DEPARTMENT OF FINANCE

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March 23, 2015

Mr. Steven Lantsberger, Deputy Director of Economic Development
City of Hesperia
9700 Seventh Avenue
Hesperia, CA 92345

Dear Mr. Lantsberger:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Hesperia Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on April 22, 2014. The Agency subsequently submitted an Amended LRPMP to Finance on February 10, 2015 and March 18, 2015. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on November 14, 2013. Further, based on our review and application of the law, we are approving the Agency's use or disposition of all the properties listed on the LRPMP.

Finance notes that, pursuant to HSC section 34177 (a) (3), only those payments listed in the Recognized Obligation Payment Schedule (ROPS) may be made by the Agency from the funds specified in the ROPS. Therefore, any request to use proceeds from the sale of Agency properties to pay enforceable obligation must be listed in a ROPS for Finance's review and approval prior to use. Funds not designated for enforceable obligation, or approved for the payment of enforceable obligation in a ROPS must be remitted to the San Bernardino County Auditor-Controller for distribution to taxing entities.

In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation. Pursuant to HSC section 34191.3, the approved LRPMP shall govern, and supersede all other provisions relating to, the disposition and use of all the real property assets of the former redevelopment agency.

Agency actions taken pursuant to a Finance approved LRPMP which requires the Agency to enter into a new agreement are subject to oversight board (OB) approval per HSC section 34181 (f). Any OB action approving a new agreement in connection with the LRPMP should be submitted to Finance for approval.

Please direct inquiries to Nichelle Thomas, Supervisor, or Michael Barr, Lead Analyst at (916) 445-1546.

Sincerely,

JUSTYN HOWARD
Program Budget Manager

cc: Ms. Anne Duke, Deputy Finance Director, City of Hesperia
Ms. Linda Santillano, Property Tax Manager, San Bernardino County
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State Controller's Office
California State Controller's Office