



May 18, 2012

John D. Haig, Jr., Redevelopment Manager
Sonoma County Community Development Commission
1440 Guerneville Road
Santa Rosa, CA 95403

Dear Mr. Haig:

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 May 4, 2012 for the period of July through December 2012. Finance staff contacted you for clarification of items listed in the ROPS.

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

Page 2, item 12 and 13, are loans from the County totaling \$2.4 million.
HSC section 34171 (d) (2) states agreements or contracts between the County and the former redevelopment agency are not enforceable obligations.

As authorized by HSC section 34179 (h), Finance is returning your ROPS for reconsideration. This action will cause the 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 Jennifer Whitaker, Manager, or Robert Scott, Supervisor at (916) 322-2985.

Sincerely,

MARK HILL
Program Budget Manager

cc: Ms. Kathleen H. Kane, Executive Director, Sonoma County Community Development Commission, County of Sonoma
Mr. Erick Roeser, Property Tax Manager, County of Sonoma