



August 30, 2012

Mr. Ted A. Gaebler, City Manager  
City of Rancho Cordova  
2729 Prospect Park Drive  
Rancho Cordova, CA 95670

Dear Mr. Gaebler:

Subject: Housing Assets Transfer Form

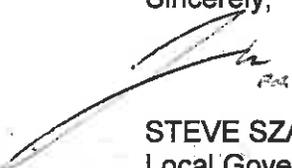
Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Rancho Cordova submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on July 31, 2012 for the period February 1, 2012 through August, 30 2012.

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 Exhibit C, Item 1. Documentation provided does not identify the Low and Moderate Income Housing Fund as the funding source.

Except for the item 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 Susanna Jackson, Lead Analyst at (916) 445-1546.

Sincerely,



**STEVE SZALAY**  
Local Government Consultant

cc: Mr. Reed Flory, Housing Services Administrator, City of Rancho Cordova  
Mr. Ben Lamera, Assistant Auditor-Controller, Sacramento County  
Ms. Kim Le, Senior Accounting Manager, Sacramento County  
California State Controller's Office