



Transmitted via e-mail

April 11, 2025

Rita Martinez, Finance Manager II
City of Richmond
450 Civic Center Plaza
Richmond, CA 94804

2025-26 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Richmond Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2025 through June 30, 2026 (ROPS 25-26) to the California Department of Finance (Finance) on January 30, 2025. Finance has completed its review of the ROPS 25-26.

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

- Item No. 4 – 2003 B Tax Allocation Revenue Bond is partially adjusted. The Agency requested the amount of \$1,133,708 in error. According to the debt service schedule, the July 1, 2025 through December 31, 2025 period (ROPS A period) payment should be \$1,758,708. Therefore, with the Agency's concurrence, Finance made adjustments to increase the use of Bond Proceeds by \$116,292 from \$1,133,708 to \$1,250,000 and increased Redevelopment Property Tax Trust Fund (RPTTF) from \$0 to \$508,708 for a total of \$1,758,708 (\$1,133,708 + \$116,292 + \$508,708) to accurately reflect the required debt service payment amount.
- Item Nos. 5, 11, and 121 have been partially adjusted to increase the requested amount to utilize Bond Proceeds. The Agency's requested amounts on ROPS 25-26 did not include the use of Bond Proceeds they intend to use to make the final debt service payments. Trustee statements show the Agency has approximately \$3,743,625 in its cash bond reserve accounts; the Agency requested the use of a portion of the available amount to fund another item, leaving \$2,493,625 Bond Proceeds available. Therefore, to accurately reflect the use of Bond Proceeds for the upcoming debt service payments, Finance is increasing the requested amounts of Bond Proceeds from \$0 to the amounts specified in the table on the following page:

Item	Adjustment to Bond Proceeds
Item No. 5 – 2004 A Tax Allocation Revenue Bond (2/3)	\$1,000,000
Item No. 11 – 2004 A Tax Allocation Revenue Bond (1/3 Housing)	\$500,000
Item No. 121 – 2014 A Refunding Bonds - Tax Exempt	\$993,625
Total	\$2,493,625

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 \$10,905,669, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the 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.

Except for the adjusted items, Finance approves the remaining items listed on the ROPS 25-26 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 25-26, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from the date of this letter. The Agency must use the RAD App to complete and submit its Meet and Confer request form. The Meet and Confer process and guidelines are available on our website:

http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/

Absent a Meet and Confer, 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: Andrea Miller, Director of Finance, City of Richmond
Bob Campbell, Auditor-Controller, Contra Costa County
Deidre Hodgers, Countywide Oversight Board Representative

Attachment

Approved RPTTF Distribution July 2025 through June 2026			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 4,329,784	\$ 6,129,912	\$ 10,459,696
Administrative RPTTF Requested	304,760	0	304,760
Total RPTTF Requested	4,634,544	6,129,912	10,764,456
RPTTF Requested	4,329,784	6,129,912	10,459,696
<u>Adjustment(s)</u>			
Item No. 4	508,708	0	508,708
RPTTF Authorized	4,838,492	6,129,912	10,968,404
Administrative RPTTF Authorized	304,760	0	304,760
ROPS 22-23 Prior Period Adjustment (PPA)	(367,495)	0	(367,495)
Total RPTTF Approved for Distribution	\$ 4,775,757	\$ 6,129,912	\$ 10,905,669