

Board Meeting of
October 3, 2012

SUPPLEMENTAL #1 TO ITEM 6A

Honorable Chair and Members
of the City of Torrance Oversight Board
City Hall
Torrance, California

Members of the Board:

**SUBJECT: Community Development – Submit for Review and Public comment
the Due Diligence Review Report for the former Redevelopment
Agency of the City of Torrance.**

The first page of the Due Diligence Review was revised after the item and attachments were submitted to members of the Oversight Board for review. The change refers to the dollar amount listed in the first Results section of bullet # 1. The Amount changed from \$10,790,791 to \$9,867,697. The revised first page has been attached for your consideration.

Respectfully submitted,

Brian Sunshine
Assistant to the City Manager

By 

Carolyn Chun
Senior Planning Associate

CONCUR



Brian Sunshine
Assistant to the City Manager

NOTED



LeRoy Jackson
City Manager

Attachments:

- A) Final Due Diligence Review Report



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Oversight Board of the Successor Agency of the former Redevelopment Agency
of the City of Torrance
3031 Torrance Blvd.
Torrance, CA 90503

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the Successor Agency of the former Redevelopment Agency of the City of Torrance (Successor Agency), the California Department of Finance, the California State Controller's Office, and the County Auditor-Controller's Office, solely to assist you in complying with the requirement for a due diligence review of the low and moderate income housing fund of the former Redevelopment Agency and the Successor Agency pursuant to Section 34179.5(c) of the California Health and Safety Code. Management of the Successor Agency is responsible for the Successor Agency's compliance with the California Health and Safety Code. This engagement to apply agreed-upon procedures was performed in accordance with the attestation standards established by the *American Institute of Public Accountants* for such engagements. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the specified items. 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.

Our procedures and results were as follows:

1. We obtained from the Successor Agency a listing of all assets (at their recorded book values) that were transferred from the former redevelopment agency to the Successor Agency on February 1, 2012. We agreed the amounts on this listing to account balances established in the accounting records of the Successor Agency.

Results: On February 1, 2012, \$9,867,697 of low and moderate income housing fund assets were transferred to the Successor Agency. See additional asset detail on EXHIBIT B, for the low and moderate income housing fund, 7 months ended January 31, 2012.

2. If the State Controller's Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:
 - a. We obtained 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.