



April 6, 2016

Mr. Drew Corbett, Finance Director
City of San Mateo City
330 West 20th Avenue
San Mateo, CA 94403

Dear Mr. Corbett:

Subject: 2016-17 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34191.6 (b) the City of San Mateo City 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 28, 2016. 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 Nos. 43, 47, and 48 – 2007 Refunding Tax Allocation Bonds and the 2015 Refunding Tax Allocation Bonds Series A and B. With the Agency's concurrence, the requested funding source for these obligations has been changed from Redevelopment Property Tax Trust Fund (RPTTF) to Other Funds for the July through December 2016 (ROPS 16-17A) period. The Agency was approved for a reserve for the ROPS 16-17 debt service payment during the January through June 2016 (ROPS 15-16B) period. Therefore, these reserves should be utilized prior to RPTTF. As a result, the total RPTTF funding requested for the ROPS 16-17A has been decreased by a combined \$5,087,316.

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 RPTTF distribution for the Last and Final ROPS is \$89,640,065 as summarized in the Approved RPTTF Distribution table on the next page.

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	81,900,076	340,000	82,240,076	12,487,305	0	12,487,305	\$94,727,381
Total adjustments	(5,087,316)	0	(5,087,316)	0	0	0	(5,087,316)
Adjusted Totals	76,812,760	340,000	77,152,760	12,487,305	0	12,487,305	89,640,065
Total RPTTF approved for distribution							
ROPS 16-17	0	20,000	20,000	1,400,332	0	1,400,332	\$ 1,420,332
ROPS 17-18	5,135,332	20,000	5,155,332	1,340,519	0	1,340,519	6,495,851
ROPS 18-19	5,200,519	20,000	5,220,519	1,274,738	0	1,274,738	6,495,257
ROPS 19-20	5,264,738	20,000	5,284,738	1,201,405	0	1,201,405	6,486,143
ROPS 20-21	5,331,405	20,000	5,351,405	1,123,729	0	1,123,729	6,475,134
ROPS 21-22	5,413,729	20,000	5,433,729	1,038,747	0	1,038,747	6,472,476
ROPS 22-23	5,495,801	20,000	5,515,801	947,872	0	947,872	6,463,673
ROPS 23-24	5,577,872	20,000	5,597,872	853,169	0	853,169	6,451,041
ROPS 24-25	5,678,169	20,000	5,698,169	752,294	0	752,294	6,450,463
ROPS 25-26	5,782,294	20,000	5,802,294	647,125	0	647,125	6,449,419
ROPS 26-27	4,487,125	20,000	4,507,125	551,125	0	551,125	5,058,250
ROPS 27-28	4,576,125	20,000	4,596,125	450,500	0	450,500	5,046,625
ROPS 28-29	3,860,500	20,000	3,880,500	365,250	0	365,250	4,245,750
ROPS 29-30	3,945,250	20,000	3,965,250	275,750	0	275,750	4,241,000
ROPS 30-31	4,035,750	20,000	4,055,750	181,750	0	181,750	4,237,500
ROPS 31-32	4,131,750	20,000	4,151,750	83,000	0	83,000	4,234,750
ROPS 32-33	2,896,401	20,000	2,916,401	0	0	0	2,916,401
Total approved RPTTF	76,812,760	340,000	77,152,760	12,487,305	0	12,487,305	\$ 89,640,065

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>

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 obligations 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 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 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.

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. Since Finance approved your Last and Final ROPS more than 15 days before the date of the RPTTF distribution, your approved Last and Final ROPS is effective.

Please direct inquiries to Wendy Griffe, Supervisor, or Erika Santiago, Lead Analyst, at (916) 445-1546.

Sincerely,

A handwritten signature in blue ink, appearing to read "Justyn Howard for". The signature is written in a cursive style with a large initial "J".

JUSTYN HOWARD
Program Budget Manager

cc: Ms. Kathy Kleinbaum, Senior Management Analyst, City of San Mateo City
Mr. Juan Raigoza, Auditor-Controller, San Mateo County