



October 14, 2012

Mr. John C. Prescott, Community Development Director
City of Thousand Oaks
2100 Thousand Oaks Boulevard
Thousand Oaks, CA 91362

Dear Mr. Prescott:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m), the City of Thousand Oaks Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS III) to the California Department of Finance (Finance) on August 30, 2012 for the period of January through June 2013. Finance has completed its review of your ROPS III, which may have included obtaining clarification for various items.

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

- Item Nos. 6 and 8 – Monitoring Costs for Affordable Housing Projects and Los Feliz Affordable Housing Project in the amount of \$137,200. HSC section 34176 (a) (1) requires the housing entity to be responsible for the housing duties and obligations previously performed by the redevelopment agency. Therefore, these items are not enforceable obligations and not eligible for Redevelopment Property Tax Fund (RPTTF) funding.
- Item No. 17 – Thousand Oaks Auto Mall Street Parking Modification in the amount of \$7.7 million of reserve funds. This item is for the construction of the Thousand Oaks Auto Mall Street Parking Modification. No contracts have been issued for the construction of public improvements and the contingencies under section 4 of the funding agreement dated March 8, 2011 has not been fully satisfied. Therefore, this is not an enforceable obligation.
- Item No. 23 – Discovery Center in the amount of \$5 million of reserve funds. This item is for the construction of a Discovery Center. No contracts exist for this line item. HSC section 34163 (b) prohibits a redevelopment agency from entering into a contract with any entity after June 27, 2011; therefore this is not an enforceable obligation.

Furthermore, Item No. 10 totaling \$25,000 for Legal Counseling Fees was reclassified as an administrative cost. Although this reclassification increased administrative costs to \$275,000, the administrative cost allowance has not been exceeded.

Except for items denied in whole or in part as enforceable obligations as noted above, Finance is approving the remaining items listed in your ROPS III. If you disagree with the determination with respect to any items on your ROPS III, you may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available at Finance's website below:

http://www.dof.ca.gov/redevelopment/meet_and_confer/

The Agency's maximum approved Redevelopment Property Tax Trust Fund (RPTTF) distribution for the reporting period is \$4,025,083 as summarized below:

Approved RPTTF Distribution Amount	
For the period of January through June 2013	
Total RPTTF funding requested for obligations	\$ 3,912,283
Less: Six-month total for item(s) denied or reclassified as administrative cost(*)	
Item No. 6	76,000
Item No. 8	61,200
Item No. 10*	25,000
Total approved RPTTF for enforceable obligations	\$ 3,750,083
Plus: Allowable RPTTF distribution for administrative cost for ROPS III	275,000
Total RPTTF approved:	\$ 4,025,083

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS III form the estimated obligations and actual payments associated with the January through June 2012 period. The amount of RPTTF approved in the above table will be adjusted by the county auditor-controller to account for differences between actual payments and past estimated obligations. Additionally, these estimates and accounts are subject to audit by the county auditor-controller and the State Controller.

Please refer to the ROPS III schedule that was used to calculate the approved RPTTF amount:

<http://www.dof.ca.gov/redevelopment/ROPS/ROPS III Forms by Successor Agency/>.

All items listed on a future ROPS are subject to a subsequent review. An item included on a future ROPS may be denied even if it was not questioned from the preceding ROPS.

The amount available from the RPTTF is the same as the property tax increment that was available prior to enactment of ABx1 26 and AB 1484. 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 to the successor agency in the RPTTF.

Mr. John Prescott
October 14, 2012
Page 3

Please direct inquiries to Beliz Chappuie, Supervisor or Mindy Patterson, Lead Analyst at (916) 445-1546.

Sincerely,



STEVE SZALAY
Local Government Consultant

cc: Mr. John F. Adams, Finance Director, City of Thousand Oaks
Ms. Sandra Bickford, Chief Deputy, Ventura County Auditor Controller