



February 3, 2015

Ms. Tami Scott, Administrative Services Director
Cathedral City
68-700 Avenida Lalo Guerrero
Cathedral City, CA 92234

Dear Ms. Scott:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the Cathedral City Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on September 30, 2013. The Agency subsequently submitted a revised LRPMP to Finance on November 20, 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 April 17, 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.

The Agency plans to sell 109 properties (Property Nos. 19 through 127) to third parties and distribute the proceeds net of expenses to the affected taxing entities. Our approval is based on our understanding that the Agency intends to develop and implement an asset disposition strategy seeking to not only dispose of the properties in an expeditious manner but in a manner aimed at maximizing value. Therefore, the Agency is encouraged to obtain appraisals to maximize the property value prior to the disposition of these properties.

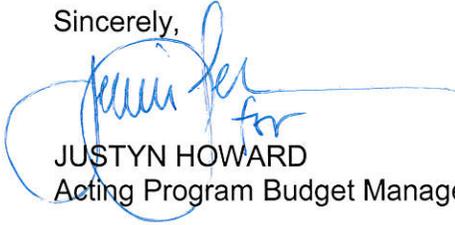
In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements 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.

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Please direct inquiries to Beliz Chappuie, Supervisor, or Satveer Ark, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Acting Program Budget Manager

cc: Mr. Kevin Biersack, Accounting Services Manager, Cathedral City
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State
Controller's Office
California State Controller's Office