



May 17, 2019

Mr. Eric Wier, City Manager
Crescent City
377 J Street
Crescent City, CA 95531

Dear Mr. Wier:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated March 29, 2019. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Crescent City Successor Agency (Agency) submitted an annual ROPS for the period July 1, 2019 through June 30, 2020 (ROPS 19-20) to Finance on January 25, 2019. The Agency requested a Meet and Confer on one or more of the determinations made by Finance. The Meet and Confer was held on April 16, 2019.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of the specific determination being disputed:

Item No. 7 – Administrative Allowance in the amount of \$5,000. Finance no longer denies this item. Finance initially denied this item pursuant to HSC section 34171 (b) (3), which limits the Administrative Cost Allowance (ACA) to three percent of actual distributed Redevelopment Property Tax Trust Fund (RPTTF) in the preceding fiscal year or \$250,000, whichever is greater; not to exceed 50 percent of the distributed RPTTF in the preceding fiscal year. During the ROPS 19-20 review, Finance determined that the actual RPTTF distributed was zero for fiscal year 2018-19, based on the Del Norte County Auditor-Controller's (CAC) RPTTF distribution report. As a result, the Agency's maximum ACA was initially determined to be zero for the fiscal year 2019-20.

During the Meet and Confer review, a revised CAC's RPTTF distribution report was provided. The revised report shows the actual RPTTF distributed was \$19,263 for fiscal year 2018-19. As a result, the requested amount of \$5,000 in Administrative RPTTF is within the maximum allowable amount and is approved.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The CAC's review of the prior period adjustment form submitted by the Agency resulted in no prior period adjustment.

The Agency's maximum approved RPTTF distribution for the reporting period is \$28,098 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

This is Finance's final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 19-20 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

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 ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Joshua Mortimer, Supervisor, or Stephen Franz, Analyst, at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER
Program Budget Manager

cc: Ms. Linda Leaver, Finance Director, Crescent City
Mr. Clinton Schaad, Auditor-Controller, Del Norte County

Attachment

Approved RPTTF Distribution			
For the period of July 1, 2019 through June 30, 2020			
	ROPS A Period	ROPS B Period	ROPS 19-20 Total
RPTTF Requested	\$ 23,098	\$ 0	\$ 23,098
Administrative RPTTF Requested	2,500	2,500	5,000
Total RPTTF Requested	25,598	2,500	28,098
RPTTF Authorized	23,098	0	23,098
Administrative RPTTF Authorized	2,500	2,500	5,000
Total RPTTF Authorized for Obligations	25,598	2,500	28,098
Prior Period Adjustment	0	0	0
Total RPTTF Approved for Distribution	\$ 25,598	\$ 2,500	\$ 28,098