



August 29, 2013

Ms. Rose Tam, Assistant Accounting Manager  
City of Baldwin Park  
14403 East Pacific Avenue  
Baldwin Park, CA 91706

Dear Mr. Singhal:

Subject: Housing Assets Transfer Form

This letter supersedes Finance's Housing Asset Transfer Form letter dated August 31, 2012. Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Baldwin Park as Housing Successor Agency (Agency) 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. Finance issued its determination related to those transferred asset on August 31, 2012. Subsequently, the Agency requested a Meet and Confer session on one or more items that was objected to by Finance. The Meet and Confer session was held on January 28, 2013.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of those specific items being disputed.

- Exhibit D, Items 4 and 5 – Loan receivables totaling \$1,680,806. Our review indicates these items are receivables for loans made from the Low and Moderate Income Housing Fund to the Supplemental Educational Revenue Augmentation Fund. Finance notes that while these receivables can be transferred to the Agency, they should be included in Exhibit G, not Exhibit D. Finance recommends this change should be made.
- Exhibit D, Item 14 – Loans Receivable totaling \$42,075. Finance continues to object to the transfer of the asset. Our review indicates the loan was issued on October 24, 2011. HSC section 34163 (b) prohibits an agency from entering into agreements, obligations, or contracts with any entity for any purpose after June 27, 2011. Therefore, this loan receivable should remain with the Baldwin Park Successor Agency (Successor Agency). If and when repayments are made, the Successor Agency should use those funds to satisfy approved enforceable obligations.

This is Finance's final determination related to the assets reported on your Form. Except for items disallowed as noted above, Finance is not objecting to the remaining items listed on your Form. Assets transferred deemed not to be a housing asset shall be returned to the successor agency.

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Please direct inquiries to Evelyn Suess, Dispute Resolution Supervisor, or Danielle Brandon, Analyst, at (916) 445-1546.

Sincerely,



STEVE SZALAY  
Local Government Consultant

cc: Mr. Marc Castagnola, Community Development Manager, City of Baldwin Park  
Ms. Kristina Burns, Manager, Community Redevelopment Administration Section,  
Property Tax Division, Los Angeles County Auditor-Controller's Office  
Mr. Steven Mar, Bureau Chief, Local Government Audit Bureau, California State  
Controller's Office