



October 10, 2018

Ms. Stacey Dabbs, Finance Director  
City of Colton  
650 North La Cadena Drive  
Colton, CA 92324

Dear Ms. Dabbs:

Subject: Last and Final Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34191.6 (b), the City of Colton Successor Agency (Agency) submitted a Last and Final Recognized Obligation Payment Schedule (Last and Final ROPS) to the California Department of Finance (Finance) on July 2, 2018. Finance has completed its review of the Agency's Last and Final ROPS.

HSC section 34191.6 (c) authorizes Finance to make amendments or changes to the Last and Final ROPS if the changes are agreed to in writing by the Agency. The Agency has agreed in writing to the following changes made by Finance to the Agency's Last and Final ROPS:

- Item No. 9 – Tax Allocation Bonds, Continuing Disclosure Fees. The Agency requested Administrative Redevelopment Property Tax Trust Fund (RPTTF) funding in the amount of \$1,775 for this item during ROPS 36-37 instead of RPTTF. Therefore, with the Agency's concurrence, Finance increased RPTTF funding in the amount of \$1,775 for this item.
- Item No. 51 – West Valley Project Loan. The Agency accidentally omitted funding for this item when submitting the Last and Final ROPS. Therefore, at the Agency's request, Finance increased the RPTTF funding in the amount of \$522,997 for this item.
- Item No. 63 – Administrative Costs totaling \$876,775. While the total administrative costs originally claimed were within the fiscal year administrative cap, the amount appeared excessive given the number and nature of obligations listed on the Last and Final ROPS. Therefore, with the Agency's concurrence, Finance decreased the total requested amount to \$20,384 (\$876,775 - \$856,391).
- Item No. 69 – 2015 Tax Allocation Refunding Bonds Reserve, requested amount totaling \$11,997,746. The Agency's ROPS 18-19 has been approved by Finance. Agency's funding authorization for fiscal year 2018-19 will be pursuant to Finance's determination letter dated April 12, 2018. As such, in order to reconcile the amount of RPTTF approved on ROPS 18-19, the funding for this item was decreased by the amount of \$1,341,819 in ROPS 18-19B.

The adjustments noted on the previous page are summarized in the following table:

Item No.	Requested	Adjustment	Authorized
9	\$ 0	\$ 1,775	\$ 1,775
51	0	522,997	522,997
63	876,775	(856,391)	20,384
69	11,997,746	(1,341,819)	10,655,927
<b>Total</b>	<b>\$12,874,521</b>	<b>(\$1,673,438)</b>	<b>\$11,201,083</b>

Finance is approving the Agency's Last and Final ROPS with the above amendments and changes. Adjustments specific to each ROPS period are reflected in the approved Last and Final ROPS.

The Agency's maximum approved RPTTF distribution for the Last and Final ROPS is \$15,533,496 as summarized in the Approved RPTTF Distribution table.

Approved Last and Final ROPS RPTTF Distributions							
ROPS Period	A Periods			B Periods			Annual Total
	RPTTF	Admin RPTTF	A Period Total	RPTTF	Admin RPTTF	B Period Total	
Total requested	2,701,067	451,775	3,152,842	13,629,092	425,000	14,054,092	\$17,206,934
Total adjustments	524,772	(441,407)	83,365	(1,341,819)	(414,984)	(1,756,803)	(1,673,438)
<b>Total RPTTF approved for distribution</b>							<b>\$15,533,496</b>
ROPS 18-19	0	0	0	0	0	0	0
ROPS 19-20	113,323	576	113,899	1,783,413	576	1,783,989	1,897,888
ROPS 20-21	525,497	576	526,073	1,786,913	576	1,787,489	2,313,562
ROPS 21-22	2,500	576	3,076	1,642,163	576	1,642,739	1,645,815
ROPS 22-23	2,500	576	3,076	1,426,413	576	1,426,989	1,430,065
ROPS 23-24	2,500	576	3,076	1,433,413	576	1,433,989	1,437,065
ROPS 24-25	2,500	576	3,076	1,427,413	576	1,427,989	1,431,065
ROPS 25-26	2,500	576	3,076	1,428,913	576	1,429,489	1,432,565
ROPS 26-27	2,500	576	3,076	1,107,413	576	1,107,989	1,111,065
ROPS 27-28	2,500	576	3,076	45,344	576	45,920	48,996
ROPS 28-29	271,069	576	271,645	41,688	576	42,264	313,909
ROPS 29-30	272,413	576	272,989	37,806	576	38,382	311,371
ROPS 30-31	278,531	576	279,107	33,606	576	34,182	313,289
ROPS 31-32	284,331	576	284,907	29,075	576	29,651	314,558
ROPS 32-33	284,800	576	285,376	23,975	576	24,551	309,927
ROPS 33-34	284,700	576	285,276	18,775	576	19,351	304,627
ROPS 34-35	294,500	576	295,076	13,275	576	13,851	308,927
ROPS 35-36	294,000	576	294,576	7,675	576	8,251	302,827
ROPS 36-37	305,175	576	305,751	0	224	224	305,975
<b>Grand Total</b>	<b>3,225,839</b>	<b>10,368</b>	<b>3,236,207</b>	<b>12,287,273</b>	<b>10,016</b>	<b>12,297,289</b>	<b>\$ 15,533,496</b>

Please refer to the approved Last and Final ROPS schedule used to calculate the total RPTTF approved for distribution:

<http://www.dof.ca.gov/redevelopment/ROPS>

This is Finance's determination related to the enforceable obligations reported on the Last and Final ROPS. HSC section 34191.6 (c) (2) allows agencies to submit no more than two requests to amend the approved Last and Final ROPS.

ROPS distributions occur twice annually, one distribution for the July 1 through December 31 (ROPS A period) and one distribution for the January 1 through June 30 (ROPS B period). The Agency will receive RPTTF distributions up to the maximum approved amount on the Last and Final ROPS.

The Agency shall not expend more than the amount approved for each enforceable obligation listed and approved on the Last and Final ROPS. All unspent RPTTF received for enforceable obligations by the Agency should be retained for distribution to the affected taxing entities pursuant to HSC section 34191.6 (d) (2) (G). Further, any revenues, interest, and earnings of the Agency not authorized for use pursuant to the approved Last and Final ROPS shall be remitted to the County Auditor-Controller (CAC) pursuant to HSC section 34191.6 (c) (3). Pursuant to HSC section 34187 (e), once an agency has retired or paid off all enforceable obligations and all real property has been disposed of, the agency is required to dispose of all remaining assets and remit any proceeds to the CAC for distribution to the affected taxing entities.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the Last and Final ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF. However, HSC section 34191.6 (c) (5) provides mechanisms for the Agency to pay enforceable obligations if insufficient RPTTF is available on an approved Last and Final ROPS.

HSC section 34187 (b) defines the process of final dissolution of the Agency. When all enforceable obligations have been retired or paid off, all real property has been disposed of, and all outstanding litigation has been resolved, the Agency shall, within 30 days of meeting these conditions, submit to the Oversight Board (OB) a request to formally dissolve. The OB shall approve the request within 30 days and submit the request to Finance's review.

Pursuant to HSC section 34191.6 (c), Last and Final ROPS approved less than 15 days before the date of the RPTTF distribution shall not be effective until the subsequent RPTTF distribution period; therefore, if an agency receives a Last and Final ROPS approval after this cutoff date, the most recent annual ROPS 18-19 approval would remain effective through December 31, 2018.

Please direct inquiries to Nichelle Jackson, Supervisor, or Amy Xu, Analyst at (916) 322-2985.

Sincerely,



ERIKA LI  
Program Budget Manager

cc: Ms. Altheia Franklin, Senior Accountant, City of Colton  
Ms. Linda Santillano, Property Tax Manager, San Bernardino County