



May 10, 2018

Mr. Dan Jacobson, Finance and Budget Manager
 City of Menlo Park
 701 Laurel Street
 Menlo Park, CA 94025

Dear Mr. Jacobson:

Subject: Last and Final Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34191.6 (b) the City of Menlo Park 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, 2018. 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. 9 – Administrative Costs in the total outstanding amount of \$690,000. After discussions between the Agency and Finance, the Agency has agreed to reduce the administrative costs for each period from \$30,000 to \$15,000, resulting in a total reduction of \$345,000 (\$690,000-\$345,000).

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 Redevelopment Property Tax Trust Fund (RPTTF) distribution for the Last and Final ROPS is \$59,935,300 as summarized in the Approved RPTTF Distribution table.

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	52,977,800	360,000	53,337,800	6,612,500	330,000	6,942,500	\$60,280,300
Total adjustments	0	(180,000)	(180,000)	0	(165,000)	(165,000)	(345,000)
Total RPTTF approved for distribution							
ROPS 18-19	4,305,300	15,000	4,320,300	1,051,500	15,000	1,066,500	5,386,800
ROPS 19-20	4,351,500	15,000	4,366,500	969,000	15,000	984,000	5,350,500
ROPS 20-21	4,364,000	15,000	4,379,000	884,125	15,000	899,125	5,278,125
ROPS 21-22	4,384,125	15,000	4,399,125	796,625	15,000	811,625	5,210,750
ROPS 22-23	4,381,625	15,000	4,396,625	707,000	15,000	722,000	5,118,625
ROPS 23-24	4,397,000	15,000	4,412,000	614,750	15,000	629,750	5,041,750
ROPS 24-25	4,414,750	15,000	4,429,750	519,750	15,000	534,750	4,964,500
ROPS 25-26	4,444,750	15,000	4,459,750	421,625	15,000	436,625	4,896,375
ROPS 26-27	4,451,625	15,000	4,466,625	320,875	15,000	335,875	4,802,500
ROPS 27-28	4,470,875	15,000	4,485,875	217,125	15,000	232,125	4,718,000
ROPS 28-29	4,497,125	15,000	4,512,125	110,125	15,000	125,125	4,637,250
ROPS 29-30	4,515,125	15,000	4,530,125	0	0	0	4,530,125
Total approved RPTTF	52,977,800	180,000	53,157,800	6,612,500	165,000	6,777,500	\$ 59,935,300

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

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

Any agreed upon amendments or changes are reflected in the approved Last and Final ROPS posted on the above website.

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 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 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.

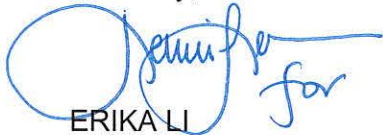
HSC section 34187 (b) defines the process of final dissolution of the Agency. When all enforceable obligations have been retired or paid off, all real property has been disposed of, and all outstanding litigation has been resolved, the Agency shall, within 30 days of meeting these conditions, submit 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; therefore, if an agency receives a Last and Final ROPS approval after this cutoff date, the most recent annual ROPS 18-19 approval would remain effective through June 30, 2019.

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Please direct inquiries to Nichelle Jackson, Supervisor, or Michael Barr, Lead Analyst, at
(916) 322-2985.

Sincerely,

A handwritten signature in blue ink, appearing to read "Erika Li", with a large circular flourish on the left and a horizontal line extending to the right.

ERIKA LI
Program Budget Manager

cc: Mr. Nick Pegueros, Administrative Services Director, City of Menlo Park
Ms. Shirley Tourel, Senior Internal Auditor, San Mateo County
Mr. Matthew Slaughter, Property Tax Manager, San Mateo County