



Transmitted via e-mail

April 15, 2022

Harjinder Singh, Deputy to the City Manager
City of Inglewood
One Manchester Boulevard, 9th Floor
Inglewood, CA 90301

2022-23 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Inglewood Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) to the California Department of Finance (Finance) on January 28, 2022. Finance has completed its review of the ROPS 22-23.

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

- Item Nos. 116, 118, 137, and 139 - Reserves for bond debt service payments in the requested amount totaling \$4,507,980 are not allowed. The agency requests debt service reserves in the July 1, 2022 through December 31, 2022 period (ROPS A period) to be used in the January 1, 2023 through June 30, 2023 period (ROPS B period). These requests are for the 1998A Bonds, 2003 Bonds, 2017A Bonds, and the 2017 Parity Bonds which are already listed on the ROPS 22-23 as Item Nos. 64, 66, 134, and 136 respectively. Since the approval of items listed on the ROPS 22-23 are for the 12-month period, requesting reserves in the first half of the fiscal year for the second half of the fiscal year is not necessary. Therefore, with the Agency's concurrence, the requested amounts for these items have been moved to Item Nos. 64, 66, 134, and 136. The adjustments are administrative and do not affect the total RPTTF approved.
- Item Nos. 64 – 1998A Bond debt service in the amount of \$489,413 has been reclassified. It is our understanding the Agency has \$3,029,050 in its bond reserve account. These Bond Proceeds must be used to satisfy the final debt service payment before requesting Redevelopment Property Tax Trust Fund (RPTTF) funding. Once the 1998A bonds are retired, remaining amounts in the bond reserve account should become available to fund other Agency obligations on a future ROPS, prior to requesting RPTTF. Total adjustments to Item No. 64 equals \$256,913 (\$232,500 in RPTTF moved from Item No. 116 - \$489,413 Bond Proceeds reclassification).

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, 2019 through June 30, 2020 (ROPS 19-20) period. The ROPS 19-20 prior period adjustment (PPA) will offset the ROPS 22-23 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 \$12,338,064, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2022 through December 31, 2022 period (ROPS A period), and one distribution for the January 1, 2023 through June 30, 2023 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 22-23 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 22-23 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 22-23, 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 Meet and Confer process and guidelines are available on our website:

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

The Agency must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 22-23. 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 22-23 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 22-23 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.

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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 Zuber Tejani, Supervisor, or Austin Goodman, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Margarita Cruz, Successor Agency Manager, City of Inglewood
Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County

Approved RPTTF Distribution July 2022 through June 2023			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 7,132,614	\$ 7,132,612	\$ 14,265,226
Administrative RPTTF Requested	185,721	185,721	371,442
Total RPTTF Requested	7,318,335	7,318,333	14,636,668
RPTTF Requested	7,132,614	7,132,612	14,265,226
<u>Adjustment(s)</u>			
Item No. 64	(12,207)	(244,706)	(256,913)
Item No. 66	170,480	0	170,480
Item No. 116	(232,500)	0	(232,500)
Item No. 118	(170,480)	0	(170,480)
Item No. 134	3,160,000	0	3,160,000
Item No. 136	945,000	0	945,000
Item No. 137	(3,160,000)	0	(3,160,000)
Item No. 139	(945,000)	0	(945,000)
	(244,707)	(244,706)	(489,413)
RPTTF Authorized	6,887,907	6,887,906	13,775,813
Administrative RPTTF Authorized	185,721	185,721	371,442
ROPS 19-20 prior period adjustment (PPA)	(1,809,191)	0	(1,809,191)
Total RPTTF Approved for Distribution	\$ 5,264,437	\$ 7,073,627	\$ 12,338,064