



May 21, 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 revised Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on May 17, 2012, for the period July through December 2012. Finance staff recently contacted you for further 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 do not qualify as Enforceable Obligations (EO):

Page 1, item 10 is a City Loan for administration cost in the amount of \$88,414. HSC section 34171 (d) (2) states that loans between the entity that created the redevelopment agency (RDA) and the former RDA are only enforceable if made within the first two years of the RDA's existence.

As authorized by HSC section 34179 (h), Finance is returning your ROPS for your reconsideration. This action will cause the specific ROPS items noted above to be ineffective until Finance approval. Furthermore, items listed on future ROPS will be subject to review and may be denied as EOs.

If you believe we have reached this conclusion in error, please provide evidence the items above meet the definition of an EO and submit to Redevelopment_Administration@dof.ca.gov.

Finance may continue to review items on the ROPS in addition to those mentioned above and identify additional issues. We will provide separate notice if we are requesting further modifications to the ROPS. It is our intent to provide an approval notice with regard to each ROPS prior to the June 1 property tax distribution date.

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

Sincerely,

MARK HILL
Program Budget Manager

cc: Ms. Arlena Barrera, Property Tax Division Chief, County of Los Angeles
Ms. Kristina Burns, Program Specialist III, County of Los Angeles