



Transmitted via e-mail

March 28, 2022

Karin Schnaider, Finance Director
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Last and Final Recognized Obligation Payment Schedule Determination

Pursuant to Health and Safety Code (HSC) section 34191.6 (b), the City of Tracy 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, 2022. Finance has completed its review of the Agency's Last and Final ROPS.

Based on our review, Finance is approving all of the items listed on the Last and Final ROPS.

The Agency's maximum approved Redevelopment Property Tax Trust Fund (RPTTF) distribution for the Last and Final ROPS is \$33,100,836, 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.

Pursuant to HSC section 34177 (o) (1), the Agency also submitted an annual ROPS 22-23 to Finance on January 31, 2022. Since the Agency did not request funding on the Last and Final ROPS for the ROPS 22-23 period, RPTTF distributions for the ROPS 22-23 period should be in accordance with Finance's March 25, 2022 annual ROPS 22-23 determination letter. The Agency's payment of approved enforceable obligations in accordance with the approved Last and Final ROPS should begin with the ROPS 23-24 period.

Please direct inquiries to Zuber Tejani, Supervisor, or Veronica Zalvidea, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Sara Cowell, Accountant, City of Tracy
Jeffery Woltkamp, Assistant Auditor-Controller, San Joaquin County

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	32,975,836	125,000	33,100,836	0	0	0	\$ 33,100,836
Total adjustments	0	0	0	0	0	0	0
Totals	32,975,836	125,000	33,100,836	0	0	0	33,100,836
Total RPTTF approved for distribution							
ROPS 22-23	0	0	0	0	0	0	0
ROPS 23-24	3,138,471	10,000	3,148,471	0	0	0	3,148,471
ROPS 24-25	3,137,471	10,000	3,147,471	0	0	0	3,147,471
ROPS 25-26	3,131,971	10,000	3,141,971	0	0	0	3,141,971
ROPS 26-27	3,131,971	10,000	3,141,971	0	0	0	3,141,971
ROPS 27-28	3,126,971	10,000	3,136,971	0	0	0	3,136,971
ROPS 28-29	3,121,971	10,000	3,131,971	0	0	0	3,131,971
ROPS 29-30	3,116,721	10,000	3,126,721	0	0	0	3,126,721
ROPS 30-31	3,115,971	10,000	3,125,971	0	0	0	3,125,971
ROPS 31-32	3,109,221	10,000	3,119,221	0	0	0	3,119,221
ROPS 32-33	3,104,571	10,000	3,114,571	0	0	0	3,114,571
ROPS 33-34	292,671	10,000	302,671	0	0	0	302,671
ROPS 34-35	289,571	3,000	292,571	0	0	0	292,571
ROPS 35-36	289,571	3,000	292,571	0	0	0	292,571
ROPS 36-37	289,571	3,000	292,571	0	0	0	292,571
ROPS 37-38	289,571	3,000	292,571	0	0	0	292,571
ROPS 38-39	289,571	3,000	292,571	0	0	0	292,571
Total	32,975,836	125,000	33,100,836	0	0	0	\$ 33,100,836

ICC: Zalvidea, Tejani, Stacy, McAllister, McCormick, Whitaker

Final Path: J:\Audits and Review\Last and Final ROPS Letters PDF

Email Addresses of Addressee and ccs:

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