



August 31, 2012

Mr. Brian Saeki, Community Development Director
City of Downey
11111 Brookshire Avenue
Downey, CA 90241

Dear Mr. Saeki:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the Downey Community Development Commission – 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, Items 2 and 3. The Authority did not provide sufficient supporting documentation to demonstrate ownership of the assets. In addition, per the Authority the properties are still currently in escrow.

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 inquiries to Kylie Le, Supervisor or Michael Barr, Lead Analyst at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Mr. Ed Velasco, Housing Manager, City of Downey
Ms. Kristina Burns, Manager, Los Angeles County Department of Auditor-Controller
California State Controller's Office