



Transmitted via e-mail

May 16, 2025

Andrew Mowbray, Finance Director
City of Pomona
505 South Garey Avenue
Pomona, CA 91766

2025-26 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 11, 2025. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Pomona Successor Agency (Agency) submitted an annual ROPS for the period July 1, 2025 through June 30, 2026 (ROPS 25-26) to Finance on January 27, 2025. The Agency requested a Meet and Confer on one or more of the determinations made by Finance. The Meet and Confer was held on April 29, 2025.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of the specific determinations being disputed.

- Item No. 8 – Series AV Taxable Lease Revenue Bonds (Refunded by Series BG) (Series AV Bonds) in the total outstanding amount of \$2,332,531 is not allowed. Finance continues to deny this item. Finance initially denied this item due to a lack of support for the Agency's obligation to fund the bond payments. During the Meet and Confer, the Agency provided additional information to show their obligation to fund their portion of the Series AV Bonds debt service as it relates to the Mission Promenade Project. However, the Series AV Bonds have been refunded by the Pomona Public Financing Authority 2017 Lease Revenue Refunding Bonds, Series BG (2017 Series BG Bonds). Further, the 2017 Series BG Bonds Official Statement states that these bonds are payable from base rental payments to be made by the City, and tax revenues were not pledged for payment. Additionally, the Agency was unable to support its obligation to fund a portion of the Series AV bonds, that are now part of the Series BG bonds. Therefore, this item is not an enforceable obligation, and the requested amount of \$290,898 is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.

In addition, per Finance's letter dated April 11, 2025, we continue to make the following determinations not contested by the Agency during the Meet and Confer review:

- On the ROPS 25-26 form, the Agency reported cash balances and activity for the period July 1, 2022 through June 30, 2023 (ROPS 22-23). According to our review, the Agency has approximately \$182,425 from Other Funds available to fund enforceable obligations on the ROPS 25-26. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funding. The item below does not require payment from property tax revenues; therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amount specified below:
 - Item No. 104 – Series BI Tax Allocation Refunding Bonds in the amount of \$11,508,190 is partially reclassified. Finance approves RPTTF in the amount of \$11,325,765 and the use of Other Funds in the amount of \$182,425, totaling \$11,508,190.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2022 through June 30, 2023 (ROPS 22-23) period. The ROPS 22-23 prior period adjustment (PPA) will offset the ROPS 25-26 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$12,032,679, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2025 through December 31, 2025 period (ROPS A period), and one distribution for the January 1, 2026 through June 30, 2026 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 25-26 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

This is our final determination regarding the obligations listed on the ROPS 25-26. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 25-26 form submitted by the Agency and this determination letter will be posted on our website:

<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 25-26 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted on this 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 law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to RedevelopmentAdministration@dof.ca.gov.

Sincerely,

Original signed by:

Cheryl L. McCormick, CPA
Chief, Office of State Audits and Evaluations

cc: Erica Carillo, Senior Accountant, City of Pomona
Linda Santillano, Property Tax Apportionment Division Chief, Los Angeles County
Cesar Hernandez, Countywide Oversight Board Representative

Attachment

Approved RPTTF Distribution July 2025 through June 2026			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 7,671,578	\$ 4,741,510	\$ 12,413,088
Administrative RPTTF Requested	86,600	86,601	173,201
Total RPTTF Requested	7,758,178	4,828,111	12,586,289
RPTTF Requested	7,671,578	4,741,510	12,413,088
<u>Adjustment(s)</u>			
Item No. 8	(174,539)	(116,359)	(290,898)
Item No. 104	(182,425)	0	(182,425)
	(356,964)	(116,359)	(473,323)
RPTTF Authorized	7,314,614	4,625,151	11,939,765
Administrative RPTTF Authorized	86,600	86,601	173,201
ROPS 22-23 Prior Period Adjustment (PPA)	(80,287)	0	(80,287)
Total RPTTF Approved for Distribution	\$ 7,320,927	\$ 4,711,752	\$ 12,032,679