



August 30, 2012

Mr. Sage Sangiacomo, Assistant City Manager
City of Ukiah
300 Seminary Ave
Ukiah, CA 95482

Dear Mr. Sangiacomo:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Ukiah 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 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 3 through 7 – properties totaling \$891,460 – No documentation was provided to support the use of these properties were for low and moderate income housing.

Except for items disallowed as noted above, Finance is not objecting to the remaining items 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 Wendy Griffe, Lead Analyst at (916) 445-1546.

Sincerely,



STEVE SZALAY
Local Government Consultant

cc: Gordon Elton, Director of Finance, City of Ukiah
Meredith J Ford, Auditor-Controller, Mendocino County
California State Controller's Office