DEPARTMENT OF FINANCE

EDMUND G. BROWN JR. • GOVERNOR
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August 31, 2012

Mr. Anthony Ybarra, City Manager
City of South El Monte
1415 Santa Anita Avenue
South El Monte CA 91733

Dear Mr. Ybarra:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of South El Monte 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 A, Item 1 – The asset does not qualify as a housing asset because the documentation provided was not sufficient to demonstrate the property is for low and moderate income housing purposes.

- Exhibit D, Item 48 – The loan does not qualify as a housing asset because the loan was issued on August 12, 2012. HSC section 34163 (a) prohibits a redevelopment agency from making loans with any entity after June 27, 2011.

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.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: On the following page

cc: Mr. Manual Mancha, Community Development Director
Ms. Kristina Burns, Manager, Community Redevelopment Administration Section, Property Tax Division, Los Angeles County Auditor-Controller's Office
California State Controller's Office