DEPARTMENT OF FINANCE

EDMUND G. BROWN JR. • GOVERNOR
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

August 30, 2012

Mr. Gonzalo Silva, Financial Services Manager
City of Lafayette
3675 Mt. Diablo Blvd. #210
Lafayette, CA 94549

Dear Mr. Silva:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Lafayette Housing Agency 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 asset or transfer of asset identified on your Form:

Exhibit B, Item 1 – $868,885 of unencumbered Low Moderate Housing Income Funds (LMHIF) do not qualify as a housing asset . HSC section 34176 (a) (1) prohibits a redevelopment agency from transferring any amounts on deposit in the LMHIF.

Except for item 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.

Sincerely,

For

STEVE SZALAY
Local Government Consultant

cc: Mr. Bob Campbell, Auditor-Controller, Contra Costa County
California State Controller's Office