



August 25, 2012

Mr. Ernesto Marquez, City Administrator  
City of Hawaiian Gardens  
21815 Pioneer Boulevard  
Hawaiian Gardens, CA 90716

Dear Mr. Marquez:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Hawaiian Gardens Housing Authority submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on July 27, 2012 for the period February 1, 2012 through July 27, 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 transfers of assets identified on your Form:

- Exhibit A, Items 1 through 7 – These properties are not encumbered by low and moderate income housing covenants and do not qualify as housing assets per HSC section 34176 (e). It is our understanding that these properties are currently vacant and there are no plans in place to use them for low and moderate income housing purposes.

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 Evelyn Suess, Supervisor or Michael Barr, Lead Analyst at (916) 445-1546.

Sincerely,



STEVE SZALAY  
Local Government Consultant

cc: Mr. David Sung, Finance Director, City of Hawaiian Gardens  
Ms. Kristina Burns, Los Angeles County Auditor-Controller's Office  
California State Controller's Office