



July 18, 2014

Ms. Ingrid Alverde, Economic Development and Redevelopment Manager
City of Petaluma
P.O. Box 61
Petaluma, CA 94953

Dear Ms. Alverde:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Petaluma Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on January 14, 2014. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on May 29, 2013. Further, based on our review and application of the law, we are approving the Agency's use or disposition of all the properties listed on the LRPMP.

However, the following were noted during our review, but do not require a revised plan to be submitted:

- To accurately reflect the lot sizes of the following properties:

Property Number	Accessor's Parcel Number	As Reported Lot Sizes in Square Feet	As Revised Lot Sizes in Square Feet
1	006-281-039	5,100	4,791
2	006-363-023	9,030	8,712
4	007-019-032	11,500	11,325
5	007-042-017	5,000	4,791
6	006-051-080	130,680	139,392
7	006-051-083	2,514	2,178
8	007-071-007	7,653	7,405
9	007-412-060	0	18,295
	007-412-066	0	33,105
10	150-020-036	87,120	113,256

- To incorporate the Agency's response in compliance with the requirement specified on HSC section 34191.5:

Property Nos. 1 through 10 – As clarified by the Agency, these properties did not have a history of previous development proposals and activity in response to the requirement specified on HSC section 34191.5 (c) (1) (H).

In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation. Pursuant to HSC section 34191.3 the approved LRPMP shall govern, and supersede all other provisions relating to, the disposition and use of all the real property assets of the former redevelopment agency.

Agency actions taken pursuant to a Finance approved LRPMP which requires the Agency to enter into a new agreement are subject to oversight board (OB) approval per HSC section 34181 (f). Any OB action approving a new agreement in connection with the LRPMP should be submitted to Finance for approval.

Pursuant to HSC section 34167.5 and 34178.8, the California State Controller's Office (Controller) has the authority to claw back assets that were inappropriately transferred to the city, county, or any other public agency. Determinations outlined in this letter do not in any way eliminate the Controller's authority. Should the Controller claw back real property assets not contemplated in the existing approved LRPMP, the LRPMP must be revised to include these additional real assets. The revised LRPMP must be approved by the OB and Finance before the disposition of the clawed back assets can occur.

Please direct inquiries to Wendy Griffe, Supervisor, or Medy Lamorena, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Assistant Program Budget Manager

cc: Ms. Sue Castellucci, Housing Coordinator, City of Petaluma
Mr. Randy Osborn, Property Tax Manager, Sonoma County
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State
Controller's Office
California State Controller's Office