



August 31, 2012

Mr. William P. Workman, City Manager
Redondo Beach Housing Authority
415 Diamond Street
Redondo Beach, CA 90277

Dear Mr. Workman:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the Redondo Beach Housing Authority 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 Exhibit C, Item 3. The \$7 million unencumbered balance does not meet the definition of a housing asset.

Except for the 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 Michael Barr, Lead Analyst at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Mr. Joe Hoefgen, Director of Recreation and Community Services, Redondo Beach Housing Authority
Ms. Kristina Burns, Manager, Community Redevelopment Administration Section, Property Tax Division, Los Angeles County Auditor Controller's Office
California State Controller's Office