



March 2, 2013

Mr. Brian Desatnik, Director of Community Development
City of Claremont
207 Harvard Avenue
Claremont, CA 91711

Dear Mr. Desatnik:

Subject: Housing Assets Transfer Form

This letter supersedes California Department of Finance's (Finance) Housing Asset Transfer Form letter dated August 25, 2012. Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Claremont as Housing Successor Agency (Agency) submitted a Housing Assets Transfer Form (Form) to Finance on July 26, 2012, for the period February 1, 2012 through July 26, 2012. Finance issued its determination related to those transferred assets on August 25, 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 was held on January 23, 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 A, Items 1, 2, and 3 – Finance no longer objects to the transfer of the items. Finance previously determined the properties are not encumbered by low and moderate income housing covenants and do not qualify as housing assets. The Agency provided documentation to demonstrate that the properties were acquired using funds from the Low and Moderate Income Housing Fund. Therefore, the Items meet the definition of housing assets pursuant to HSC section 34176 (e).

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.

Mr. Brian Desatnik
March 2, 2013
Page 2

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Szalay', with a stylized flourish extending to the left.

STEVE SZALAY
Local Government Consultant

cc: Mr. Colin Tudor, Interim Assistant City Manager, City of Claremont
Mr. Adam Pirrie, Finance Director, City of Claremont
Ms. Kristina Burns, Program Specialist III, Los Angeles County Auditor-Controller's
Office
California State Controller's Office