DEPARTMENT OF FINANCE

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

December 8, 2017

Mr. Mark Evanoff, Interim Deputy City Manager
Union City
34009 Alvarado-Niles Road
Union City, CA 94587

Dear Mr. Evanoff:

Subject: Last and Final Recognized Obligation Payment Schedule – Amendment #1

Pursuant to Health and Safety Code (HSC) section 34191.6 (c) (2), the Union City Successor Agency (Agency) submitted its first amendment to its Last and Final Recognized Obligation Payment Schedule (Amended Last and Final ROPS) to the California Department of Finance (Finance) on September 1, 2017. This letter supersedes the Last and Final ROPS letter dated November 18, 2016.

Based on our review, Finance is approving all the adjustments requested on the Amended Last and Final ROPS as follows:

- Item Nos. 5 and 7 – Refunding Tax Allocation Bonds (TABs), Series 2007 and Subordinate Lien TABs, Series 2011; outstanding obligation amounts totaling $88,044,870: Finance originally approved $46,093,656 and $41,951,214, respectively, to fulfill the total outstanding obligation for these items. However, the Agency subsequently issued 2017A and 2017B Tax Allocation Refunding Bonds (TARBs) in order to refund the Series 2007 and 2011 TABs. Therefore, Finance has reduced Redevelopment Property Tax Trust Fund (RPTTF) funding for these items to zero.

- Item Nos. 78 and 79 – 2017A and 2017B TARBS; outstanding obligation amount totaling $72,634,090. As noted above, the Agency issued 2017A and 2017B TARBs in order to refund the Series 2007 and 2011 TABs. Therefore, Finance approves RPTTF funding in the amount of $38,587,067 and $34,047,023, respectively, for these items.

The Agency's updated maximum approved RPTTF distribution for the Amended Last and Final ROPS is $200,842,975 as summarized in the Approved RPTTF Distribution table:

Approved Amended Last and Final ROPS RPTTF Distributions							
	A Periods			B Periods			Annual Total
ROPS Period	RPTTF	Admin RPTTF	A Period Total	RPTTF	Admin RPTTF	B Period Total	
Total requested	164,618,467	133,500	164,751,967	35,962,008	129,000	36,091,008	$200,842,975
Total adjustments	0	0	0	0	0	0	0
Total RPTTF approved for distribution							
ROPS 17-18	6,619,123	9,000	6,628,123	3,027,491	9,000	3,036,491	9,664,614
ROPS 18-19	5,427,359	9,000	5,436,359	2,990,445	9,000	2,999,445	8,435,804
ROPS 19-20	6,634,471	9,000	6,643,471	2,929,231	9,000	2,938,231	9,581,702
ROPS 20-21	6,694,790	9,000	6,703,790	2,849,780	9,000	2,858,780	9,562,570
ROPS 21-22	7,178,183	9,000	7,187,183	2,743,315	9,000	2,752,315	9,939,498
ROPS 22-23	7,283,333	9,000	7,292,333	2,633,385	9,000	2,642,385	9,934,718
ROPS 23-24	7,397,955	9,000	7,406,955	2,517,241	9,000	2,526,241	9,933,196
ROPS 24-25	7,950,236	9,000	7,959,236	2,382,366	9,000	2,391,366	10,350,602
ROPS 25-26	8,081,804	9,000	8,090,804	2,242,097	9,000	2,251,097	10,341,901
ROPS 26-27	8,227,709	9,000	8,236,709	2,095,803	9,000	2,104,803	10,341,512
ROPS 27-28	8,373,764	9,000	8,382,764	1,939,041	9,000	1,948,041	10,330,805
ROPS 28-29	8,322,879	4,500	8,327,379	1,564,129	4,500	1,568,629	9,896,008
ROPS 29-30	8,489,383	4,500	8,493,883	1,392,439	4,500	1,396,939	9,890,822
ROPS 30-31	9,137,698	4,500	9,142,198	1,200,311	4,500	1,204,811	10,347,009
ROPS 31-32	10,070,575	4,500	10,075,075	979,687	4,500	984,187	11,059,262
ROPS 32-33	10,289,956	4,500	10,294,456	786,756	4,500	791,256	11,085,712
ROPS 33-34	10,482,030	4,500	10,486,530	557,705	1,500	559,205	11,045,735
ROPS 34-35	5,350,844	1,500	5,352,344	466,844	1,500	468,344	5,820,688
ROPS 35-36	5,466,987	1,500	5,468,487	341,987	1,500	343,487	5,811,974
ROPS 36-37	5,592,133	1,500	5,593,633	210,883	1,500	212,383	5,806,016
ROPS 37-38	5,726,031	1,500	5,727,531	111,072	1,500	112,572	5,840,103
ROPS 38-39	5,821,224	1,500	5,822,724			0	5,822,724
Total approved RPTTF	**164,618,467**	**133,500**	**164,751,967**	**35,962,008**	**129,000**	**36,091,008**	**$ 200,842,975**

Please refer to the approved Amended Last and Final ROPS schedule used to calculate the total RPTTF approved for distribution:

http://www.dof.ca.gov/redevelopment/ROPS

This is our determination related to the enforceable obligations reported on the Amended 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. This is the Agency's first amendment; therefore, the Agency can file one more amendment to 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 Amended Last and Final ROPS.

The Agency shall not expend more than the amount approved for each enforceable obligation listed and approved on the First Amended 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 Amended Last and Final ROPS shall be remitted 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 redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the First Amended 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 First Amended 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 for review and approval.

Pursuant to HSC section 34191.6 (c), the Amended Last and Final ROPS approved shall become effective on the first day of the subsequent RPTTF distribution period beginning January 2018.

Please direct inquiries to Nichelle Jackson, Supervisor, or Mathew Rios, Analyst, at (916) 322-2985.

Sincerely,

Original signed by:

ERIKA LI
Program Budget Manager

cc: Mr. Tony Acosta, Interim City Manager/Successor Agency Executive Director, Union City
Ms. Carol S. Orth, Tax Analysis, Division Chief, Alameda County