



November 2, 2016

Ms. Stacey Shokri, Finance Manager
City of Anaheim
201 South Anaheim Boulevard, Suite 1003
Anaheim, CA 92805

Dear Ms. Shokri:

Subject: Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the City of Anaheim Successor Agency (Agency) submitted an Amended Recognized Obligation Payment Schedule for the period January 1, 2017 through June 30, 2017 (Amended ROPS 16-17B) to the California Department of Finance (Finance) on September 13, 2016. Finance has completed its review of the Amended ROPS 16-17B.

Based our review and application of the law, Finance has made the following determinations:

- Item No. 141 – Infrastructure Improvements for the requested adjustment of \$3,449,655 in Bond Proceeds funding is partially allowed. Finance approved the bond expenditure agreement between the City of Anaheim and the Agency through our October 13, 2016 Oversight Board Resolution No. 2016-03 determination letter. It is our understanding that the requested adjustment includes \$2,980,361 in Bond Proceeds previously authorized by Finance during the Annual ROPS 16-17 for the period July 1, 2016 through December 31, 2016 (ROPS A period). Since our ROPS 16-17 approval is for the entire fiscal year, it is not necessary for the Agency to request for \$2,980,361 on the Amended ROPS 16-17B. As a result, of the \$3,449,655 requested, \$469,294 (\$3,449,655 - \$2,980,361) is allowed and \$2,980,361 is not eligible for Bond Proceeds funding.
- Item No. 151 – Westgate Remediation for the requested adjustment of \$150,000 in Redevelopment Property Tax Trust Fund (RPTTF) funding is approved. The Agency provided Finance with the First Amendment to a Professional Services Agreement (Amended Agreement) between the Agency and Tetra Tech BAS, Inc. dated May 17, 2016, which amends the maximum compensation and terms of the original agreement. According to the Agency, the Amended Agreement relates to the operations, monitoring, and maintenance of the Sparks-Rains and Anderson Pit Landfills, which has previously been determined to be an enforceable obligation.

However, the Agency did not obtain approval from its Oversight Board (OB) prior to executing the Amended Agreement. Pursuant to HSC section 34181 (e), amending or terminating existing agreements must be approved by the Agency's OB and submitted to

Finance for review. It is our understanding that the Agency has concurred to comply with HSC section 34181 (e), and will obtain OB approval of the Amended Agreement and submit the corresponding OB action to Finance. Therefore, the requested amount of \$150,000 in RPTTF funding is allowed contingent upon the approval by both the Agency's OB and Finance.

The Agency's amended maximum approved RPTTF distribution for the ROPS 16-17B period is \$14,261,791 as summarized in the Approved RPTTF Distribution table on Page 3 (See Attachment).

Please refer to the ROPS 16-17B 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 funding of enforceable obligations reported on your Amended ROPS 16-17B. Please note there is not a Meet and Confer option for the Amended ROPS process so Finance's determination is final. Finance's determination is effective for this time 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 it was not denied on this Amended 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 the redevelopment dissolution statutes. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Cindie Lor, Supervisor, or Medy Lamorena, Lead Analyst, at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Mr. Brad Hobson, Deputy Director, City of Anaheim
Mr. Frank Davies, Property Tax Manager, Orange County

Attachment

Approved RPTTF Distribution	
For the period of January 2017 through June 2017	
Authorized RPTTF on ROPS 16-17B	\$ 13,932,685
Authorized Administrative RPTTF on ROPS 16-17B	179,106
Total Authorized RPTTF on ROPS 16-17B	14,111,791
Authorized RPTTF 16-17B Adjustments	150,000
Total Amended ROPS 16-17B RPTTF approved for distribution	\$ 14,261,791