



August 22, 2012

Ms. Debbie Phillips, Executive Director  
Yuba County Housing Authority  
915 8<sup>th</sup> Street, Suite 130  
Marysville, CA 95901

Dear Ms. Phillips:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the Yuba County Housing Authority (Authority) submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on July 25, 2012 for the period February 1, 2012 through July 25, 2012. The Form reports assets transferred from the former Yuba County Redevelopment Agency's successor (SA) to the Authority.

Finance has completed its review of your Form, which included obtaining clarification of the sole item reported. Based on our review and application of law, Finance is objecting to the Exhibit B, Item 1, for \$47,589 of unencumbered Low Moderate Housing Income Funds (LMHIF) transferred from the SA to the Authority.

Housing assets transferred to the Authority deemed not to be a housing asset shall be returned to the SA. HSC 34176 (a) (1) states all rights, powers, duties, obligations, and housing assets shall be transferred to the entity that assumes the housing functions previously performed by a redevelopment agency, excluding any amounts on deposit in the LMHIF. Therefore, the \$47,589 LMHIF reported on Exhibit B is not a transferable housing asset and should be returned to the SA.

If you disagree with our determination you may request a Meet and Confer within five business days of receiving this letter.

Please direct inquiries to Kylie Le, Supervisor or Derk Symons, Lead Analyst at (916) 445-1546.

Sincerely,

  
STEVE SZALAY  
Local Government Consultant

cc: Mr. Sean Powers, Finance and Administrative Manager, Yuba County  
Mr. Richard Eberle, Auditor-Controller, Yuba County  
California State Controller's Office