



Transmitted via e-mail

March 24, 2023

Steven Adams, City Manager
City of King
212 South Vanderhurst Avenue
King City, CA 93930

Last and Final Recognized Obligation Payment Schedule Determination

Pursuant to Health and Safety Code (HSC) section 34191.6 (b), the City of King Successor Agency (Agency) submitted a Last and Final Recognized Obligation Payment Schedule (Last and Final ROPS) to the California Department of Finance (Finance) on February 1, 2023. 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 21 – 2016 TAB (Former 1998 TAB) in the amount of \$607,710 requested for the July 1, 2024 through December 31, 2024 (ROPS 24-25A) period has been partially reclassified from the Redevelopment Property Tax Trust Fund (RPTTF) to Bond Proceeds. The Agency has cash in its bond reserve account in the amount of \$319,507 which must be used to satisfy the final debt service payment. Therefore, with the Agency's concurrence, \$319,507 has been reclassified from RPTTF to Bond Proceeds. Finance is approving the use of \$319,507 in Bond Proceeds and \$288,203 in RPTTF funding for the ROPS 24-25A period.
- Item 22 – 2016 A&B TAB (Former 2011 TAB). The Agency requested the amount of \$357,821 for the July through December (ROPS 23-24A) period in error. According to the debt service schedule, the amount should be \$357,848. Therefore, with the Agency's concurrence, Finance made an adjustment of \$27 to increase the requested amount to accurately reflect the required debt service payment.

Finance approves the Agency's Last and Final ROPS with the above amendments and changes. These changes are reflected in the approved Last and Final ROPS.

The Agency's maximum approved RPTTF distribution for the Last and Final ROPS is \$6,389,989, 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.

Finance approved the Agency's annual ROPS 22-23 on April 15, 2022. Therefore, the Agency's most recent annual ROPS 22-23 approvals will remain effective through June 30, 2023, and funding approved through the Last and Final ROPS will commence with the ROPS 23-24 period.

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Please direct inquiries to Todd Vermillion, Supervisor, or Dylan Newton, Staff, at (916) 322-2985.

Sincerely,

Original signed by:

JENNIFER WHITAKER
Program Budget Manager

cc: Mike Howard, Finance Director, City of King
Patty Ruiz, Auditor-Controller Analyst I, Monterey County
Jennifer Forsyth, Countywide Oversight Board Representative

Attachment

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	5,978,003	232,055	6,210,058	499,411	0	499,411	\$ 6,709,469
Total adjustments	(319,480)	0	(319,480)	0	0	0	(319,480)
Totals	5,658,523	232,055	5,890,578	499,411	0	499,411	6,389,989
Total RPTTF approved for distribution							
ROPS 23-24	957,201	15,950	973,151	83,497	0	83,497	1,056,648
ROPS 24-25	656,827	16,490	673,317	69,315	0	69,315	742,632
ROPS 25-26	377,370	17,040	394,410	62,460	0	62,460	456,870
ROPS 26-27	382,051	17,710	399,761	55,348	0	55,348	455,109
ROPS 27-28	390,900	18,305	409,205	49,385	0	49,385	458,590
ROPS 28-29	397,160	18,920	416,080	43,800	0	43,800	459,880
ROPS 29-30	401,599	19,555	421,154	38,053	0	38,053	459,207
ROPS 30-31	404,758	20,210	424,968	32,158	0	32,158	457,126
ROPS 31-32	411,615	20,890	432,505	26,058	0	26,058	458,563
ROPS 32-33	421,875	21,595	443,470	19,699	0	19,699	463,169
ROPS 33-34	425,230	22,320	447,550	13,183	0	13,183	460,733
ROPS 34-35	431,937	23,070	455,007	6,455	0	6,455	461,462
Total	5,658,523	232,055	5,890,578	499,411	0	499,411	\$ 6,389,989