



Transmitted via e-mail

May 1, 2024

Sheila Poisson, Finance Director
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90503

Last and Final Recognized Obligation Payment Schedule Determination

Pursuant to Health and Safety Code (HSC) section 34191.6 (b), the City of Torrance 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, 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 No. 47 – Loan from the City of Torrance in the total outstanding amount of \$6,408,433 in Redevelopment Property Tax Trust Fund (RPTTF) funding is adjusted. The Agency provided a revised computation based on estimated residuals available for the repayment of the loan which resulted in adjusting the repayment amount for each ROPS period and extending the Last and Final ROPS period to ROPS 29-30. As a result, the total approved amount is increased by \$34,602 to \$6,443,035.

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 \$16,120,599, 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/>

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 April 12, 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: Ian Dailey, Assistant Finance Director, City of Torrance
Linda Santillano, Property Tax Apportionment Division Chief, Los Angeles
County
Martha Arana, 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	14,484,234	62,500	14,546,734	1,489,263	50,000	1,539,263	\$ 16,085,997
Total adjustments	(1,360,392)	0	(1,360,392)	1,394,994	0	1,394,994	34,602
Totals	13,123,842	62,500	13,186,342	2,884,257	50,000	2,934,257	16,120,599
Total RPTTF approved for distribution							
ROPS 24-25	2,518,391	12,500	2,530,891	571,768	12,500	584,268	3,115,159
ROPS 25-26	2,415,427	12,500	2,427,927	593,116	12,500	605,616	3,033,543
ROPS 26-27	2,502,287	12,500	2,514,787	540,817	12,500	553,317	3,068,104
ROPS 27-28	2,502,232	12,500	2,514,732	523,216	12,500	535,716	3,050,448
ROPS 28-29	2,543,509	12,500	2,556,009	486,142	0	486,142	3,042,151
ROPS 29-30	641,996	0	641,996	169,198	0	169,198	811,194
Total	13,123,842	62,500	13,186,342	2,884,257	50,000	2,934,257	\$ 16,120,599

The ROPS 24-25 figures do not reflect the prior period adjustment of \$9,457.