



May 23, 2012

Stephanie Lovette, Economic Development Manager
City of San Rafael
1400 Fifth Avenue
San Rafael, CA 94901

Dear Ms. Lovette:

Subject: Recognized Obligation Payment Schedule Approval Letter

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of San Rafael Successor Agency submitted revised Recognized Obligation Payment Schedules (ROPS) to the California Department of Finance (Finance) on May 16, 2012 for the periods January to June 2012 and July to December 2012. Finance has completed its review of your ROPS which may have included obtaining clarification for various items.

Finance acknowledges that both revised ROPS have not been approved by the oversight board in its entirety. The oversight board approved specific line items on May 9, 2012. Finance limited its review to only those board-approved line items. Based on our review, we are approving the following line items (as listed on the May 16, 2012 ROPS):

January to June ROPS:

Page 1, items 2, 3, 7, 8, and 11

Page 2, items 3 through 10

July to December ROPS:

Page 1, items 2, 4, 9, and 10

Page 2, items 3 through 10

This is our determination with respect to any items funded from the Redevelopment Property Tax Trust Fund for the June 1, 2012 property tax allocations. In addition, items not questioned during this review are subject to 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 Redevelopment Property Tax Trust Fund (RPTTF) that was approved by Finance.

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.

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Please direct inquiries to Evelyn Suess, Supervisor or Mindy Patterson, Lead Analyst at (916) 322-2985.

Sincerely,

A handwritten signature in black ink that reads "Mark Hill". The signature is written in a cursive style with a large, stylized "M" and "H".

MARK HILL
Program Budget Manager

cc: Mr. Roy Given, Director of Finance, County of Marin
Mr. Tey Mourtash, Accounting Manager, Department of Finance, County of Marin
Ms. Dana Proctor, Senior Accountant, Department of Finance, County of Marin
Mr. Dave Kosmala, Senior Accountant, Department of Finance, County of Marin