



March 27, 2026

Beth Goldberg, Finance Director
City of Redwood City
1017 Middlefield Road
Redwood City, CA 94063

2026-27 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Redwood City Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2026 through June 30, 2027 (ROPS 26-27) to the California Department of Finance (Finance) on January 21, 2026. Finance has completed its review of the ROPS 26-27.

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

- Item No. 1 – Tax Allocation Bonds Series 2003 A (Principal) debt service in the requested amount of \$967,415 is adjusted. The Agency received \$967,415 from the Redevelopment Property Tax Trust Fund (RPTTF) during the July 1, 2025 through June 30, 2026 (ROPS 25-26) period for the debt service payment due July 15, 2026. Therefore, Finance increased the Reserve Balance from \$0 to \$967,415.

Further, HSC section 34171 (d) (1) (A) allows for an Agency to hold a reserve for the next payment due in the following half of the calendar year. The Agency requested \$967,415 for the July 15, 2027 debt service payment in the July 1, 2026 through December 31, 2026 (ROPS 26-27A) period in error. To accurately reflect the funding needed for Item No. 1 debt service, Finance decreased the requested amount of \$967,415 from RPTTF in the ROPS 26-27A period to \$0, and increased RPTTF from \$0 to \$911,965 in the January 1, 2027 through June 30, 2027 (ROPS 26-27B) period. The \$911,965 approved in ROPS 26-27B should be used for the July 15, 2027 debt service payment.

- Item No. 2 – Tax Allocation Bonds Series 2003 A (Interest) debt service in the requested amount of \$2,537,584 is adjusted. The Agency received \$2,537,584 from RPTTF during the ROPS 25-26 period for the debt service payment due July 15, 2026. Therefore, Finance increased the Reserve Balance from \$0 to \$2,537,584.

Further, HSC section 34171 (d) (1) (A) allows for an Agency to hold a reserve for the next payment due in the following half of the calendar year. The Agency requested \$2,537,584 for the July 15, 2027 debt service payment in the ROPS 26-27A period in error. To accurately reflect the funding needed for Item No. 2 debt service, Finance decreased the requested amount of \$2,537,584 from RPTTF in the ROPS 26-27A period to \$0, and increased RPTTF from \$0 to \$2,593,034 in the ROPS 26-27B period. The \$2,593,034 approved in ROPS 26-27B should be used for the July 15, 2027 debt service payment.

- On the ROPS 26-27 form, the Agency reported cash balances and activity for the period July 1, 2023 through June 30, 2024 (ROPS 23-24). According to our review, the Agency has approximately \$13,598 from Other Funds available to fund enforceable obligations on the ROPS 26-27. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funding. This item 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. 1 – Tax Allocation Bonds Series 2003 A (Principal) in the amount of \$911,965 for the ROPS 26-27B period, is partially reclassified. Finance approves RPTTF in the amount of \$898,367 and the use of Other Funds in the amount of \$13,598, totaling \$911,965.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the ROPS 23-24 period. The ROPS 23-24 prior period adjustment (PPA) will offset the ROPS 26-27 RPTTF distribution. The County Auditor-Controller's (CAC) review of the PPA form submitted by the Agency, resulted in no PPA. However, Finance notes that the CAC did not provide the available and actual Administrative RPTTF expenditure amounts on the PPA form. Therefore, Finance reviewed cash balances and activities for ROPS 23-24 reported by the Agency on the ROPS 26-27 form and adjusted available and actual Administrative RPTTF expenditure amounts on the PPA form. As a result, Finance concurs there is no PPA.

The Agency's maximum approved RPTTF distribution for the reporting period is \$3,534,397, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the ROPS 26-27A period, and one distribution for the ROPS 26-27B period, based on Finance's approved amounts. Since this determination is for the entire ROPS 26-27 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS 26-27A and ROPS 26-27B period distributions.

Except for the adjusted items, Finance approves the remaining items listed on the ROPS 26-27 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 26-27, 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 26-27. 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 26-27 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 26-27 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,

Originally signed by:

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

cc: Molly Gonzalez, Financial Services Manager, City of Redwood City
Amanda Johnson, Property Tax Division Manager, San Mateo County
Barbara Christensen, Countywide Oversight Board Representative

Attachment

Approved RPTTF Distribution July 2026 through June 2027			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 3,507,849	\$ 2,850	\$ 3,510,699
Administrative RPTTF Requested	18,648	18,648	37,296
Total RPTTF Requested	3,526,497	21,498	3,547,995
RPTTF Requested	3,507,849	2,850	3,510,699
<u>Adjustment(s)</u>			
Item No. 1	(967,415)	898,367	(69,048)
Item No. 2	(2,537,584)	2,593,034	55,450
	(3,504,999)	3,491,401	(13,598)
RPTTF Authorized	2,850	3,494,251	3,497,101
Administrative RPTTF Authorized	18,648	18,648	37,296
Total RPTTF Approved for Distribution	\$ 21,498	\$ 3,512,899	\$ 3,534,397