



December 31, 2012

Mr. Don Pauley, City Manager
City of Kingsburg
1401 Draper Street
Kingsburg, CA 93631

Dear Mr. Pauley:

Subject: Housing Assets Transfer Form

This letter supersedes Finance's Housing Asset Transfer Form letter dated August 23, 2012. Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Kingsburg (City) submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on July 24, 2012 for the period February 1, 2012 through July 24, 2012. Finance issued its determination related to those transferred assets on August 23, 2012. Subsequently, the Agency requested a Meet and Confer session for one or more of the items denied by Finance.

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, Item 1 – Land with a carrying value of \$574,385. The City provided documentation to establish that the item was acquired for low-and-moderate-income housing purposes pursuant to HSC 34176 (e). Therefore, Finance no longer objects to the transfer of this item.

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. 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: On following page

cc: Ms. Sue Bauch, City Clerk, City of Kingsburg
Mr. Don Jensen, Assistant City Manager/Finance Director, City of Kingsburg
Ms. Robin Cook, Senior Accountant, Fresno County
Mr. George Gomez, Accounting Financial Manager, Fresno County
State Controller's Office