



March 2, 2013

Mr. Jeff Britz, Executive Director
Lemoore Housing Authority
119 Fox Street
Lemoore, CA 93245

Dear Mr. Britz:

Subject: Housing Assets Transfer Form

This letter supersedes California Department of Finance's (Finance) Housing Asset Transfer Form letter dated August 29, 2012. Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the Lemoore Housing Authority as Housing Successor Agency (Agency) submitted a Housing Assets Transfer Form (Form) to Finance on July 30, 2012, for the period February 1, 2012 through July 30, 2012. Finance issued its determination related to those transferred assets on August 29, 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 30, 2013.

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.

Exhibit D, Item 212 – Senior Housing Complex loan for \$2,680,000. Finance no longer objects to the transfer. Finance originally objected to the transfer because the loan was signed on December 13, 2011. HSC section 34163 (b) prohibits a redevelopment agency (RDA) from entering into a contract after June 27, 2011. The Agency contends the item is a housing asset because the loan commitment was approved by the former RDA Board on March 15, 2011 and payable from the Low and Moderate Income Housing Fund (LMIHF). Finance notes that the loan will be paid out of the LMIHF based on an enforceable obligation that existed prior June 27, 2011. Therefore, the associated loan receivable or Item 212 is a housing asset pursuant to HSC section 34176 (e) (3).

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.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Szalay', with a long, sweeping underline that extends to the left.

STEVE SZALAY
Local Government Consultant

cc: Mr. Brooke Austin, Housing Specialist, Lemoore Housing Authority
Ms. Becky Carr, Director of Finance, Kings County Auditor-Controller
Ms. Cassandra Mann, Property Tax Manager, Kings County
California State Controller's Office