



August 31, 2012

Mr. Edmund Suen, Finance Director  
City of East Palo Alto  
2415 University Avenue  
East Palo Alto, CA 94303

Dear Mr. Suen:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of East Palo Alto 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 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 may have included obtaining clarification for various items. Finance is objecting to the following asset transfers identified on your Form because documentation was not provided to substantiate that the items are housing assets:

- Exhibit A, Item 1
- Exhibit C, Item 2
- Exhibit E, Item 59.

Except for items disallowed as noted above, Finance is not objecting to the remaining items 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 Robert Scott, Supervisor or Derk Symons, Lead Analyst at (916) 445-1546.

Sincerely,

STEVE SZALAY  
Local Government Consultant

cc: Mr. Carlos Martinez, Economic Development Manager, City of East Palo Alto  
Mr. Robert Adler, Auditor/Controller, San Mateo County  
Ms. Shirley Tourel, Deputy Controller, San Mateo County  
Ms. Robyn Rose, Senior Internal Auditor, San Mateo County  
California State Controller's Office