



EDMUND G. BROWN JR. • GOVERNOR

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August 31, 2012

Mr. Brian Ponty, Finance Director
City of Redwood City
1017 Middlefield Road
Redwood City, CA 94063

Dear Mr. Ponty:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the Redwood City submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on July 31, 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 included obtaining clarification for various items. Based on our review and application of law, Finance is objecting to Exhibit C, Item 1 – Legal Aid Society contract. HSC Section 34176 (e) (2) allows for transfer of funds that are encumbered for an enforceable obligation to build or acquire low and moderate income housing. The supporting documents provided do not state a specific scope for this contract.

Except for items disallowed as noted above, Finance is not objecting to the remaining items, if any, 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 Jenny DeAngelis, Lead Analyst at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: 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