



January 4, 2013

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

Dear Mr. Saeki:

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), 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. Finance issued its determination related to those transferred assets on August 31, 2012. Subsequently, the Agency requested a Meet and Confer session for one or more of the items denied by Finance. The Meet and Confer session was held on January 3, 2013.

HSC section 34176 (e) defines a housing asset. 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 as follows:

- Exhibit A, Items 2 and 3 – Real Properties with a carrying value totaling \$2.2 million. The Authority provided documentation to establish ownership of the assets and demonstrated the items were acquired for low-and-moderate-income housing purposes and eligible for transfer pursuant to HSC 34176 (e). Therefore, Finance no longer objects to the transfer of these items.

This is Finance's final determination related to the assets reported on your Form. Finance is not objecting to the remaining items listed on your Form, if any.

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