



September 21, 2012

Ms. Daphne Hodgson, Deputy City Manager  
City of Seaside  
440 Harcourt Avenue  
Seaside, CA 93955

Dear Ms. Hodgson:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Seaside Successor Agency submitted a revised Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on August 23, 2012 for the period February 1, 2012 through August 23, 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 A, Item 1: Real Property – Del Monte Boulevard. Sufficient documentation was not provided demonstrating the property was acquired for low and moderate income housing purposes.
- Exhibit C, Items 3 through 14: Low Mod Encumbrances – San Pablo Court. The former redevelopment agency did not have ownership interests in these properties; therefore, these assets do not meet the definition of a housing asset.
- Exhibit D, Item 9: Loans/Grants Receivables – Bonner Rehab Loan. HSC section 34163 (a) (2) prohibits a redevelopment agency from making loans or grants with any entity or person after June 27, 2011.

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.

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Sincerely,



**STEVE SZALAY**  
Local Government Consultant

cc: Ms. Lisa Brinton, Redevelopment Project Manager, City of Seaside  
Ms. Julie Aguero, Auditor-Controller Analyst II, County of Monterey  
California State Controller's Office