



Transmitted via e-mail

May 17, 2024

Aaron Roth, Interim City Manager
Suisun City
701 Civic Center Boulevard
Suisun City, CA 94585

2024-25 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated March 1, 2024. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Suisun City Successor Agency (Agency) submitted an annual ROPS for the period July 1, 2024 through June 30, 2025 (ROPS 24-25) to Finance on January 29, 2024. 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 24, 2024.

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.

- Item No. 11 – Marina Lease. Finance continues to deny this item. Finance initially denied this item because the original lease expired in 2022. During the Meet and Confer review, the Agency provided an amended lease with an extension until 2043. The amended lease had not been approved by the Oversight Board (OB) or Finance. The Agency contended that OB and Finance approval was unnecessary because it was only an amendment to the original lease. However, the Agency is not authorized to create new enforceable obligations. HSC section 34177 (h) requires the Agency to expeditiously wind down the affairs of the former redevelopment agency. Therefore, this item is not an enforceable obligation and the requested amount of \$11,522 from the Redevelopment Property Tax Trust Fund (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, 2021 through June 30, 2022 (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 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 \$5,785,996, 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.

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.

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

Sincerely,

Original signed by:

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

cc: Elizabeth Luna, Accounting Services Manager, Suisun City
Rosemary Bettencourt, Deputy Auditor-Controller/Countywide Oversight Board
Representative, Solano County

Approved RPTTF Distribution July 2024 through June 2025			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 3,357,965	\$ 2,279,397	\$ 5,637,362
Administrative RPTTF Requested	125,000	125,000	250,000
Total RPTTF Requested	3,482,965	2,404,397	5,887,362
RPTTF Requested	3,357,965	2,279,397	5,637,362
<u>Adjustment(s)</u>			
Item No. 11	0	(11,522)	(11,522)
RPTTF Authorized	3,357,965	2,267,875	5,625,840
Administrative RPTTF Authorized	125,000	125,000	250,000
ROPS 21-22 prior period adjustment (PPA)	(89,844)	0	(89,844)
Total RPTTF Approved for Distribution	\$ 3,393,121	\$ 2,392,875	\$ 5,785,996