



April 25, 2012

Kathleen H. Kane, Executive Director
Sonoma County Community Development Commission,
Housing Authority, Redevelopment Agency
1440 Guerneville Road, Santa Rosa, CA. 95403

Dear Ms. Kane:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the County of Sonoma (County) Successor Agency submitted a Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on April 13, 2012.

The ROPS submitted is not complete, and therefore, not approved for making obligation payments. The funding source for each reported line item must be disclosed. For line items funded by multiple funding sources, the ROPS must disclose an amount for each source. See the example provided in Exhibit 6 of http://www.dof.ca.gov/assembly_bills_26-27/view.php. Please revised and resubmit your ROPS for the period January through June 2012.

In addition, Finance has determined several of the line items included on your ROPS are not enforceable obligations (EO). The HSC section 34171 (d) lists EO characteristics. Based on our application of the law the following items do not qualify as EOs:

- Page 1, items 18,19,70,71, and 72, totals \$18.6 million for loans from the County. HSC section 34171 (d) (2) states that agreements, contracts, or arrangements between the County and the former redevelopment agency are not enforceable obligations.
- Page 1, items 13, 57, 65 totaling \$26,561 for new contracts signed after June 27, 2012. HSC section 34163(b) prohibits agencies from entering into new contract.

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

Please direct inquiries to Jennifer Whitaker or Robert Scott at (916) 322-2985.

Sincerely,

MARK HILL
Program Budget Manager

cc: Mr. Erick Roeser, Property Tax Manager, County of Sonoma