

Joe H Harn/PV/EDC
02/25/2008 10:08 AM

To "Leonard Grado" <lgrado@palosverdespropertiesinc.com>,
The BOSFIVE/SLT/EDC@TCP, The
BOSFOUR/PV/EDC@TCP, The BOSONE/PV/EDC@TCP,
cc "Craig Sandberg" <csandberg@slalaw.net>,
Marci.Embree@gcinc.com,
mitch@palosverdespropertiesinc.com,
bcc Cynthia C Johnson/PV/EDC
Subject Item # 23, Granite Grado Ventures Reimbursement Funding
Agreement

On December 11, 2007, your Board directed your staff, including the Auditor-Controller, to negotiate a reimbursement agreement with this developer. I attended a handful of meeting with Mr. Storer, Mr. Grado, and the DOT staff around the holidays regarding this matter.

Because DOT has recommended a \$31,000,000 Developer Advance in the 5 year CIP for the Diamond Springs Parkway, it seems that we should not go forward with the \$2,300,000 reimbursement agreement that was discussed in the December 11, 2007, agenda item, until the County has a better handle on the financing of the whole project. It is not reasonable to assume a \$31,000,000 Developer Advance on this project based on the information that I have at this time. Hopefully, DOT can provide some more information on its plans for the financing of this project soon.

Joe Harn, CPA
Auditor-Controller
El Dorado County
Work Phone (530)621-5456
Cell Phone (530)409-8291
Fax (530)295-2511

RECEIVED
BOARD OF SUPERVISORS
EL DORADO COUNTY
2008 FEB 25 AM 10:17