



April 6, 2016

Mr. Stephen Conway, Director of Finance and Administrative Services
 Town of Los Gatos
 110 East Main Street
 Los Gatos, CA 95030

Dear Mr. Conway:

Subject: 2016-17 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34191.6 (b) the Town of Los Gatos 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 27, 2016. 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 \$25,119,812 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	21,681,238	84,380	21,765,618	3,224,769	129,425	3,354,194	\$25,119,812
Total adjustments	0	0	0	0	0	0	0
Total RPTTF approved for distribution							
ROPS 16-17	1,508,602	5,434	1,514,036	418,222	15,729	433,951	\$ 1,947,987
ROPS 17-18	1,526,742	3,943	1,530,685	393,268	15,919	409,187	1,939,872
ROPS 18-19	1,545,038	4,100	1,549,138	369,306	6,117	375,423	1,924,561
ROPS 19-20	1,566,076	4,264	1,570,340	342,469	6,321	348,790	1,919,130
ROPS 20-21	1,596,059	4,435	1,600,494	316,026	6,533	322,559	1,923,053
ROPS 21-22	1,619,616	4,612	1,624,228	283,826	6,752	290,578	1,914,806
ROPS 22-23	1,642,416	4,797	1,647,213	256,673	6,979	263,652	1,910,865
ROPS 23-24	1,673,478	4,989	1,678,467	226,448	7,215	233,663	1,912,130
ROPS 24-25	1,713,253	5,188	1,718,441	192,638	7,459	200,097	1,918,538
ROPS 25-26	1,746,228	5,396	1,751,624	159,213	7,712	166,925	1,918,549
ROPS 26-27	1,787,875	5,612	1,793,487	124,163	7,974	132,137	1,925,624
ROPS 27-28	1,832,825	5,836	1,838,661	62,446	8,246	70,692	1,909,353
ROPS 28-29	629,287	6,070	635,357	48,321	8,528	56,849	692,206
ROPS 29-30	638,331	6,312	644,643	31,750	8,819	40,569	685,212
ROPS 30-31	653,581	6,565	660,146	0	9,122	9,122	669,268
ROPS 31-32	1,831	6,827	8,658	0	0	0	8,658
Total approved RPTTF	21,681,238	84,380	21,765,618	3,224,769	129,425	3,354,194	\$ 25,119,812

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 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 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.

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

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Ms. Jennifer Callaway, Finance and Budget Manager, Town of Los Gatos
Ms. Emily Harrison, Finance Agency Director, Santa Clara County