



May 11, 2012

Linda Scholink, Administrative Services Director
Sand City
1 Sylvan Park
Sand City, CA 93955

Dear Ms. Scholink:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the Sand City Successor Agency submitted a Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on April 30, 2012 for the period July through December 2012.

The ROPS submitted to Finance is not approved for making obligation payments. The total Redevelopment Property Tax amount listed on the ROPS for the six month period exceeds the total tax increment received by the agency for fiscal year 2010-11. Thus it appears that this plan of expenditure is not feasible.

Please resubmit a revised board-approved ROPS reflecting a feasible amount of Tax Increment for the July through December 2012 period. Please make every effort to assign other funding sources to obligations as feasible and use current tax increment as the funding source of last resort as required by HSC section 34177(l). Submit the revised ROPS to the following email address:

Redevelopment_Administration@dof.ca.gov

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 Robert Scott, Supervisor or Jenny DeAngelis, Lead Analyst at (916) 322-2985.

Sincerely,

MARK HILL
Program Budget Manager

cc: Mr. Steve Matarazzo, City Administrator, Sand City
Ms. Devon Lazzarino, Accounting Technician II, Sand City
Ms. Julie Aguero, Auditor Controller Analyst II, County of Monterey