



April 27, 2012

Stuart Schillinger, Administrative Services Director  
City of Brisbane  
50 Park Place  
Brisbane, CA 94005

Dear Mr. Schillinger:

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

HSC section 34171 (d) lists enforceable obligation (EO) characteristics. Based on a sample of line items reviewed and application of the law, the following do not qualify as EOs:

Item 2, 16, and 23 total \$8.6 million in loans from the City. HSC section 34171(d)(2) states that agreements, contracts, or arrangements between the City and the former redevelopment agency not enforceable obligations.

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 further evidence that the items questioned above meet the definition of an EO.

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

Sincerely,

MARK HILL  
Program Budget Manager

cc: Ms. Betsy Cooper, Financial Services Manager, City of Brisbane  
Mr. Bob Adler, Auditor-Controller, San Mateo County