



May 11, 2018

Mr. Stuart Schillinger, Administrative Services Director
City of Brisbane
50 Park Place
Brisbane, CA 94005

Dear Mr. Schillinger:

Subject: Last and Final Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34191.6 (b) the City of Brisbane 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. 15 – Annual Administrative Costs in the total amount of \$512,308. While the total administrative costs originally claimed were within the fiscal year administrative cap, the amount appeared excessive given the number and nature of obligations listed on the Last and Final ROPS. Therefore, with the Agency's concurrence, Finance adjusted the Administrative Cost Allowance for the entire Last and Final ROPS by \$322,308 to \$190,000. Adjustments specific to each ROPS period are reflected in the approved Last and Final ROPS.

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 \$18,946,015 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	11,682,455	256,154	11,938,609	7,073,560	256,154	7,329,714	\$19,268,323
Total adjustments	0	(156,154)	(156,154)		(166,154)	(166,154)	(322,308)
Total RPTTF approved for distribution							
ROPS 18-19	1,422,149	10,000	1,432,149	879,451	10,000	889,451	2,321,600
ROPS 19-20	1,420,453	10,000	1,430,453	879,588	10,000	889,588	2,320,041
ROPS 20-21	1,417,919	10,000	1,427,919	881,436	10,000	891,436	2,319,355
ROPS 21-22	1,424,146	10,000	1,434,146	876,938	10,000	886,938	2,321,084
ROPS 22-23	1,419,131	10,000	1,429,131	881,406	10,000	891,406	2,320,537
ROPS 23-24	1,422,874	10,000	1,432,874	874,424	10,000	884,424	2,317,298
ROPS 24-25	1,430,475	10,000	1,440,475	876,097	10,000	886,097	2,326,572
ROPS 25-26	1,426,423	10,000	1,436,423	876,425	10,000	886,425	2,322,848
ROPS 26-27	204,722	10,000	214,722	47,795	10,000	57,795	272,517
ROPS 27-28	94,163	10,000	104,163	0	0	0	104,163
Total approved RPTTF	11,682,455	100,000	11,782,455	7,073,560	90,000	7,163,560	\$ 18,946,015

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,

Mr. Stuart Schillinger

May 11, 2018

Page 3

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, the approved Last and Final ROPS becomes effective beginning the ROPS 18-19 period.

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

Sincerely,

Handwritten signature in blue ink that reads "C Jakagi - G".

ERIKA LI *for*
Program Budget Manager

cc: Ms. Carolina Yuen, Financial Services Manager, City of Brisbane
Ms. Shirley Tourel, Senior Internal Auditor, San Mateo County
Mr. Matthew Slaughter, Property Tax Manager, San Mateo County