



August 25, 2012

Ms. Marilyn J. Staats, Redevelopment Director
City of Montclair
5111 Benito Street
Montclair, CA 91763

Dear Ms. Staats:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Montclair Housing Agency submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on July 26, 2012 for the period February 1, 2012 through July 26, 2012.

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 Exhibit A, Item 1, Real Property and Exhibit C, Item 1, Low-Mod Encumbrances because HSC section 34163 (b) prohibits new contracts after June 27, 2011. HSC section 34176 (e) defines a housing asset. Assets transferred deemed not to be a housing asset shall be returned to the successor agency.

Except for 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 Nichelle Thomas, Supervisor or Susana Medina Jackson Lead Analyst at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Mr. Larry Walker, San Bernardino County Auditor-Controller
California State Controller's Office