



February 13, 2013

Mr. Allen Jones, Deputy Chief of Staff
City of San Diego
202 C Street 11th Floor
San Diego, CA 92010

Dear Mr. Jones:

Subject: Low and Moderate Income Housing Fund Due Diligence Review Time Extension

Pursuant to Health and Safety Code (HSC) section 34179.6 (c), the City of San Diego Successor Agency (Agency) submitted an oversight board approved Low and Moderate Income Housing Fund (LMIHF) Due Diligence Review (DDR) to the California Department of Finance (Finance) on December 12, 2012. Finance issued a LMIHF DDR determination letter on January 7, 2013. Subsequently, the Agency requested a Meet and Confer session on one or more items adjusted by Finance. The Meet and Confer Session was held on January 28, 2013.

Pursuant to HSC section 34179.6 (e), Finance has up to 30 days from the requested date to review and make a determination regarding the additional information received to support the adjusted amounts. As a result, Finance must provide a final determination regarding the Meet and Confer session by February 13, 2013. On February 12, 2013, the Agency requested a time extension to Finance's 30 day review period to provide additional information from the Agency's accounting firm, Macias Gini & O'Connell LLP. The Agency estimates this information will be available on or around February 15, 2013. Assuming the additional information is received on or around February 15, 2013, Finance will extend its review period by 14 days from the date the additional information is received.

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

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Mr. Jeff Graham, President of Civic San Diego, City of San Diego
Mr. Andrew Phillips, Chief Financial Officer of Civic San Diego, City of San Diego
Mr. Juan Perez, Senior Auditor and Controller Manager, San Diego County
Ms. Nenita DeJesus, Senior Auditor and Controller Accountant, San Diego County
California State Controller's Office