



November 15, 2017

Ms. Lisa Strong, Management Services Director
City of Fontana
8353 Sierra Avenue
Fontana, CA 92335

Dear Ms. Strong:

Subject: Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the City of Fontana Successor Agency (Agency) submitted an amended Recognized Obligation Payment Schedule for the period January 1, 2018 through June 30, 2018 (Amended ROPS 17-18B) to the California Department of Finance (Finance) on September 25, 2017. Finance has completed its review of the Amended ROPS 17-18B.

Based on our review, Finance is approving all of the adjustments requested on the Amended ROPS 17-18B as follows:

Item Nos. 6 and 10 – 1997 and 1999, Series A, Tax Allocation Refunding Bonds, debt service payments totaling \$2,998,000. The Agency requested Redevelopment Property Tax Trust Fund (RPTTF) funding for debt service payments due for a 12-month period; the bond indentures require all tax revenues to be deposited until the full year's bond debt service is covered. Therefore, debt service payments requested in the amount of \$2,998,000 is approved.

However, as required by the indentures of trust, all pledged tax revenues must be transferred upon receipt to the bond trustee. As such, the additional \$2,998,000 requested, along with the amounts required for the current ROPS period, must be transferred upon receipt to the bond trustee. The amounts approved for debt service payments on this ROPS are restricted for that purpose and are not authorized for other ROPS items. Future requests to fund these debt service items again will be denied unless insufficient RPTTF was received to satisfy the approved annual debt service payments.

The Agency's amended maximum approved RPTTF distribution for the ROPS 17-18B period is \$28,463,663 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

Please refer to the ROPS 17-18B 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 funding of enforceable obligations reported on your Amended ROPS 17-18B. Please note there is no Meet and Confer option for the Amended ROPS process and Finance's determination is final. This determination is effective for this time period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this Amended ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

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 ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Nichelle Jackson, Supervisor, or Michael Barr, Lead Analyst, at (916) 322-2985.

Sincerely,

A handwritten signature in blue ink, appearing to read "Erika Li for". The signature is stylized and includes a large loop at the beginning.

ERIKA LI
Program Budget Manager

cc: Ms. Dawn Brooks, Accounting Manager, City of Fontana
Ms. Linda Santillano, Property Tax Manager, San Bernardino County

Attachment

Approved RPTTF Distribution	
For the period of January 2018 through June 2018	
Authorized RPTTF on ROPS 17-18B	\$ 24,815,473
Authorized Administrative RPTTF on ROPS 17-18B	650,190
Total Authorized RPTTF on ROPS 17-18B	25,465,663
Authorized 17-18B RPTTF Adjustments	2,998,000
Total Amended ROPS 17-18B RPTTF approved for distribution	\$ 28,463,663