



August 31, 2012

Ms. Inez Kiriu, Finance Director
City of Galt
380 Civic Drive
Galt, CA 95632

Dear Ms. Kiriu:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Galt 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 July 31, 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 through 7 – These properties are not owned by the Successor Agency and therefore do not meet the definition of a housing asset.
- Exhibit D, Items 1, 6, 10 and 19 – Documentation provided does not indicate 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: Mr. Chris Erias, Senior Planner, City of Galt
Mr. Ben Lamera, Assistant Auditor-Controller, Sacramento County
Ms. Kim Le, Senior Accounting Manager, Sacramento County
California State Controller's Office