



Transmitted via e-mail

April 15, 2022

Jeff Crechriou, Airport Services Manager
City of Marina
211 Hillcrest Avenue
Marina, CA 93933

2022-23 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Marina 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 31, 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 No. 7 – Dunes Disposition and Development Agreement (DDA) including the 2nd Implementation Agreement in the amount of \$20,000,000 in bond proceeds, \$143,282 in Other Funds, and \$2,286,718 in Redevelopment Property Tax Trust Fund (RPTTF), for a total of \$22,430,000 is partially allowed. It is our understanding the Agency entered into a DDA with Marina Community Partners (Developer) on May 31, 2005 for the development of approximately 290 acres of the former Fort Ord Army Base. The DDA was amended by an Implementation Agreement on August 5, 2008. The Agency also entered into a Tax Increment Financing Plan and Agreement on August 5, 2008. These agreements allow the Developer to request the Agency to issue bonds, from time to time, if feasible under the circumstances. A request for new bond issuance has been made by the Developer for \$20,000,000 in tax allocation bonds, but this action is subject to the Oversight Board's approval and subject to review by Finance, as required by HSC section 34181 (b). To date, the Agency has not been authorized to issue such bonds. Therefore, the \$20,000,000 from bond proceeds is not eligible for funding at this time.
- Item No. 38 – Bond issuance costs in the total outstanding amount of \$65,000 are not allowed. It is our understanding these costs are related to Item No.7. The Agency is authorized, as provided in HSC section 34177.5 (f), to recover its costs related to the issuance of bonds when authorized to issue such bonds. As noted above, however, the Agency has not been authorized to issue such bonds. Therefore, the costs related to issuing the bonds are also not allowable, and the requested amount of \$65,000 from RPTTF is not allowed.

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 \$2,829,258, 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.

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.

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.

Jeff Crechriou
April 15, 2022
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Please direct inquiries to Zuber Tejani, Supervisor, or Brian Johnson, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Layne Long, City Manager, City of Marina
Jennifer Forsyth, Auditor-Controller Analyst, Monterey County

Approved RPTTF Distribution July 2022 through June 2023			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 1,477,618	\$ 2,607,700	\$ 4,085,318
Administrative RPTTF Requested	191,000	0	191,000
Total RPTTF Requested	1,668,618	2,607,700	4,276,318
RPTTF Requested	1,477,618	2,607,700	4,085,318
<u>Adjustment(s)</u>			
Item No. 38	(65,000)	0	(65,000)
RPTTF Authorized	1,412,618	2,607,700	4,020,318
Administrative RPTTF Authorized	191,000	0	191,000
ROPS 19-20 prior period adjustment (PPA)	(1,382,060)	0	(1,382,060)
Total RPTTF Approved for Distribution	\$ 221,558	\$ 2,607,700	\$ 2,829,258