



Transmitted via e-mail

December 20, 2024

Kristopher Mooney, Director of Finance
City of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

Last and Final Recognized Obligation Payment Schedule Determination

Pursuant to Health and Safety Code (HSC) section 34191.6 (b), the City of Palm Springs Successor Agency (Agency) submitted a Last and Final Recognized Obligation Payment Schedule (Last and Final ROPS) to the California Department of Finance (Finance) on September 19, 2024. 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 Nos. 62, 66, and 78 - It is our understanding the Agency has refunded the 2014 Subordinate Tax Allocation Bonds (Item Nos. 62 and 66) with the 2024 Tax Allocation Refunding Parity Bonds (Item No. 78), as authorized by Finance's October 29, 2024 Oversight Board Resolution No. 2024-35 determination letter. Therefore, the Last and Final's funding requests for Item Nos. 62 and 66 are no longer necessary, and Finance is increasing the Redevelopment Property Tax Trust Fund (RPTTF) approved for Item No. 78 to be consistent with its debt service schedule. These adjustments resulted in a \$602,750 reduction to the RPTTF approved on the Last and Final ROPS.

Finance is approving 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 \$23,969,527, 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 24-25 on March 15, 2024. Therefore, the Agency's most recent annual ROPS 24-25 approvals will remain effective through June 30, 2025, and funding approved through the Last and Final ROPS will commence with the ROPS 25-26 period.

Please direct inquiries to RedevelopmentAdministration@dof.ca.gov.

Sincerely,

Original signed by:

Cheryl L. McCormick, CPA
Chief, Office of State Audits and Evaluations

cc: Jay Virata, Director of Housing and Community Development, City of Palm Springs
Jennifer Baechel, Deputy Auditor-Controller, Riverside County
Imelda Delos Santos, Countywide Oversight Board Representative

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	65,954	0	65,954	24,119,331	386,992	24,506,323	\$ 24,572,277
Total adjustments	0	0	0	(602,750)	0	(602,750)	(602,750)
Totals	65,954	0	65,954	23,516,581	386,992	23,903,573	23,969,527
Total RPTTF approved for distribution							
ROPS 25-26	6,050	0	6,050	2,599,014	38,992	2,638,006	2,644,056
ROPS 26-27	6,655	0	6,655	2,604,764	39,600	2,644,364	2,651,019
ROPS 27-28	7,155	0	7,155	2,603,289	39,900	2,643,189	2,650,344
ROPS 28-29	7,155	0	7,155	2,612,264	40,700	2,652,964	2,660,119
ROPS 29-30	6,655	0	6,655	2,601,388	41,000	2,642,388	2,649,043
ROPS 30-31	7,321	0	7,321	2,621,795	41,300	2,663,095	2,670,416
ROPS 31-32	7,321	0	7,321	2,629,897	42,200	2,672,097	2,679,418
ROPS 32-33	8,071	0	8,071	2,625,360	42,500	2,667,860	2,675,931
ROPS 33-34	8,071	0	8,071	2,617,310	42,900	2,660,210	2,668,281
ROPS 34-35	1,500	0	1,500	1,500	17,900	19,400	20,900
Total	65,954	0	65,954	23,516,581	386,992	23,903,573	\$ 23,969,527