



Transmitted via e-mail

April 15, 2020

Steve Masura, Vice President, Administration & Operations, Kosmont Companies
Santa Paula Designated Local Authority
1601 North Sepulveda Blvd, #382
Manhattan Beach, CA 90266

Last and Final Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34191.6 (b), the Santa Paula Designated Local Authority 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 31, 2020. 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. 10 – 1994 Tax Allocation Refunding Bonds in the amount of \$1,463,636 is partially adjusted.
 - On the July 1, 2020 through June 30, 2021 ROPS (ROPS 20-21) form, the Agency reported cash balances and activity for the July 1, 2017 through June 30, 2018 (ROPS 17-18) period. During our review, which may have included obtaining financial records, Finance determined the Agency possesses \$58,297 in Other Funds available from the ROPS 17-18 period to fund enforceable obligations. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting Redevelopment Property Tax Trust Fund (RPTTF) funds. Therefore, with the Agency's concurrence, \$58,297 has been reclassified from RPTTF to Other Funds for the ROPS 20-21A payment.
 - The Agency has cash in its bond reserve account fund in the amount of \$294,500 which must be used to satisfy the final debt service payment. Therefore, with the Agency's concurrence, \$294,500 has been reclassified from RPTTF to Bond Proceeds.
 - The Agency requested use of Other Funds in the amount of \$675,000 as reserves; however, these are funds derived from the requested RPTTF and are not necessary to be listed again on the the Last and Final ROPS. Therefore, the \$675,000 in Other Funds was reduced to \$0.

As a result, the total RPTTF funding requested for this item has been adjusted by \$352,797 (\$58,297 + \$294,500) from \$1,463,636 to \$1,110,839.

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 \$1,268,789, as summarized in the Approved RPTTF Distribution table below.

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	829,583	62,750	892,333	666,003	63,250	729,253	\$ 1,621,586
Total adjustments	(221,351)	0	(221,351)	(131,446)	0	(131,446)	(352,797)
Totals	608,232	62,750	670,982	534,557	63,250	597,807	1,268,789
Total RPTTF approved for distribution							
ROPS 20-21	108,608	15,750	124,358	166,711	15,750	182,461	306,819
ROPS 21-22	166,886	11,500	178,386	163,673	11,500	175,173	353,559
ROPS 22-23	163,823	11,500	175,323	165,315	11,500	176,815	352,138
ROPS 23-24	165,465	11,500	176,965	34,908	12,500	47,408	224,373
ROPS 24-25	3,450	12,500	15,950	3,950	12,000	15,950	31,900
Total	608,232	62,750	670,982	534,557	63,250	597,807	\$ 1,268,789

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), 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 19-20 approval would remain effective through June 30, 2020. The Agency's Last and Final ROPS will become effective beginning with the ROPS 20-21 period.

Pursuant to HSC section 34177 (o) (1), the Agency also submitted ROPS 20-21 to Finance on January 31, 2020. Because Finance is approving the Agency's Last and Final ROPS, Finance's approval of the Agency's ROPS 20-21 is no longer necessary, and Finance will not be issuing a ROPS 20-21 determination letter. The Agency's payment of approved enforceable obligations should be in accordance with the approved Last and Final ROPS beginning with the ROPS 20-21 period.

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

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Sandy Easley, Treasurer, Santa Paula Designated Local Authority
Michelle Yamaguchi, Chief Deputy Director, Ventura County