



August 30, 2012

Mr. Brice McQueen, Successor Agency Manager
City of Sunnyvale
650 West Olive Avenue
Sunnyvale, CA 94086

Dear Mr. McQueen:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Sunnyvale submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on July 31, 2012 for the period February 1, 2012 through July 31, 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 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 asset or transfer of assets identified on your Form:

- Exhibit G, Item 19 – Deferral for Fiscal Year 2011/2012 in the amount of \$1,027,951 is not a housing asset. The requirement to set aside 20 percent of Redevelopment Agency tax increment for low and moderate income housing purposes ended with the passing of the redevelopment dissolution legislation.

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 questions to Robert Scott Supervisor, or Jenny DeAngelis, Lead Analyst, at (916) 322-2985.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: On the following page

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cc: Ms. Suzanne Ise, Housing Officer, Santa Clara County
Mr. Vinod K. Sharma, CPA, Controller Treasurer, Santa Clara County
Ms. Jacelyn Ma, Property Tax Apportionment Manager, Santa Clara County
Ms. Manju Beher, Internal Auditor Supervisor, Santa Clara County
California State Controller's Office