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January 2, 2020

Mr. Jarad Hildenbrand, City Manager
City of Stanton
7800 Katella Avenue
Stanton, CA 90680

Dear Mr. Hildenbrand:

Subject: Last and Final Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34191.6 (b), the City of Stanton 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 27, 2019. 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:

Total claimed administrative costs in the total outstanding amount of \$870,000 in the Administrative Redevelopment Property Tax Trust Fund (RPTTF) have been partially adjusted. While total administrative costs originally claimed were within the fiscal year administrative cap, the amount appeared excessive given the number and nature of obligations listed on the Last and Final ROPS. Therefore, with the Agency's concurrence, Finance adjusted the administrative cost allowance for the entire Last and Final ROPS by \$198,000 to \$672,000. Adjustments specific to ROPS periods are reflected in the approved 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 \$85,316,333 as summarized in the Approved RPTTF Distribution table.

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/>

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	22,679,765	870,000	23,549,765	61,964,568	0	61,964,568	\$ 85,514,333
Total adjustments	0	(198,000)	(198,000)	0	0	0	(198,000)
Totals	22,679,765	672,000	23,351,765	61,964,568	0	61,964,568	85,316,333
Total RPTTF approved for distribution							
ROPS 20-21	974,363	33,000	1,007,363	4,067,039	0	4,067,039	5,074,402
ROPS 21-22	975,371	33,000	1,008,371	4,070,377	0	4,070,377	5,078,748
ROPS 22-23	969,621	33,000	1,002,621	4,183,533	0	4,183,533	5,186,154
ROPS 23-24	857,139	33,000	890,139	4,178,952	0	4,178,952	5,069,091
ROPS 24-25	859,030	33,000	892,030	4,181,591	0	4,181,591	5,073,621
ROPS 25-26	859,827	33,000	892,827	4,183,666	0	4,183,666	5,076,493
ROPS 26-27	859,314	33,000	892,314	4,190,772	0	4,190,772	5,083,086
ROPS 27-28	859,808	33,000	892,808	4,182,136	0	4,182,136	5,074,944
ROPS 28-29	861,308	33,000	894,308	4,176,448	0	4,176,448	5,070,756
ROPS 29-30	865,708	33,000	898,708	4,186,806	0	4,186,806	5,085,514
ROPS 30-31	856,858	33,000	889,858	2,554,442	0	2,554,442	3,444,300
ROPS 31-32	963,476	33,000	996,476	2,590,906	0	2,590,906	3,587,382
ROPS 32-33	1,347,264	33,000	1,380,264	2,587,511	0	2,587,511	3,967,775
ROPS 33-34	1,345,689	33,000	1,378,689	2,585,018	0	2,585,018	3,963,707
ROPS 34-35	1,345,366	33,000	1,378,366	1,633,663	0	1,633,663	3,012,029
ROPS 35-36	1,097,965	29,500	1,127,465	1,692,676	0	1,692,676	2,820,141
ROPS 36-37	1,361,650	29,500	1,391,150	1,701,738	0	1,701,738	3,092,888
ROPS 37-38	1,362,038	29,500	1,391,538	1,695,925	0	1,695,925	3,087,463
ROPS 38-39	1,364,475	29,500	1,393,975	1,659,450	0	1,659,450	3,053,425
ROPS 39-40	1,343,600	29,500	1,373,100	1,658,919	0	1,658,919	3,032,019
ROPS 40-41	1,349,895	29,500	1,379,395	3,000	0	3,000	1,382,395
Total	22,679,765	672,000	23,351,765	61,964,568	0	61,964,568	\$ 85,316,333

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 of, the Agency is required to dispose of 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 of, 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 to 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. The most recent annual ROPS 19-20 approval would remain effective through June 30, 2020 and the Agency's Last and Final ROPS approved will become effective beginning July 1, 2010.

Please direct inquiries to Todd Vermillion, Supervisor, or Michael Painter, Analyst, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Ms. Suzanne Harrell, Managing Director, City of Stanton
Mr. Israel M Guevara, Administrative Manager, Property Tax Section, Orange County