



August 30, 2012

Ms. Laura M. Hoffmeister, Assistant to the City Manager  
City of Clayton  
6000 Heritage Trail  
Clayton, CA 94517

Dear Ms. Hoffmeister:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the Clayton 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.

HSC section 34175 (e) defines a housing asset. Assets transferred deemed not to be a housing asset shall be returned to the successor agency. Finance requested that the Agency provide information that would justify the transfer of assets. To date, the Agency has not provided any information and Finance is unable to determine the appropriateness of the transfers of the assets listed on your Form. As such, Finance is objecting to all assets listed on your Form.

Please provide pertinent information to demonstrate that items listed on the Form are for low and moderate income housing purposes. The information should be provided to Finance during the Meet and Confer process which should be requested within five business days of receiving this letter.

Please direct inquiries to Nichelle Thomas, Supervisor or Susana Medina Jascson, Lead Analyst at (916) 445-1546.

Sincerely,



STEVE SZALAY  
Local Government Consultant

cc: Mr. Gary Napper, City Manager, City of Clayton  
Mr. David Woltering, Community Development Director  
Mr. Bob Campbell, Auditor Controller, Contra Costa County  
California State Controller's Office