DEPARTMENT OF FINANCE

EDMUND G. BROWN JR. • GOVERNOR
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November 1, 2016

Mr. Brad Raulston, Executive Director
National City
1243 National City Boulevard
National City, CA 91950

Dear Mr. Raulston:

Subject: Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the National City Successor Agency (Agency) submitted an amended Recognized Obligation Payment Schedule for the period January 1, 2017 through June 30, 2017 (ROPS 16-17B) to the California Department of Finance (Finance) on September 28, 2016. Finance has completed its review of the Amended ROPS 16-17B.

Based on a sample of line items reviewed and application of the law, Finance has made the following determination:

> Item No. 176 – Remediation Cost Obligation in the amount of $369,191 requested in Other Funds has been adjusted. It is our understanding these funds are unexpended Redevelopment Property Tax Trust Fund (RPTTF) from the ROPS 15-16B distribution. Therefore, with the Agency's concurrence, $369,191 is being reclassified to Reserve Balances.

Finance does not object to the other adjustment totaling $462,000 in RPTTF funding on your Amended ROPS 16-17B.

The Agency's amended maximum approved RPTTF distribution for the ROPS 16-17B period is $4,471,509 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 Kylie Oltmann, Supervisor, or Brian Dunham, Lead Analyst, at (916) 445-1546.

Sincerely,

Jennifer for

JUSTYN HOWARD
Program Budget Manager

cc: Ms. Denise Davis, Executive Secretary, National City
Mr. Jon Baker, Senior Auditor and Controller Manager, San Diego County

Attachment

Approved RPTTF Distribution For the period of January 2017 through June 2017		
Authorized RPTTF on ROPS 16-17B	$	3,819,535
Authorized Administrative RPTTF on ROPS 16-17B		189,974
Total Authorized RPTTF on ROPS 16-17B		**4,009,509**
Authorized 16-17B RPTTF Adjustments		**462,000**
Total Amended ROPS 16-17B RPTTF approved for distribution	**$**	**4,471,509**