



September 24, 2012

Mr. Colin Tudor, Assistant City Manager
City of Claremont
207 Harvard Avenue
Claremont, CA 91711

Dear Mr. Tudor:

Subject: Revised Recognized Obligation Payment Schedule Review

Pursuant to Health and Safety Code (HSC) section 34177 (m), the Claremont Redevelopment Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS III) to the California Department of Finance (Finance) on August 7, 2012 for the period of January through June 2013.

On September 21, 2012, Finance issued a letter stating that your administrative costs exceeded the allowance by \$51,097. Based on additional information obtained from the county auditor-controller and a recalculation of your administrative costs, Finance has determined you are within the allowance pursuant to HSC section 34171 (b). Therefore, based on our revised review we are approving all of the items listed on your ROPS III at this time.

The Agency's maximum approved Redevelopment Property Tax Trust Fund (RPTTF) distribution for the reporting period is: \$436,860 as summarized below:

| Approved RPTTF Distribution Amount | |
|---|-------------------|
| For the period of January through June 2013 | |
| Total RPTTF funding requested for obligations | \$ 311,860 |
| Less: Six-month total for item(s) denied or reclassified as administrative cost | 0 |
| Total approved RPTTF for enforceable obligations | \$ 311,860 |
| Plus: Approved RPTTF distribution for administrative cost for ROPS III | 125,000 |
| Total RPTTF approved: | \$ 436,860 |

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS III form the estimated obligations and actual payments associated with the January through June 2012 period. The amount of RPTTF approved in the above table will be adjusted by the county auditor-controller to account for differences between actual payments and past estimated obligations. Additionally, these estimates and accounts are subject to audit by the county-auditor controller and the State Controller.

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Please refer to the ROPS III schedule that was used to calculate the approved RPTTF amount:
[http://www.dof.ca.gov/redevelopment/ROPS/ROPS III Forms by Successor Agency/](http://www.dof.ca.gov/redevelopment/ROPS/ROPS%20III%20Forms%20by%20Successor%20Agency/).

All items listed on a future ROPS are subject to a subsequent review. An item included on a future ROPS may be denied even if it was not questioned from the preceding ROPS.

The amount available from the RPTTF is the same as the property tax increment that was available prior to enactment of ABx1 26 and AB 1484. This amount is not and never was an unlimited funding source. 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 successor agency in the RPTTF.

Please direct inquiries to Kylie Le, Supervisor or Michael Barr, Lead Analyst at (916) 445-1546.

Sincerely,



STEVE SZALAY
Local Government Consultant

cc:

Mr. Brad McKinney, Senior Management Analyst, City of Claremont
Ms. Kristina Burns, Manager, Los Angeles County Auditor-Controller's Office
California State Controller's Office