



May 11, 2012

Alex Terrazas, Assistant Town Manager  
Town of Truckee  
10183 Truckee Airport Road  
Truckee, CA 96161-3306

Dear Mr. Terrazas:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the Town of Truckee Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on April 26, 2012 for the period January through June 2012. Finance staff contacted you for clarification of items listed in the ROPS.

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

- Various projects totaling \$3.2 million for contracts that were executed after June 27, 2011. HSC section 34163 (b) prohibits a redevelopment agency from entering into a contract with any entity after June 27, 2011.

Item No.	Page	Project Name	Amount
9	1	Hotel Avery Public Infrastructure	\$ 1,500,000
12	1	Historic Preservation Project	55,000
21	1	First Time Homebuyer Loan Program (A)	90,000
22	1	First Time Homebuyer Loan Program (B)	90,000
23	1	First Time Homebuyer Loan Program (c)	90,000
4	2	Truckee Depot	617,762
7	2	Donner Pass Road/Bridge	168,629
8	2	Gateway Pedestrian Connection	568,000
11	2	Senior Housing Rehabilitation Project	250,000
		<b>Total</b>	<b>\$ 3,429,391</b>

- Various projects totaling \$6.8 million. Supporting documents do not show that the Agency established EO's for the following line items:

Item No.	Page	Project Name	Amount
13	1	Historic Preservation Project	\$ 60,000
14	1	Historic Preservation Project	60,000
17	1	Downtown Streetscape Loan Program	50,000
19	1	Small Business Loan Program	50,000

Item No.	Page	Project Name	Amount
25	1	Microenterprise Loan Program	35,000
1	2	Various Projects	6,500,000
		<b>Total</b>	<b>\$ 6,755,000</b>

As authorized by HSC section 34179 (h), Finance is returning your ROPS for your reconsideration. This action will cause the specific 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 further evidence that the items questioned above meet the definition of an EO and submit to the following email address:

[Redevelopment\\_Administration@dof.ca.gov](mailto: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 Evelyn Suess, Supervisor or Douglas Evans, Lead Analyst at (916) 322-2985.

Sincerely,



MARK HILL  
Program Budget Manager

cc: Ms. Kim Szczurek, Administrative Services Director, Town of Truckee  
Ms. Marcia L. Salter, Auditor-Controller, Nevada County