



August 31, 2012

Mr. Armando Compean, Principal Planner
City of Chino
13220 Central Avenue
Chino, CA 91710

Dear Mr. Compean:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Chino Successor Agency (Agency) submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on August 1, 2012 for the period February 1, 2012 through August 1, 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 may have included obtaining clarification for various items. Based on a sample of line items reviewed and the application of law, Finance is objecting to the following assets or transfer of assets identified on your Form:

- Exhibit A, Items 1 and 2, and Exhibit F, Items 1 and 2 – Sufficient documentation was not provided to indicate the properties were acquired for low and moderate income housing purposes. Consequently, rents associated with those properties also do not qualify as housing assets.
- Exhibit D Item 51 – Sufficient documentation was not provided to confirm that the loans were funded from the Low and Moderate Income Housing Fund.

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 Nichelle Thomas, Supervisor or Susana Medina Jackson, Lead Analyst at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: On following page

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cc: Mr. Brent Arnold, Interim Director of Community Development, City of Chino
Mr. Larry Walker, Auditor Controller, San Bernardino County
Ms. Vanessa Doyle, Property Tax Manager, San Bernardino County
Ms. Linda Santillano, Supervising Accountant, San Bernardino County
Ms. Franz Zyss, Accountant III, San Bernardino County
Mr. Albert Aleman, San Bernardino County
Ms. Ashley Schwenk, San Bernardino County
California State Controller's Office