



DEPARTMENT OF
FINANCE

EDMUND G. BROWN JR. • GOVERNOR

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August 31, 2012

Mr. David Batt, Assistant Finance Director
City of South Pasadena
1414 Mission Street
South Pasadena, California 91030

Dear Mr. Batt:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of South Pasadena Housing Authority (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 A, Item 2 – Parking Lot and Project Entitlement. This asset does not meet the definition of a housing asset. According to the Authority, this asset is an 8,452 square foot parcel that is part of a much larger surface parking lot in the downtown area, which will be assembled with adjacent parcels in order to develop market rate commercial/residential uses and parking structures. Although the quitclaim deed states the present intention is to use the property for low and moderate income housing, the document is not sufficient to demonstrate the property will be used for low and moderate housing purposes.

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 Brian Dunham, Lead Analyst at (916) 445-1546.

Sincerely,

STEVE SZALAY

Local Government Consultant

cc: Mr. John Mayer, City Attorney, City of South Pasadena
Ms. Kristina Burns, Manager, Community Redevelopment Administration Section,
Property Tax Division, Los Angeles County Auditor-Controller's Office
California State Controller's Office