



DEPARTMENT OF  
**FINANCE**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 30, 2012

Carol Atwood, Director of Administrative Services  
Cupertino City Hall  
10300 Torre Avenue  
Cupertino, CA 95014

Dear Ms. Atwood:

Subject: Recognized Obligation Payment Schedule Approval Letter

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Cupertino Successor Agency submitted a Recognized Obligation Payment Schedules (ROPS) to the California Department of Finance (Finance) on April 10, 2012 for the period January to June 2012 (ROPS I) and on May 21, 2012 for the period July to December 2012 (ROPS II). Finance is assuming oversight board approval. Finance has completed its review of your ROPS which may have included obtaining clarification for various items.

Based on our review, we are approving all of the items listed on your ROPS except for form B, Line 1, on ROPS II. The line item is \$635,000 for a Public Infrastructure Agreement payable to the City. HSC section 34171 (d) (2) states that reimbursement agreements 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.

This is our determination with respect to any items funded from the Redevelopment Property Tax Trust Fund (RPTTF) for the June 1, 2012 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](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 Robert Scott, Supervisor or Kylie Le, Lead Analyst at (916) 322-2985.

Sincerely,

MARK HILL  
Program Budget Manager

cc: Ms. Irene Lui, Controller-Treasurer, Santa Clara County  
Mr. Vinod Sharma, Director of Finance Agency, Santa Clara County

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