



August 31, 2012

Ms. Elena Bolbolian, Principal Administrative Officer
City of Glendale
633 East Broadway, Suite 201
Glendale, CA 91206

Dear Ms. Bolbolian:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), Housing Authority of the City of Glendale submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on August 1, 2012 for the period February 1, 2012 through August 1, 2012.

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 identified on your Form:

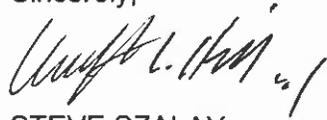
- Exhibit C, Items 12 through 14 and 16 – The Memorandum of Understanding with the City of Glendale for contractual services and project management. These items do not meet the definition of housing assets.
- Exhibit C, Item 17 – Unencumbered 2011 Tax Allocation Bond (TAB). This item does not meet the definition of a housing asset.
- Exhibit C, Item 18 – 2011 TAB reserve maintained by the fiscal agent.
HSC 34176 (a) (2) states if a housing asset has been previously pledged to pay for bonded indebtedness, the successor agency shall maintain control of the asset in order to pay for bond debt.

Except for the items disallowed as noted above, Finance is not objecting to the remaining items, if any, listed on your Form. If you disagree with our determination with respect to any items on the Form, you may request a Meet and Confer within five business days of receiving this letter.

Please direct inquiries to Kylie Le, Supervisor or Brian Dunham, Lead Analyst at (916) 445-1546.

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Sincerely,

A handwritten signature in black ink, appearing to read "Steve Szalay", written in a cursive style.

STEVE SZALAY
Local Government Consultant

cc: Ms. Anne Bockenkamp, Housing Coordinator, City of Glendale
Ms. Kristina Burns, Manager, Community Redevelopment Administration Section,
Property Tax Division, Los Angeles County Auditor Controller's Office
California State Controller's Office