an exhibit to the AUP report. For each restriction identified on these schedules, indicate in the report the period of

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)

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.

Findings: We noted unspent bond proceeds and bond reserves requirement in the aggregate amount of \$10,424,107 that are legally restricted per bond official statements. No exceptions were noted as a result of this procedure.

We also noted restriction on the Wells Fargo loan proceeds, which is to be used solely for repaying redevelopment costs. The amount of loan proceeds was not listed on Exhibit G as these funds were not held by the Successor Agency at June 30, 2012. Please refer to Exhibit G for the results of the procedures performed.

7) **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 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 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.

Findings: Please refer to Exhibit H for a listing of assets held by the Successor Agency, excluding the Low and Moderate Income Housing Fund that are not liquid or otherwise available for distribution as of June 30, 2012. No exceptions were noted as a result of these procedures

8) **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.

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)

- 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.
 - 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 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.

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)

- 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.

Findings: We noted the Successor Agency did not believe that asset balances, excluding the Low and Moderate Income Housing Fund assets held by the Successor Agency pertaining to these procedures are dedicated or restricted for the funding of enforceable obligations.

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. In addition, the Successor Agency does not believe 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.

9) **Procedure:**

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 (ROPS 2) and a copy of the final ROPS for the period January 1, 2013 through June 30, 2013 (ROPS 3). 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.

Finding: The Successor Agency believes that cash balances as of June 30, 2012, in the amount of \$23,591,250 need to be retained to satisfy certain obligations for the period of July 1, 2012 through December 31, 2012. Please refer to Exhibit I for the results of these procedures.

10) **Procedure:**

Include (or present) a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities from Successor Agency assets, excluding Low and Moderate Income Housing Fund assets. 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.

Finding: We noted that the County Auditor-Controller required a Residual RPTTF Amount Due of \$12,645,548 (residual payment) which the Successor Agency paid on July 12, 2012. However, this payment is not deducted for the purposes of this procedure as the funds were initially transferred from the former RDA to the City in March 2011 (refer to Exhibit A, item 3) and subsequently transferred back to the Successor Agency in July 2012 (after June 30, 2012) in order to make the required payment to the County Auditor-Controller. Please refer to Exhibit J for the results of this procedure. No exceptions were noted as a result of the procedure.

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)

- 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 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. Management's refusal to sign the representation letter should be noted in the AUP report as required by attestation standards.

Finding: We obtained a representation letter from the Successor Agency management. Management acknowledged that they are not aware of any additional transfers that have not been properly identified in Exhibits A through D, as defined by Section 34179.5 of the Health and Safety Code, from the former redevelopment agency or the Successor Agency to other parties for the period January 1, 2011 through June 30, 2012. No exceptions were noted as a result of this procedure.

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT A -FORMER REDEVELOPMENT AGENCY ASSET TRANSFERS TO THE CITY OF SANTA MONICA FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012
(EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND)

#	Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
1	Legally Restricted Tax-Exempt Loan Proceeds (Wells Fargo Term Loan)	City of Santa Monica	3/11/2011	\$ 57,906,255	<p>Per discussion with management, third party obligations payment obligations between the City and unrelated third parties were funded by this transfer, including:</p> <ul style="list-style-type: none"> - Palisades Garden Walk CIP (resolution numbers 10519 CCS and 527 RAS both dated 8/10/10): Contract # 9395 W.E O'Neil Construction Company dated 7/18/2011 , Contract 9379 with American Landscaping - Percent for the Arts CIP: Contract 2228 dated 8/31/2011 with Inigo Manglano-Ovalle - Pico Library CIP: Contract 2257 OS with Enovity Inc. dated 7/25/2011 - Civic Center Planning and Design CIP (resolution numbers 10519 CCS and 527 RAS both dated 8/10/10): Contract 9394 OS with Atkins Company dated 8/11/2011 - Traffic Signal Master Plan CIP (resolution numbers 10519 CCS and 527 RAS both dated 8/10/10) : Contracts 9432 OS with Select Electric Inc. dated 10/4/11, and 9433 OS with Psomas dated 10/18/2011 - Colorado Esplanade CIP (resolution numbers 10519 CCS and 527 RAS both dated 8/10/10) : Contract 9393 OS dated 9/6/2011 with Peter Walker & Partners and Odermatt Group Invoice dated 10/27/2011 - Downtown Parking Strategy –Property Acquisition CIP (resolution numbers 10519 CCS and 527 RAS both dated 8/10/10) : Contracts 9543 with Allan Kotin dated 1/25/2012, and 9539 with Keyser Marsten dated 1/25/2012. <p>Payments associated with these contracts to City from the former redevelopment agency (RDA) is required by the Master Cooperation Agreement (MCA) between the City and RDA to fund Capital Improvement Projects (CIPS). The MCA was executed on September 1, 2010 to transfer property tax revenues from the RDA's project areas to fund CIPS, pursuant to Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.</p> <p>Per discussion with management, payment obligations listed below between the City and unrelated third parties were also funded by this transfer:</p> <ul style="list-style-type: none"> - Contract 9544 with CMH Manufacturing West Inc. (Goldenwest Homes) dated 1/30/2012 (resolution numbers 9827/9828 CCS and 478/479 RAS all dated 1/9/2003) - Contract 9390 with Keyser Marsten Associates dated 7/12/2012 (resolution numbers 10519 CCS and 527 RAS both dated 8/10/10). <p>Payments associated with these contracts to the City from the former redevelopment agency (RDA) is required per Cooperation Agreement 8180 between the RDA and the City of Santa Monica executed on 1/9/2003 to fund Citywide Housing and Acquisition and Rehabilitation Capital Improvements Projects, pursuant to Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.</p>	No finding
2	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	4,236,477	Transfers to the City's General Fund of reserved tax increment revenue received for FY11-12 pass-through payments to taxing entities required by Health and Safety Code (HSC) 33607.6. This amount was subsequently transferred back from the City's General Fund to the Successor Agency's fund in July 2012, and this pass-through payment was made to the affected tax entities (i.e. SMMUSD, SMC, County Vector Control etc.) on July 12, 2012.	No finding
3	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	12,674,765	Transfers to the City's General Fund of funds reserved for required residual payment (\$12,645,548) to the LA County Auditor-Controller and pass-through payments (\$29,217) to taxing entities as required per HSC 34183.5(b)(2)(A). This amount was subsequently transferred back from the City's General Fund to the Successor Agency's fund in July 2012, and the payment to the Los Angeles County Auditor-Controller was made on July 12, 2012.	No finding
4	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	1,073,472	Transfers of funds reserved for a portion of required Educational Revenue Augmentation Funds (ERAFs) FY 10-11 payment. Remaining payment amount due of \$129,074 is reserved in the Successor Agency Fund.	No finding
5	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	4,444	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 8879 with Griffith Company dated 5/27/09. Payment to City from the former redevelopment agency (former RDA) as is required by Cooperation Agreement 8180 between the former RDA and the City of Santa Monica executed on 1/9/03 to fund Citywide Housing and Acquisition and Rehabilitation Capital Improvement Project. Pursuant to certain determinations made by City Council and the former RDA in resolutions 9827/9828 CCS and 478/479 RAS all dated 1/9/03, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding

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EXHIBIT A -FORMER REDEVELOPMENT AGENCY ASSET TRANSFERS TO THE CITY OF SANTA MONICA FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012
(EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND)

#	Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
6	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	6,260	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9052 with Comprehensive Housing Services for monitoring of prevailing wages dated 5/27/09. Payment to City from the former redevelopment agency (former RDA) is required by Cooperation Agreement 8949 between the former RDA and the City of Santa Monica executed on 5/28/09 to fund Parking Structure 7 and 8 Capital Improvement Project. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10318 CCS and 510 RAS both dated 7/8/08, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
7	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	1,371	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9103 with Fehr & Associates dated 8/21/09. Payment to City from the former redevelopment agency (former RDA) is required by Cooperation Agreement 9235 between the former RDA and the City of Santa Monica executed on 7/1/10 to fund Civic Center Expo Green Street and Pathways Capital Improvement Projects. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10502 CCS and 525 RAS both dated 6/24/10, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
8	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	551	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9172 with Cityworks Design dated 3/1/10. Payment to City from the former redevelopment agency (former RDA) is required by Cooperation Agreement 9236 between the former RDA and the City of Santa Monica executed on 7/1/10 to fund Expo Light Rail Enhancements Capital Improvement Projects. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10503 CCS and 526 RAS both dated 6/24/10, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
9	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	460	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9188 with ICON West Inc. dated 5/3/10. Payment to City from the former redevelopment agency (former RDA) is required by Cooperation Agreement 9190 between the former RDA and the City of Santa Monica executed on 7/1/10 to fund Seismic Retrofit Downtown Parking Capital Improvement Projects. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10464 CCS and 520 RAS both dated 3/23/10 the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
10	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	11,140	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 1975 with Linda Demmers dated 2/5/10 under the Pico Library Capital Improvement Project. Payment to City from the former redevelopment agency (former RDA) is required by the Master Cooperation Agreement (MCA) between the City and former RDA to fund Capital Improvement Projects (CIPS). The MCA was executed on September 1, 2010 to transfer property tax revenues from the RDA's project areas to fund CIPS. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10519 CCS and 527 RAS both dated 8/10/10, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
11	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	446,850	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9180 with Koning Eizenberg dated 6/21/2010. Payment to City from the former redevelopment agency (former RDA) as is required by Cooperation Agreement 9236 between the former RDA and the City of Santa Monica executed on 7/1/10 to fund Pico Library Capital Improvement Projects, "for the purpose of aiding and co-operating in the planning, undertaking, construction, or operation of redevelopment projects projects..." as pursuant to Health and Safety Code 33220. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10503 CCS and 526 RAS both dated 6/24/10, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT A -FORMER REDEVELOPMENT AGENCY ASSET TRANSFERS TO THE CITY OF SANTA MONICA FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012
(EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND)

#	Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
12	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	70,000	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9113 with Allan Kotin dated 6/21/2010 under the Downtown Parking Strategy-Property Acquisition Capital Improvement Project. Payment to City from the former redevelopment agency (former RDA) is required by the Master Cooperation Agreement (MCA) between the City and RDA to fund Capital Improvement Projects (CIPS). The MCA was executed on September 1, 2010 to transfer property tax revenues from the RDA's project areas to fund CIPS. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10519 CCS and 527 RAS both dated 8/10/10, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
13	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	11,400	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9128 with Mid-Valley Engineering dated 7/13/09 under the Civic Center Planning and Design Capital Improvement Project. Payment to City from the former redevelopment agency (former RDA) is required by the Master Cooperation Agreement (MCA) between the City and RDA to fund Capital Improvement Projects (CIPS). The MCA was executed on September 1, 2010 to transfer property tax revenues from the RDA's project areas to fund CIPS. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10519 CCS and 527 RAS both dated 8/10/10, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
14	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	3,866	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 2320 with Iteris Inc dated 8/15/09 under the Traffic Signal Master Plan Capital Improvement Project. Payment to City from the former redevelopment agency (former RDA) is required by the Master Cooperation Agreement (MCA) between the City and RDA to fund Capital Improvement Projects (CIPS). The MCA was executed on September 1, 2010 to transfer property tax revenues from the RDA's project areas to fund CIPS. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10519 CCS and 527 RAS both dated 8/10/10, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
15	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	132,627	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9295 with URS dated 11/23/10 under the Palisades Bluffs Capital Improvement Project. Payment to City from the former redevelopment agency (former RDA) is required by the Master Cooperation Agreement (MCA) between the City and RDA to fund Capital Improvement Projects (CIPS). The MCA was executed on September 1, 2010 to transfer property tax revenues from the RDA's project areas to fund CIPS. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10519 CCS and 527 RAS both dated 8/10/10, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
16	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	20,775	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9062 with Nelson Nygaard Consulting dated 7/9/09 under the Downtown Parking Strategy-Property Acquisition Capital Improvement Project. Payment to City from the former redevelopment agency (former RDA) is required by the Master Cooperation Agreement (MCA) between the City and RDA to fund Capital Improvement Projects (CIPS). The MCA was executed on September 1, 2010 to transfer property tax revenues from the RDA's project areas to fund CIPS. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10502 CCS and 525 RAS both dated 6/24/10, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
17	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	1,311,455	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9167 with AECOM dated 7/1/10. Payment to City from the former redevelopment agency (former RDA) as is required by Cooperation Agreement 9233 between the former RDA and the City of Santa Monica Contract executed on 7/1/10 to fund Civic Center Planning and Design Capital Improvement Projects, "for the purpose of aiding and co-operating in the planning, undertaking, construction, or operation of redevelopment projects projects..." as pursuant to Health and Safety Code 33220. Pursuant to certain determinations made by City Council and the former RDA in resolutions 10497 CCS and 522 RAS both dated 6/22/10, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT A -FORMER REDEVELOPMENT AGENCY ASSET TRANSFERS TO THE CITY OF SANTA MONICA FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012
(EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND)

#	Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
18	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	16,558	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 1755 with Geo-Environmental dated 1/8/09. Payment to City from the former redevelopment agency (former RDA) is required by Cooperation Agreement 8181 between the former RDA and the City of Santa Monica executed on 6/20/2003 to fund Seismic Retrofit Downtown Parking Capital Improvement Projects. Pursuant to certain determinations made by City Council and the former RDA in resolutions 9827/9828 CCS and 478/479 RAS all dated 1/9/03, the City and former RDA consented to pay for all or part of the costs associated with this contract in accordance with Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
19	Cash	City of Santa Monica	(03/09/2011-6/27/2011)	46,266,746	Per discussion with management, this transfer funded an obligation between the City of Santa Monica and an unrelated third party under contract 9396 with Morley Builders dated 1/31/2012 under Civic Auditorium Renovation Capital Improvement Project. Payment to City from the former redevelopment agency (former RDA) as required by the Master Cooperation Agreement (MCA) between the City and former RDA to fund Capital Improvement Projects (CIPS). The MCA was executed on September 1, 2010 to transfer property tax revenues from the former RDA's project areas to fund CIPS, pursuant to Health and Safety Code 33445 allowing for the "installation or construction of any public building, facility, structure, or other improvement that is publicly owned and is located inside or contiguous to" redevelopment project areas.	No finding
20	Cash	City of Santa Monica	6/29/2011	21,429	Transfer from Downtown Redevelopment Project Area Fund to City for FY 10-11 pass-through payment to the City as required by HSC 33607.5.	No finding
21	Cash	City of Santa Monica	6/29/2011	1,874,195	Transfer from Earthquake Redevelopment Project Area Fund to City for FY 10-11 pass-through payment to the City as required by HSC 33607.5.	No finding
22	Civic Land Acquisition (Village and Public Park)	City of Santa Monica	3/9/2012	44,358,489	Transfers of capital assets consisting of a total of 11.3 acres, deeded to City (entire 11.3 acre capital asset deeded to the City, including an additional 1.6 acre parcel identified in the Low and Moderate Income Housing Fund, from the former redevelopment agency on March 9, 2011) to be used for multiple functions, per Option Agreement No. 9340 (dated March 4, 2011) - Second Implementing Agreement to the Master Cooperation Agreement No. 9267. Per discussion with management, the assets transferred are contractually committed to a third party for the expenditure or encumbrance of those assets, pursuant to HSC 34167.5, as followed: - 1.8 acres of land was leased to an unrelated third party for 99 years with a additional 50 year renewal option for a mixed-use housing function pursuant to the Disposition and Development Agreement (DDA) between the former Redevelopment Agency of the City Santa Monica (former RDA) and Related/Santa Monica Village LLC dated June 10, 2008 - 6.23 acres to be used for public park functions, as required by the Civic Center Specific Plan dated June 23, 2005. This park is currently under construction - .172 acres consists of a parcel containing an existing building operating as a restaurant with a month-to-month lease with an unrelated third party - .172 acres consist of a parcel containing a parking lot and a public right of way easement for alley purposes - 1.18 acres consists of a 100' wide right of way for public street purposes	No finding
23	Parking Structure #1	City of Santa Monica	3/9/2011		- Transfers of capital assets to the City on March 9, 2011 to be used for public parking functions, per Option Agreement No.9340 - Second Implementing Agreement to the Master Cooperation No. 9267 Per discussion with management, the assets transferred are contractually committed to a third party for the expenditure or encumbrance of those assets, pursuant to HSC 34167.5, as followed: - Following payment of outstanding Parking Authority of the City Santa Monica Lease Revenue Bonds, 2002 Series, conveyance of parking structure #1-3 to the City is required per section 8.06 of the existing Lease between the City and the Parking Authority of the City of Santa Monica dated May 1, 2002 - Also, pursuant to the Off-Site Parking Easement and Permit Agreement dated July 28, 2010 between the former Redevelopment Agency of the City Santa Monica (RDA) and Macerich Santa Monica, LLC, the owner and operator of Santa Monica Place Shopping Center, short-term public parking must be made available in Parking Structures #1-6 as described in Section 1C of this agreement. Note: In their letter dated October 12, 2012 the Department of Finance determined that 2003 Promissory Notes A and B associated with Contract #8181 between the former redevelopment Agency of the City of Santa Monica and the Parking Authority of the City of Santa Monica for the sale and purchase of downtown Parking Structures 1-6 were not enforceable obligations, therefore the purchase of Parking Structures 1-6 by the RDA was voided by the Department of Finance.	No finding

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT A -FORMER REDEVELOPMENT AGENCY ASSET TRANSFERS TO THE CITY OF SANTA MONICA FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012
(EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND)

#	Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
24	Parking Structure #2	City of Santa Monica	3/9/2011	320,000	<p>Transfers of capital assets to the City on March 9, 2011 to be used for public parking functions, per Option Agreement No.9340 - Second Implementing Agreement to the Master Cooperation No. 9267</p> <p>Per discussion with management, the assets transferred are contractually committed to a third party for the expenditure or encumbrance of those assets, pursuant to HSC 34167.5, as followed: - Following payment of outstanding Parking Authority of the City Santa Monica Lease Revenue Bonds, 2002 Series, conveyance of parking structure #1-3 to the City is required per section 8.06 of the existing Lease between the City and the Parking Authority of the City of Santa Monica dated May 1, 2002 - Also, pursuant to the Off-Site Parking Easement and Permit Agreement dated July 28, 2010 between the former Redevelopment Agency of the City Santa Monica (RDA) and Macerich Santa Monica, LLC, the owner and operator of Santa Monica Place Shopping Center, short-term public parking must be made available in Parking Structures #1-6 as described in Section 1C of this agreement.</p> <p>Note: In their letter dated October 12, 2012 the Department of Finance determined that 2003 Promissory Notes A and B associated with Contract #8181 between the former redevelopment Agency of the City of Santa Monica and the Parking Authority of the City of Santa Monica for the sale and purchase of downtown Parking Structures 1-6 were not enforceable obligations, therefore the purchase of Parking Structures 1-6 by the RDA was voided by the Department of Finance.</p>	No finding
25	Parking Structure #3	City of Santa Monica	3/9/2011	654,351	<p>Transfers of capital assets to the City on March 9, 2011 to be used for public parking functions, per Option Agreement No.9340 - Second Implementing Agreement to the Master Cooperation No. 9267</p> <p>Per discussion with management, the assets transferred are contractually committed to a third party for the expenditure or encumbrance of those assets, pursuant to HSC 34167.5, as followed: - Following payment of outstanding Parking Authority of the City Santa Monica Lease Revenue Bonds, 2002 Series, conveyance of parking structure #1-3 to the City is required per section 8.06 of the existing Lease between the City and the Parking Authority of the City of Santa Monica dated May 1, 2002 - Also, pursuant to the Off-Site Parking Easement and Permit Agreement dated July 28, 2010 between the former Redevelopment Agency of the City Santa Monica (RDA) and Macerich Santa Monica, LLC, the owner and operator of Santa Monica Place Shopping Center, short-term public parking must be made available in Parking Structures #1-6 as described in Section 1C of this agreement.</p> <p>Note: In their letter dated October 12, 2012 the Department of Finance determined that 2003 Promissory Notes A and B associated with Contract #8181 between the former redevelopment Agency of the City of Santa Monica and the Parking Authority of the City of Santa Monica for the sale and purchase of downtown Parking Structures 1-6 were not enforceable obligations, therefore the purchase of Parking Structures 1-6 by the RDA was voided by the Department of Finance.</p>	No finding
26	Parking Structure #4	City of Santa Monica	3/9/2011	1,030,566	<p>Transfers of capital assets to the City on March 9, 2011 to be used for public parking functions, per Option Agreement No.9340 - Second Implementing Agreement to the Master Cooperation No. 9267</p> <p>Per discussion with management, the assets transferred are contractually committed to a third party for the expenditure or encumbrance of those assets, pursuant to HSC 34167.5, as followed: - Grant deed for property transfer from the Agency to the City recorded on March 9, 2011. Pursuant to the Off-Site Parking Easement and Permit Agreement dated July 28, 2010 between the former Redevelopment Agency of the City Santa Monica (RDA) and Macerich Santa Monica, LLC, the owner and operator of Santa Monica Place Shopping Center, short-term public parking must be made available in Parking Structures #1-6 as described in Section 1C of this agreement.</p> <p>Note: In their letter dated October 12, 2012 the Department of Finance determined that 2003 Promissory Notes A and B associated with Contract #8181 between the former redevelopment Agency of the City of Santa Monica and the Parking Authority of the City of Santa Monica for the sale and purchase of downtown Parking Structures 1-6 were not enforceable obligations, therefore the purchase of Parking Structures 1-6 by the RDA was voided by the Department of Finance.</p>	No finding

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT A -FORMER REDEVELOPMENT AGENCY ASSET TRANSFERS TO THE CITY OF SANTA MONICA FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012
(EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND)

#	Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
27	Parking Structure #5	City of Santa Monica	3/9/2011	487,639	<p>Transfers of capital assets to the City on March 9, 2011 to be used for public parking functions, per Option Agreement No.9340 - Second Implementing Agreement to the Master Cooperation No. 9267</p> <p>Per discussion with management, the assets transferred are contractually committed to a third party for the expenditure or encumbrance of those assets, pursuant to HSC 34167.5, as followed: - Pursuant to the Off-Site Parking Easement and Permit Agreement dated July 28, 2010 between the former Redevelopment Agency of the City Santa Monica (RDA) and Macerich Santa Monica, LLC, the owner and operator of Santa Monica Place Shopping Center, short-term public parking must be made available in Parking Structures #1-6 as described in Section 1C of this agreement.</p> <p>Note: In their letter dated October 12, 2012 the Department of Finance determined that 2003 Promissory Notes A and B associated with Contract #8181 between the former redevelopment Agency of the City of Santa Monica and the Parking Authority of the City of Santa Monica for the sale and purchase of downtown Parking Structures 1-6 were not enforceable obligations, therefore the purchase of Parking Structures 1-6 by the RDA was voided by the Department of Finance.</p>	No finding
28	Parking Structure #6	City of Santa Monica	3/9/2011	315,177	<p>Transfers of capital assets to the City on March 9, 2011 to be used for public parking functions, per Option Agreement No.9340 - Second Implementing Agreement to the Master Cooperation No. 9267</p> <p>Per discussion with management, the assets transferred are contractually committed to a third party for the expenditure or encumbrance of those assets, pursuant to HSC 34167.5, as followed: - Pursuant to the Off-Site Parking Easement and Permit Agreement dated July 28, 2010 between the former Redevelopment Agency of the City Santa Monica (RDA) and Macerich Santa Monica, LLC, the owner and operator of Santa Monica Place Shopping Center, short-term public parking must be made available in Parking Structures #1-6 as described in Section 1C of this agreement.</p> <p>Note: In their letter dated October 12, 2012 the Department of Finance determined that 2003 Promissory Notes A and B associated with Contract #8181 between the former redevelopment Agency of the City of Santa Monica and the Parking Authority of the City of Santa Monica for the sale and purchase of downtown Parking Structures 1-6 were not enforceable obligations, therefore the purchase of Parking Structures 1-6 by the RDA was voided by the Department of Finance.</p>	No finding
29	Parking Structure #7	City of Santa Monica	3/9/2011	3,066,492	<p>Capital asset deeded to City per section 4 of the Lease dated December 1, 1978 between the former redevelopment Agency and the City of Santa Monica, Parking Structure #7 and #8 are to be conveyed to the City of Santa Monica after all Redevelopment Agency of the City of Santa Monica Lease Revenue Bonds, Series 2002, are paid. These bonds were paid off in 2008.</p> <p>Per discussion with management, the assets transferred are contractually committed to a third party for the expenditure or encumbrance of those assets, pursuant to HSC 34167.5, as followed: - Property deeded to City from the Agency on March 9, 2011. Property has an existing 77 year lease with an unrelated third party for operation and maintenance of the parking facility, a 77 year Reciprocal Easement Agreement with various unrelated parties, a 77 year lease with an unrelated third party for operation and maintenance of Non-Mall stores located in the parking facility.</p>	No finding
30	Parking Structure #8	City of Santa Monica	3/9/2011	3,049,258	<p>Capital asset deeded to City per section 4 of the Lease dated December 1, 1978 between the former redevelopment Agency and the City of Santa Monica, Parking Structure #7 and #8 are to be conveyed to the City of Santa Monica after all Redevelopment Agency of the City of Santa Monica Lease Revenue Bonds, Series 2002, are paid. These bonds were paid off in 2008.</p> <p>Per discussion with management, the assets transferred are contractually committed to a third party for the expenditure or encumbrance of those assets, pursuant to HSC 34167.5, as followed: - Property deeded to City from the Agency on March 9, 2011. Property has an existing 77 year lease with an unrelated third party for operation and maintenance of the parking facility, a 77 year Reciprocal Easement Agreement with various unrelated parties, a 77 year lease with an unrelated third party for operation and maintenance of Non-Mall stores located in the parking facility.</p>	No finding

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT A -FORMER REDEVELOPMENT AGENCY ASSET TRANSFERS TO THE CITY OF SANTA MONICA FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012
(EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND)

#	Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
31	1301 & 1333 Fourth Street	City of Santa Monica	3/9/2011	42,586,559	Transfers of capital assets to the City on March 4, 2011 to be used for public parking functions, per Option Agreement No.9340 - Second Implementing Agreement to the Master Cooperation No. 9267 Per discussion with management, the assets transferred are contractually committed to a third party for the expenditure or encumbrance of those assets, pursuant to HSC 34167.5, as followed: - Grant deed for property from the Agency to the City recorded on March 9, 2011. Recorded deed of trusts to unrelated third party beneficiaries thru 2042, based on Purchase and Sale Agreement dated October 13, 2010.	No finding
			Total	\$ 221,959,626		

**SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT B -SUCCESSOR AGENCY TRANSFERS TO THE CITY OF SANTA MONICA FOR THE PERIOD FEBRUARY 1, 2012 THROUGH JUNE 30, 2012
(EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND ASSETS)**

Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
None					

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT C - FORMER REDEVELOPMENT AGENCY ASSET TRANSFERS TO PUBLIC AGENCIES OR PRIVATE PARTIES
FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012 (EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND)

#	Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
1	Cash	Wells Fargo Real Estate Group	4/1/2011	\$ 61,688	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
2	Cash	Wells Fargo Real Estate Group	5/2/2011	82,438	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
3	Cash	LA County Auditor-Controller	5/4/2011	4,299,520	FY 10-11 payment for deposit into the County's Supplemental Education Revenue Augmentation Fund (SERAF) as required by HSC 33690.	No finding
4	Cash	Wells Fargo Real Estate Group	5/31/2011	86,542	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
5	Cash	Wells Fargo Real Estate Group	7/1/2011	83,750	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
6	Cash	Union Bank N.A	7/1/2011	151,000	Debt Service payment per Redevelopment Agency of the City of Santa Monica Earthquake Recovery Redevelopment Project 2011 Tax Allocation Bonds Indenture	No finding
7	Cash	Bank of America NA	7/26/2011	29,439	Interest payment due per contract # 8922 Credit Agreement between the RDA and Bank of America N.A dated, May 1, 2008	No finding
8	Cash	Wells Fargo Real Estate Group	8/11/2011	86,542	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
9	Cash	Wells Fargo Real Estate Group	9/1/2011	56,542	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
10	Cash	Wells Fargo Real Estate Group	9/29/2011	83,750	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
11	Cash	Bank of America NA	9/29/2011	72,661	Interest payment due per contract # 8922 Credit Agreement between the RDA and Bank of America N.A dated, May 1, 2008	No finding
12	Cash	LA County Fire District	10/17/2011	1,120	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
13	Cash	LA County Dept of Public Works	10/17/2011	2,558	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
14	Cash	LA County West Vector Control	10/17/2011	54	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
15	Cash	LA County Office of Education	10/17/2011	605	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
16	Cash	Santa Monica City College Dist	10/17/2011	5,281	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
17	Cash	Santa Monica-Malibu Unified School District	10/17/2011	21,625	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
18	Cash	Metropolitan Water District of Southern California	10/17/2011	485	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
19	Cash	LA County Fire District	10/17/2011	163,037	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
20	Cash	LA County Dept of Public Works	10/17/2011	258,232	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
21	Cash	LA County West Vector Control	10/17/2011	5,454	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT C - FORMER REDEVELOPMENT AGENCY ASSET TRANSFERS TO PUBLIC AGENCIES OR PRIVATE PARTIES
FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012 (EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND)

#	Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
22	Cash	LA County Office of Education	10/17/2011	87,942	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
23	Cash	Santa Monica City College Dist	10/17/2011	365,073	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
24	Cash	Santa Monica-Malibu Unified School District	10/17/2011	1,362,647	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
25	Cash	Metropolitan Water District of Southern California	10/17/2011	67,655	Pass-Through Payment for FY 10-11 as required by HSC 33607.5.	No finding
26	Cash	Bank of America NA	10/31/2011	30,211	Interest payment due per contract # 8922 Credit Agreement between the RDA and Bank of America N.A dated, May 1, 2008	No finding
27	Cash	Wells Fargo Real Estate Group	11/1/2011	86,542	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
28	Cash	Wells Fargo Real Estate Group	12/15/2011	86,229	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
29	Cash	Wells Fargo Real Estate Group	12/31/2011	86,542	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
30	Cash	Union Bank N.A	1/1/2012	1,131,206	Debt Service payment per Redevelopment Agency of the City of Santa Monica Earthquake Recovery Redevelopment Project 2011 Tax Allocation Bonds Indenture	No finding
31	Cash	Wells Fargo Real Estate Group	1/5/2012	4,376,777	Interest and principal payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
32	Cash	Bank of America NA	1/30/2012	64,767	Interest payment due per contract # 8922 Credit Agreement between the RDA and Bank of America N.A dated, May 1, 2008	No finding
			Total	<u>\$ 13,297,911</u>		

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT D - SUCCESSOR AGENCY ASSET TRANSFERS TO PUBLIC AGENCIES OR PRIVATE PARTIES FOR THE PERIOD FEBRUARY 1, 2012 THROUGH JUNE 30, 2012
(EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND ASSETS)

#	Asset description	Name of the recipient	Date of transfer	Book value of asset at date of transfer	Describe the purpose of the transfer and specify the enforceable obligation or other legal requirement requiring such transfer and the date of such requirement	Finding
1	Cash	Wells Fargo Real Estate Group	2/2/2012	\$ 85,397	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
2	Cash	Santa Monica-Malibu Unified School District	2/28/2012	1,784,344	Statutory pass-through payment as required by HSC 33607.5.	No finding
3	Cash	Wells Fargo Real Estate Group	3/1/2012	79,103	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
4	Legally Restricted Bond Proceeds-City of Santa Monica Earthquake Recovery Redevelopment Project 2011 Tax Allocation Bonds	Santa Monica-Malibu Unified School District	3/30/2012	4,065,000	Payment due under contract #9374 MOU regarding the Civic Center Joint Use Project between the former redevelopment agency and the Santa Monica-Malibu Unified School District	No finding
5	Cash	Wells Fargo Real Estate Group	4/2/2012	84,559	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
6	Cash	Wells Fargo Real Estate Group	5/1/2012	81,830	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
7	Cash	Wells Fargo Real Estate Group	6/4/2012	84,558	Interest payment due per section 2.3 of Wells Fargo Credit Agreement between the RDA and Wells Fargo Bank dated, March 11, 2011	No finding
			Total	<u>\$ 6,264,791</u>		

**SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT E - CONDENSED SUMMARY OF FINANCIAL DATA**

	<u>State Controller's Report</u>						
	Redevelopment Agency 12 Months Ending June 30, 2010	June 30, 2010	Audited vs. State Controller's Report				
Assets:							
Cash and investments	\$ 87,850,856	\$ 87,850,856	\$ -	\$ -	\$ 26,487,739	\$ 23,591,250	
Cash and investments with fiscal agents	6,983,601	6,983,601	-	46,172,023	39,520,000	10,424,107	
Interest receivable	378,053	378,053	-	115,445	-	-	
Property tax receivable	2,452,396	2,452,396	-	3,592,967	-	-	
Notes Receivable	39,211,151	39,211,151	-	47,253,290	48,575,867	-	
Prepayment against Master Cooperation Agreement	-	-	-	105,044,802	-	-	
Prepaid Items	-	-	-	19,974	-	-	
Due from other funds	-	-	-	117,488	-	-	
Other receivables	-	-	-	8,010	7,926	-	
Total Assets	\$ 136,876,057	\$ 136,876,057	\$ -	\$ 202,323,999	\$ 114,591,532	\$ 34,015,357	
Liabilities:							
Accounts payable and accrued expenses	\$ 3,043,340	\$ 3,043,340	\$ -	\$ 1,060,393	\$ -	\$ 9,595	
Contracts retainage payable	456,824	-	456,824	180,838	-	-	
Accrued liabilities	3,041	-	3,041	-	-	-	
Due to other agencies	4,653,297	-	4,653,297	12,182,807	25,975,861	24,191,517	
Due to other funds	-	-	-	117,488	-	-	
Other liabilities	-	5,113,162	(5,113,162)	-	-	-	
Total Liabilities	\$ 8,156,502	\$ 8,156,502	\$ -	\$ 13,541,526	\$ 25,975,861	\$ 24,201,112	
Equity	128,719,555	128,719,555	-	188,782,473	88,615,671	9,814,245	
Total Liabilities + Equity	\$ 136,876,057	\$ 136,876,057	\$ -	\$ 202,323,999	\$ 114,591,532	\$ 34,015,357	
Total Revenues:	\$ 75,684,019	\$ 75,684,019	\$ -	\$ 77,115,281	\$ 20,751,221	\$ 25,458,791	
Total Expenditures/Expenses:	78,220,568	78,220,568	-	189,772,114	168,801,974	500,966	
Total Transfers In (Out)	-	-	-	-	11,753,255	-	
Other Financing Sources/Uses	10,731,877	10,731,877	-	172,719,751	36,130,696	(34,786,660)	
Extraordinary Gain	-	-	-	-	-	19,643,080	
Net change in equity	\$ 8,195,328	\$ 8,195,328	\$ -	\$ 60,062,918	\$ (100,166,802)	\$ 9,814,245	
Beginning Equity:	\$ 120,524,227	\$ 120,524,227	-	128,719,555	188,782,473	-	
Ending Equity:	\$ 128,719,555	\$ 128,719,555	\$ -	\$ 188,782,473	\$ 88,615,671	\$ 9,814,245	
Reconciliation of former redevelopment agency ending equity as of January 31, 2012 to the Successor Agency's extraordinary gain as of June 30, 2012:							
Redevelopment Agency Ending equity					\$ 88,615,671		
Transfer to Housing Successor					(68,972,591)		
Extraordinary gain on RDA dissolution					(19,643,080)		
Successor Agency beginning equity					\$ -		
Other Information (show year end balances for all three years presented):							
Capital assets	\$ 150,680,495	\$ -	\$ 150,680,495	\$ -		\$ -	
Long term debt	\$ 122,964,248	\$ 126,332,863	\$ (3,368,615)	\$ 329,610,425		\$ 249,281,231	

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT F - SUCCESSOR AGENCY ASSETS HELD BY THE SUCCESSOR AGENCY
(EXCLUDING LOW AND MODERATE INCOME HOUSING FUND ASSETS)

Assets	June 30, 2012
Cash- Operating cash - fund 16	\$ (5,593)
Cash- Operating cash - fund 17	(94,750)
Cash- Operating cash - fund 18	(14,256)
Cash- R/C-Red Oblig Ret Fund (RORF) (16 Fund RORF Payment)	270,183
Cash- R/C-Red Oblig Ret Fund (RORF) (17 Fund RORF Payment)	19,243,419
Cash- R/C-Red Oblig Ret Fund (RORF) (18 Fund RORF Payment)	182,433
Cash - R/C-Fd 16 Successor Agency (Former Redev. Agency cash remaining in 16 Fund)	1,988,366
Cash- R/C-Fd 17 Successor Agency (Former Redev. Agency cash remaining in 17 Fund)	1,052,955
Cash- R/C-Fd 18 Successor Agency (Former Redev. Agency cash remaining in 18 Fund)	968,493
Cash- R/C/W/F/A-EQ 2006 A-INT (2006 EQ A & B BONDS JULY 2012 INT PAYMENT)	1,223,785
Cash- R/C/W/F/A-EQ 2006 A-PRIN (2006 EQ B BOND JULY 2012 PRIN PAYMENT)	2,005,000
Cash- R/C/W/F/A-EQ RDA 2011-Interest (2011 EQ BOND JULY 2012 INT PAYMENT)	1,131,206
Cash- R/C/W/F/A-OP debt svc fd-2002 (2002 OP BOND JULY 2012 PRIN/INT PAYMENT)	1,499,005
Cash- R/C/W/F/A-EQ RDA 2011-Reserve (2011 EQ BOND RESERVE)	2,262,432
Cash- R/C/W/F/A-OP DS Reserve 2002 (2002 OP BOND RESERVE)	1,748,352
Cash- R/C/W/F/A-OP RDA 1A 85.75% (UNSPENT 2002 OP BOND PROCEEDS)	477,032
Cash- R/C/W/F/A-OP RDA 1B 14.25% (UNSPENT 2002 OP BOND PROCEEDS)	77,295
Deferred Offering Costs- 2011 EQ RDA bonds-def off cost (2011 EQ Bond)	425,631
Deferred Offering Costs- 2006 EQ RDA bonds-def offering (2006 EQ Bond)	1,010,107
Deferred Offering Costs- 2002 OP RDA ref bonds-def off (2002 OP Bond)	178,549
Total Assets	\$ 35,629,644

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT G - SUCCESSOR AGENCY RESTRICTED ASSETS HELD BY THE SUCCESSOR AGENCY
(EXCLUDING LOW AND MODERATE INCOME HOUSING FUND RESTRICTED ASSETS)

Assets	June 30, 2012	Computation of the Restricted Balance	Source for the computation of the restricted balance (i.e. accounting records or other supporting documentation)	Identify the document requiring the restriction. For each restriction identified on these schedules, indicate in the period of time for which the restrictions are in effect. Note whether the restrictions are in effect until the related assets are expended for their intended purpose.
<u>A. Unspent Bond Proceeds</u>				
Cash held w/ Fiscal Agents including unspent 2002 Ocean Park Bond proceeds	\$ 10,424,107	\$ 10,424,107	General ledger	Bond Covenants for 2011 Earthquake Bonds, 2006 Earthquake Bonds, 2002 Ocean Park Bonds required for bond debt service payments and reserves. OP Bond Indenture requires a special fund to be set up, unspent bond proceeds are being used to fund a portion of the Special Fund.
Total Assets	<u>\$ 10,424,107</u>			
<u>B. Grant Proceeds and Program Income</u>				
None	\$ -			
Total Assets	<u>\$ -</u>			
<u>C. Other Assets Considered Legally Restricted</u>				
Legally Restricted Tax-Exempt Loan Proceeds (Wells Fargo Term Loan)	\$ -	\$ -	General ledger	We reviewed the Wells Fargo Credit Agreement between Wells Fargo Bank and the former RDA and noted the loan proceeds are restricted as to purpose (to be used solely for paying redevelopment project costs). Note that total loan proceeds were not listed on Exhibit G as they were not held by the Successor Agency at 6/30/12, per procedure 6.
Total Assets	<u>\$ -</u>			
Summary of Restricted Assets Listed in Tables A, B and C	<u>\$ 10,424,107</u>			

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY
EXHIBIT H - SUCCESSOR AGENCY ASSETS OTHER THAN CASH AND CASH EQUIVALENTS
(EXCLUDING LOW AND MODERATE INCOME HOUSING FUND ASSETS)

Asset	June 30, 2012	Basis (i.e. Book Value/ Fair Market Value)	Description of the records provided supporting the book value listed (i.e. previously audited financial statements or the accounting records) and any differences noted. If differences pertain to disposal of assets, note whether the proceeds were deposited into the Successor Agency	Description of the methodology used to support the market value listed
Deferred Offering Cost	\$ 1,614,287	Net book value	Accounting records	N/A - Book value used
Grand Total	\$ 1,614,287			

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY

EXHIBIT I - SUCCESSOR AGENCY ASSETS THAT ARE NEEDED TO SATISFY ENFORCEABLE OBLIGATIONS ON THE RECOGNIZED OBLIGATION
PAYMENT SCHEDULE (ROPS) FOR THE PERIOD FROM JULY 1, 2012 THROUGH JUNE 30, 2013 (EXCLUDING LOW AND MODERATE INCOME HOUSING FUND)

Item #	Project Name / Debt Obligation	Payee	Description	Payments by Month							Existing cash needed to satisfy the obligation	Successor Agency rationale for retaining cash balances to satisfy obligations	
				July	Aug	Sept	Oct	Nov	Dec	Total			
ROPS II													
1)	Wells Fargo Term Loan	Wells Fargo	Loan payment	\$ 4,357,800	\$ 72,086	\$ 72,086	\$ 72,086	\$ 72,086	\$ 72,086	\$ 4,718,230	\$ 4,718,230	Funds needed to make monthly interest/principal payments due on this loan from July-Dec 2012	
2)	Wells Fargo Term Loan	Wells Fargo	Loan payment	-	-	-	-	-	-	4,357,800	4,357,800	Funds needed to make monthly interest and principal payment due on this loan for the month of Jan. 2013, payment made in Dec. 2012 for Jan. 1 due date.	
5)	2011 Earthquake RDA Bonds	Union Bank	2011 Earthquake RDA Bonds for Bond payment per the bond indenture	-	-	-	-	-	-	1,131,206	1,131,206	Funds needed to make Bond interest payment due in Jan. 2013, payment made in Dec. 2012 for Jan. 1 due date.	
7)	2006 Earthquake RDA Series A Bonds	Union Bank	2006 Earthquake RDA Series A Bond for Bond payment per the bond indenture	-	-	-	-	-	-	1,113,647	1,113,647	Funds needed to make Bond interest payment due in Jan. 2013, payment made in Dec. 2012 for Jan. 1 due date.	
9)	2006 Earthquake RDA Series B Bonds	Union Bank	2006 Earthquake RDA Series B Bond for Bond payment per the bond indenture	-	-	-	-	-	-	55,000	55,000	Funds needed to make Bond interest payment due in Jan. 2013, payment made in Dec. 2012 for Jan. 1 due date.	
12)	2002 Ocean Park Bond - Plan Limit Special Fund	Mellon Bank/Special Fund	2002 Ocean Park Bonds Plan Limit Special Fund per the bond indenture	1,695,919	-	-	-	-	-	-	1,695,919	1,027,579	Required to keep funds on reserve for the plan limit special fund per the bond indenture.
13)	2002 Ocean Park Bond	Mellon Bank	2002 Ocean Park Bond for Bond payment per the bond indenture	-	-	-	-	-	-	219,630	219,630	Funds needed to make Bond interest payment due in Jan. 2013, payment made in Dec. 2012 for Jan. 1 due date.	
14)	Bank of America Line of Credit	Bank of America	Loan payment	1,987,390	-	-	-	-	-	-	1,987,390	1,987,390	Funds needed to make interest/principal payment due July 2012
15)	Bank of America Line of Credit	Bank of America	Loan payment	-	-	-	-	-	-	2,019,696	2,019,696	Funds needed to make monthly interest and principal payment due on this loan for the month of Jan. 2013, payment made in Dec. 2012 for Jan. 1 due date.	
16)	Arizona and 4th Notes Payable	Spurgin et al	Property acquisition for Note Payment	-	-	-	-	-	-	3,300,000	3,300,000	Funds needed to make payment due on this note for the month of Jan. 2013, payment made in Dec. 2012 for Jan. 1 due date.	
17)	Administrative Cost Allowance	Successor Agency	FY 2012-13 3% Administration Costs	123,808	123,808	123,808	123,808	123,808	123,808	742,848	742,848	Funds needed to pay for administrative expenses during the period of July 2012-Dec 2012.	
22)	ERAF FY 10-11	LA County	ERAF	-	1,202,546	-	-	-	-	-	1,202,546	129,074	Required to keep funds on reserve for FY 10-11 ERAF payment
23)	ERAF Impound FY 10-11	LA County	ERAF Impound	-	2,789,150	-	-	-	-	-	2,789,150	2,789,150	Required to keep funds on reserve for FY 10-11 ERAF impound payment

Total existing cash needed to satisfy obligations under ROPS II \$ 23,591,250

SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY

EXHIBIT J - SUCCESSOR AGENCY ASSETS THAT ARE AVAILABLE TO DISTRIBUTE TO AFFECTED TAXING ENTITIES (EXCLUDING LOW AND MODERATE INCOME HOUSING FUND)

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 F)	\$	35,629,644
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 - Exhibit G)		(10,424,107)
Less assets that are not cash or cash equivalents (e.g., physical assets) - (Procedure 7 - Exhibit H)		(1,614,287)
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 - Exhibit I)		(23,591,250)
Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance (Procedure 10) (See Note A)		-
Amount to be remitted to county for disbursement to taxing entities	\$	-

Note A:

The County Auditor-Controller required a Residual RPTTF Amount Due of \$12,645,548 (residual payment) which the Successor Agency paid on July 12, 2012. However, this payment is not deducted for the purpose of this procedure as the funds were initially transferred from the former RDA to the City in March 2011 (refer to Exhibit A, item 3) and subsequently transferred back to the Successor Agency in July 2012 (after June 30, 2012) in order to make the required payment to the County Auditor-Controller.