



Transmitted via e-mail

April 12, 2024

Lisa Fall, Administration and Finance Bureau Manager
City of Long Beach
333 West Ocean Boulevard, 3rd Floor
Long Beach, CA 90802

2024-25 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Long Beach Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2024 through June 30, 2025 (ROPS 24-25) to the California Department of Finance (Finance) on February 2, 2024. Finance has completed its review of the ROPS 24-25.

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

- On the ROPS 24-25 form, the Agency reported cash balances and activity for the period July 1, 2021 through June 30, 2022 (ROPS 21-22). According to our review, the Agency has approximately \$958,631 from Other Funds available to fund enforceable obligations on the ROPS 24-25. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting Redevelopment Property Tax Trust Fund (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. 231 – 2002 Tax Allocation Bonds Prefunding in the amount of \$1,651,508 is partially reclassified. Finance approves RPTTF in the amount of \$692,877 and the use of Other Funds in the amount of \$958,631, totaling \$1,651,508.
- Finance notes the Agency has approximately \$826,100 in Other Funds from the sale of properties listed on their Long-Range Property Management Plan (LRPMP). Pursuant to the Agency's approved LRPMP, proceeds from the sale of properties shall be remitted to the Los Angeles County Auditor-Controller (CAC) for distribution to the affected taxing entities. Pursuant to HSC section 34191.3 9 (a), the approved LRPMP shall govern. Therefore, the Agency should remit these property sale proceeds to the CAC as required.

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 21-22 period. The ROPS 21-22 prior period adjustment (PPA) will offset the ROPS 24-25 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the CAC's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$10,713,321, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2024 through December 31, 2024 period (ROPS A period), and one distribution for the January 1, 2025 through June 30, 2025 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 24-25 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 item, Finance approves the remaining items listed on the ROPS 24-25 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 24-25, 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 24-25. 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 24-25 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 24-25 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.

Lisa Fall
April 12, 2024
Page 3

Please direct inquiries to RedevelopmentAdministration@dof.ca.gov.

Sincerely,

Original signed by:

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

cc: Christopher Koontz, Director of Development Services, City of Long Beach
Linda Santillano, Property Tax Apportionment Division Chief, Los Angeles County
Martha Arana, Countywide Oversight Board Representative

Approved RPTTF Distribution July 2024 through June 2025			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 0	\$ 13,005,948	\$ 13,005,948
Administrative RPTTF Requested	164,990	0	164,990
Total RPTTF Requested	164,990	13,005,948	13,170,938
RPTTF Requested	0	13,005,948	13,005,948
<u>Adjustment(s)</u>			
Item No. 231	0	(958,631)	(958,631)
RPTTF Authorized	0	12,047,317	12,047,317
Administrative RPTTF Authorized	164,990	0	164,990
ROPS 21-22 prior period adjustment (PPA)	(164,990)	(1,333,996)	(1,498,986)
Total RPTTF Approved for Distribution	\$ 0	\$ 10,713,321	\$ 10,713,321