



May 31, 2012

Maureen Toms, Redevelopment Program Manager
Contra Costa County
30 Muir Road
Martinez, CA 94553-0095

Dear Ms. Toms:

Subject: Revised Recognized Obligation Payment Schedule Approval Letter

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the Contra Costa County Successor Agency (Agency) submitted revised Recognized Obligation Payment Schedules (ROPS) to the California Department of Finance (Finance) on May 23, 2012 for the periods January to June 2012 and July to December 2012. Finance is assuming appropriate oversight board approval. Finance has completed its review of your ROPS, which may have included obtaining clarification for various items.

Based on review of additional information provided the Agency and the revised ROPS, Finance has accepted some items as enforceable obligations. Therefore, this letter supersedes Finance's approval letter dated May 25, 2012.

The following items below remain as not qualifying as enforceable obligations (EO) on the revised ROPS:

January to June 2012 ROPS

- Items 8, 12, and 18 on page 2 totaling \$3.4 million for contracts between the County and the Agency. Per HSC section 34171 (d) (2), enforceable obligations do not include contracts between the County and the former Redevelopment Agency (RDA). Payments made in January by the former RDA have been allowed per HSC section 34167.
- Item 6 on page 7 in the amount of \$263,700. This item is a loan between the County and the RDA; therefore, the item is not an EO.
- Item 7 on page 4 in the amount of \$100,000. No contract for this consultant has been awarded.

July to December 2012 ROPS

- Items 8, 12, and 18 on page 2 are contracts between the County and the RDA totaling \$2.8 million. HSC section 34171 (d) (2) states that agreements, contracts, or arrangements between the city, county, or city and county that created the RDA and the RDA are not enforceable obligations.
- Item 6 on page 7 is a loan between the County and the RDA in the amount of \$263,700.

- Item 7 on page 4 in the amount of \$80,000. No contract for this consultant has been awarded.

Except for items disallowed in whole or in part as EOs noted above, Finance is approving the remaining items listed in your revised ROPS. This is our determination with respect to any items funded from the Redevelopment Property Tax Trust Fund (RPTTF) for the June 1 property tax allocations. If your oversight board disagrees with our determination with respect to any items not funded with property tax, any future resolution of the disputed issue may be accommodated by amending the ROPS for the appropriate time period. Items not questioned during this review are subject to a subsequent review, if they are included on a future ROPS. If an item included on a future ROPS is not an enforceable obligation, Finance reserves the right to remove that item from the future ROPS, even if it was not removed from the preceding ROPS.

Please refer to Exhibit 12 at http://www.dof.ca.gov/assembly_bills_26-27/view.php for the amount of RPTTF that was approved by Finance based on the schedule submitted.

As you are aware the amount of available RPTTF is the same as the property tax increment that was available prior to ABx1 26. This amount is not and never was an unlimited funding source. Therefore as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available in the RPTTF.

Please direct inquiries to Chikako Takagi-Galamba, Supervisor or Cindie Lor, Lead Analyst at (916) 322-2985.

Sincerely,



MARK HILL
Program Budget Manager

cc: Mr. Steven Goetz, Deputy Director, Conservation, Transportation and Redevelopment Programs, Contra Costa County Department of Conservation and Development
Mr. Bob Campbell, Auditor-Controller, Contra Costa County Auditor – Controller's Office
Mr. Jay Wilverding, Chief Accountant, Contra Costa County Auditor – Controller's Office