



March 10, 2014

Mr. Kurt Christiansen, Economic and Community Development Director
City of Azusa
213 East Foothill Boulevard
Azusa, CA 91702

Dear Mr. Christiansen:

Subject: Housing Assets Transfer Form

This letter supersedes our previous letter dated August 29, 2012. Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the Housing Authority of the County of Los Angeles (Authority) submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on February 13, 2014 for the period February 1, 2012 through the February 13, 2014.

HSC section 34176 (e) defines a housing asset. Assets transferred deemed not to be a housing asset shall be returned to the successor agency. Finance has completed its review of your Form, which may have included obtaining clarification for various items. Based on a sample of line items reviewed and the application of law, Finance is objecting to the following assets or transfer of assets on your Form:

Exhibit D, Item 20 – MFH Revenue Bonds totaling \$5,500,000. This item is not a loan/grant receivable for the Authority. Therefore, it does not qualify as a housing asset and cannot be retained by the Authority.

If you disagree with Finance's determination, you may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available at Finance's website below:

http://www.dof.ca.gov/redevelopment/meet_and_confer/

Please direct inquiries to Kylie Oltmann, Supervisor or Hugo Lopez, Lead Analyst at (916) 445-1546.

Sincerely,

JUSTYN HOWARD
Local Government Consultant

cc: on the following page

Mr. Kurt Christiansen

March 10, 2014

Page 2

cc: Mr. Conal McNamara, Assistant Director of Economic & Community Development, City of Azusa
Mr. Daniel Rofoli, Consultant, Housing Authority of the County of Los Angeles
Ms. Jacqueline Rodarte, Project Manager, Housing Authority of the County of Los Angeles
Ms. Kristina Burns, Manager, Los Angeles County Department of Auditor-Controller
California State Controller's Office
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State Controller's Office