915 L STREET # SACRAMENTO CA # 95814-3706 # WWW.DDF.CA.BDV

August 31, 2012

Ms. Lisa A. Strong, Management Services Director Fontana Housing Authority 8353 Sierra Avenue Fontana, CA 92335

Dear Ms. Strong:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the Fontana Housing Authority 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 August 1, 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 asset or transfer of asset identified on your Form:

Exhibit A Items 1 through 3 – Documentation provided indicates properties are owned by third parties and do not meet the definition of a housing asset.

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 Jackson, Lead Analyst at (916) 445-1546.

Sincerely,

STEVE SZALAY

Local Government Consultant

cc: Ms. Dawn Brooks, Accounting Manager, Housing Agency

Mr. Larry Walker, Auditor Controller, San Bernardino County

Ms. Vanessa Doyle, Property Tax Manager, San Bernardino County

Ms. Linda Santillano, Supervising Accountant, San Bernardino County

Ms. Franz Zyss, Accountant III, San Bernardino County

Mr. Albert Aleman, San Bernardino County

Ms. Ashley Schwenk, San Bernardino County

California State Controller's Office