



February 6, 2014

Mr. Art Gallucci, City Manager  
City of Cerritos  
1650 Stanton Drive  
P.O. Box 3130  
Cerritos, CA 90703

Dear Mr. Gallici:

Subject: Housing Assets Transfer Form

This letter supersedes Finance's Housing Asset Transfer Form letter dated August 30, 2012. Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Cerritos as Housing Successor Agency (Agency) submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on July 31, 2012, for the period February 1, 2012 through July 31, 2012. Finance issued its determination related to those transferred asset on August 30, 2012. Subsequently, the Agency requested a Meet and Confer session on one or more items that was objected to by Finance.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of those specific items being disputed.

- Exhibit A, Item 1 – Vintage Cerritos Senior Housing Groundlease/Sublease. Finance no longer objects to the transfer of this item. The Agency provided an agreement between the former Redevelopment Agency (RDA) and a third party dated April 1, 2001 that requires the property to be maintained as low and moderate income housing. As such, Finance has determined this item is a housing asset as defined in HSC section 34176 (e).
- Exhibit C, Items 1 through 4 – Encumbrances totaling \$97,300 for housing administrative costs. Finance continues to object to the transfer of these items. These items were denied on the Successor Agency to the former RDA's Recognized Obligations Payment Schedule. Finance requested any existing contracts for these services; however, no contracts encumbering the funds entered into prior to June 27, 2011 were provided. As such, there are no enforceable obligations to support the encumbrances being transferred as housing assets per HSC section 34176 (e).

In addition, per HSC section 34176 (a), If the city, county, or city and county that created the redevelopment agency elects to retain the housing function, all rights, powers, duties, obligations, and housing assets shall be transferred to the city, county, or city and

county; therefore, any monitoring fees for transferred housing assets are the responsibility of the housing successor.

This is Finance's final determination related to the assets reported on your Form. Except for items disallowed as noted above, Finance is not objecting to the remaining items listed on your Form. Assets transferred deemed not to be a housing asset shall be returned to the successor agency.

Please direct inquiries to Evelyn Suess, Dispute Resolution Supervisor, or Danielle Brandon, Analyst, at (916) 445-1546.

Sincerely,



JUSTYN HOWARD  
Assistant Program Budget Manager

cc: Ms. Kristina Burns, Manager, Community Redevelopment Administration Section,  
Property Tax Division, Los Angeles County Department of Auditor-Controller  
California State Controller's Office