



Transmitted via e-mail

May 17, 2023

Christie Donnelly, Management Services Director  
City of Lompoc  
100 Civic Center  
Lompoc, CA 93436

### **2023-24 Annual Recognized Obligation Payment Schedule**

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated March 17, 2023. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Lompoc Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2023 through June 30, 2024 (ROPS 23-24) to Finance on February 14, 2023. 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 12, 2023.

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 determination being disputed:

- Finance continues to reduce the Agency's Administrative Cost Allowance (ACA) by 25 percent as the ROPS 23-24 was not submitted to Finance until February 14, 2023. Pursuant to HSC 34177 (o) (1) (B), if the Agency does not submit a ROPS within ten days of the deadline (February 1), the Agency's ACA shall be reduced by 25 percent. During the Meet and Confer review, the Agency cited turnover in upper management during 2022 and confusion regarding the ROPS filing process, preventing the Agency from filing its ROPS timely. However, the statutory deadline and requirement cannot be waived. Therefore, the ACA in the amount of \$162,528 has been reduced by \$40,632 ( $\$162,528 \times 25\%$ ) to \$121,896.

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, 2020 through June 30, 2021 (ROPS 20-21) period. The ROPS 20-21 prior period adjustment (PPA) will offset the ROPS 23-24 Redevelopment Property Tax Trust Fund (RPTTF) distribution. The County Auditor-Controller's review of the PPA form submitted by the Agency resulted in no PPA.

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,190,163, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2023 through December 31, 2023 period (ROPS A period), and one distribution for the January 1, 2024 through June 30, 2024 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 23-24 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 23-24. 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 23-24 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 23-24 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 Joshua Mortimer, Supervisor, or Jeremy Bunting, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER  
Program Budget Manager

cc: Robert Cross, Financial Services Manager, City of Lompoc  
Trevor Lysek, Division Chief, Property Tax Division, Santa Barbara County  
Ed Price, Countywide Oversight Board Representative

<b>Approved RPTTF Distribution July 2023 through June 2024</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 276,883	\$ 791,384	\$ 1,068,267
Administrative RPTTF Requested	82,066	80,462	162,528
<b>Total RPTTF Requested</b>	<b>358,949</b>	<b>871,846</b>	<b>1,230,795</b>
<b>RPTTF Authorized</b>	<b>276,883</b>	<b>791,384</b>	<b>1,068,267</b>
25% Admin Reduction	0	(40,632)	(40,632)
<b>Administrative RPTTF Authorized</b>	<b>82,066</b>	<b>39,830</b>	<b>121,896</b>
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 358,949</b>	<b>\$ 831,214</b>	<b>\$ 1,190,163</b>