



February 25, 2013

Ms. Yvonne Quiring, City Manager  
City of Fillmore  
250 Central Avenue  
Fillmore, CA 93015

Dear Ms. Quiring:

Subject: Housing Assets Transfer Form

This letter supersedes the California Department of Finance's (Finance) Housing Asset Transfer Form letter dated September 5, 2012. Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Fillmore as Housing Successor Agency (Agency) submitted a Housing Assets Transfer Form (Form) to Finance on August 6, 2012, for the period February 1, 2012 through August 6, 2012. Finance issued its determination related to those transferred assets on September 5, 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 25, 2013.

In our letter dated September 5, 2012, Finance objected to all the items on the Agency's Form. Finance requested the City provide information that would justify the transfer of assets. As of the date of the letter, the Agency had not provided any information; therefore, Finance was unable to determine the appropriateness of the transfers of the assets listed on the Form. The Agency has since provided supporting documentation. Based on a review of the additional information and documentation provided to Finance through the Meet and Confer process, Finance has completed its review of the Form.

- Exhibit A, Item 1 – Land with carrying value of \$25,000. Finance continues to object to the transfer of this item. During its Meet and Confer, the Agency agreed that the Item should be removed from the Form.
- Exhibit C, Item 2 – Legal Services totaling \$20,000. Finance no longer objects to the transfer of this item; however, we note, per discussions with the Agency, this item has been fully expended and the encumbrance no longer exists.
- Exhibit C, Item 3 – Monitoring Obligations totaling \$150,000. Finance continues to object to the encumbrance of Low to Moderate Income Housing Funds (LMIHF) to pay for the monitoring obligations. Obligations associated with the former redevelopment agency's (RDA) previous statutory housing obligations are not enforceable obligations. Upon the transfer of the former RDA's housing functions to the new housing entity, HSC section 34176 requires that "all rights, powers, duties, obligations and housing assets...shall be transferred" to the new housing entity. This transfer of "duties and

obligations" necessarily includes the transfer of statutory obligations. Because there is no enforceable obligation, no housing asset exists pursuant to HSC 34176 (e) (2).

- Exhibit C, Item 4 – Rehab Loan Grant totaling \$30,000. Finance continues to object to the transfer of this item. The Agency did not provide adequate documentation to support the outstanding obligation. The Agency did not dispute Finance's determination on this item.

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.

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

Sincerely,



STEVE SZALAY  
Local Government Consultant

cc: Ms. Glenda Jay, Finance Director, City of Fillmore  
Ms. Christine Cohen, Auditor-Controller, Ventura County  
Ms. Sandra Bickford, Chief Deputy Auditor-Controller, Ventura County  
California State Controller's Office