



Transmitted via e-mail

April 11, 2022

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City of Arcadia
240 West Huntington Drive
Arcadia, CA 91006

Last and Final Recognized Obligation Payment Schedule Determination

Pursuant to Health and Safety Code (HSC) section 34191.6 (b), the City of Arcadia Successor Agency (Agency) submitted a Last and Final Recognized Obligation Payment Schedule (Last and Final ROPS) to the California Department of Finance (Finance) on January 21, 2022. 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 change made by Finance to the Agency's Last and Final ROPS:

- Total claimed administrative costs in the amount of \$19,500 have been adjusted by \$4,200 to \$15,300. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of actual Redevelopment Property Tax Trust Fund (RPTTF) distributed in the preceding fiscal year or \$250,000, whichever is greater; not to exceed 50 percent of the distributed RPTTF in the preceding fiscal year. The Agency received no RPTTF distribution for fiscal year 2020-21. Therefore, although \$4,200 is claimed for administrative costs in the ROPS 22-23 period, \$0 is available pursuant to the cap. Therefore, \$4,200 in excess ACA is not allowed for the ROPS 22-23 period. Finance recalculated the ACA for the remaining ROPS periods (ROPS 23-24 through ROPS 26-27) using the RPTTF authorized on the Last and Final ROPS and approving the requested ACA.

Finance is approving the Agency's Last and Final ROPS with the above amendment and change. The change is reflected in the approved Last and Final ROPS.

The Agency's maximum approved RPTTF distribution for the Last and Final ROPS is \$9,962,026, as summarized in the Approved RPTTF Distribution table (see Attachment).

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

<http://www.dof.ca.gov/Programs/Redevelopment/ROPS/>

Any agreed upon amendments or changes are reflected in the approved Last and Final ROPS posted on the above website.

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 will 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, the Agency is required to dispose 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 the redevelopment dissolution statutes. 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, 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 for Finance's review.

Pursuant to HSC section 34191.6 (c), a Last and Final ROPS approved less than 15 days before the date of the next RPTTF distribution shall not be effective until the subsequent RPTTF distribution period. Therefore, the Agency's annual ROPS 21-22 approval remains effective through June 30, 2022. The Agency's Last and Final ROPS will become effective beginning with the ROPS for the period July 1, 2022 through June 30, 2023 (ROPS 22-23).

Pursuant to HSC section 34177 (o) (1), the Agency also submitted ROPS 22-23 to Finance on January 21, 2022. Because Finance is approving the Agency's Last and Final ROPS, Finance's approval of the Agency's ROPS 22-23 is no longer necessary and Finance will not be issuing a ROPS 22-23 determination letter.

Jason Kruckeberg
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Please direct inquiries to Joshua Mortimer, Supervisor, or Brian Dunham, Staff, at (916) 322-2985.

Sincerely,

Original signed by:

JENNIFER WHITAKER
Program Budget Manager

cc: Robert Base, Accountant, City of Arcadia
Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County

Attachment

Approved Last and Final ROPS RPTTF Distributions							
	A Periods			B Periods			
ROPS Period	RPTTF	Admin RPTTF	A Period Total	RPTTF	Admin RPTTF	B Period Total	Annual Total
Total requested	9,718,013	10,900	9,728,913	228,713	8,600	237,313	\$ 9,966,226
Total adjustments	0	(2,100)	(2,100)	0	(2,100)	(2,100)	(4,200)
Totals	9,718,013	8,800	9,726,813	228,713	6,500	235,213	9,962,026
Total RPTTF approved for distribution							
ROPS 22-23	98,101	0	98,101	85,601	0	85,601	183,702
ROPS 23-24	1,678,101	2,100	1,680,201	71,121	2,100	73,221	1,753,422
ROPS 24-25	2,623,920	2,200	2,626,120	47,841	2,200	50,041	2,676,161
ROPS 25-26	2,645,641	2,200	2,647,841	24,150	2,200	26,350	2,674,191
ROPS 26-27	2,672,250	2,300	2,674,550	0	0	0	2,674,550
Total	9,718,013	8,800	9,726,813	228,713	6,500	235,213	\$ 9,962,026