



April 27, 2012

Lorena Quijano, Director of Finance  
City of Baldwin Park  
14403 E. Pacific Avenue  
Baldwin Park, CA 91706

Dear Ms. Quijano:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Baldwin Park Successor Agency submitted a Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on April 16, 2012. Finance staff contacted you for clarification of items listed in the ROPS.

HSC section 34171 (d) lists enforceable obligations characteristics. Based on our application of the law, the following items are not Enforceable Obligations (EO):

- Page 1, items No. 8 and 9 – Loan administration costs totaling \$19,377,323. HSC section 34171 (d) (2) states that loans between the entity that created the redevelopment agency (RDA) and the former RDA are not EOs.
- Page 1, items No. 22 – Loans for low and moderate income project in amount of \$180,000. HSC Section 34163 (b) prohibits a redevelopment agency from entering into a contract with any entities after June 27, 2011.
- Page 1, items No. 17 – \$736, 813 in Administration costs. The Baldwin Park Finance Director on April 19, 2012, stated the oversight board removed this line item.

As authorized by HSC section 34179 (h), Finance is returning your ROPS for reconsideration. This action will cause the specific items on the ROPS above to be ineffective until Finance approval.

If you believe we have reached this conclusion in error, please provide further evidence that the items questioned meet the definition of an EO.

Please direct inquiries to Robert Scott, Supervisor or Kylie Le, Lead Analyst at (916) 322-2985.

Sincerely,

MARK HILL  
Program Budget Manager

cc: Arlena Barrera, Property Tax Division Chief, County of Los Angeles