JOHN CHIANG
California State Controller

April 20, 2012

Successor Agency/City
County Auditor-Controller
All Other Public Agencies in California (including Economic Development Corporations and Joint Powers Authorities)

Re: Order to Reverse RDA Asset Transfer Pursuant to Health and Safety Code Section 34167.5

Dear City, County, or Public Agency:

Pursuant to Health and Safety Code section 34167.5, the Controller is reviewing the activities of redevelopment agencies in the state to determine whether an asset transfer has occurred after January 1, 2011, between the city or county, or city and county that created a redevelopment agency or any other public agency, and the redevelopment agency.

If your city, county or agency, directly or indirectly, received any assets from a redevelopment agency after January 1, 2011, your city, county, or agency hereby is ordered to immediately reverse the transfer and return the applicable assets to the successor agency of the relevant redevelopment agency.

This order applies to all assets, including, but not limited to, real and personal property, cash funds, accounts receivable, deeds of trust and mortgages, contract rights and any rights to payment of any kind. Under Health and Safety Code section 34167.5, this order applies in all situations except if your city, county, or agency has, prior to June 28, 2011, contractually committed to a third party for an expenditure or encumbrance of a specific asset. This order directly applies to economic development corporations, joint powers authorities, or other public agencies that received assets, directly or indirectly, from a redevelopment agency after January 1, 2011.

In the coming weeks, the Controller will specifically review and audit cities, counties, and public agencies to ensure that all applicable asset transfers have been reversed. If you have any question as to whether a particular asset must be returned, you should place such assets into a reserve pending our review.

Thank you for your cooperation.

Sincerely,
Original signed by:

JOHN CHIANG
California State Controller

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