



May 17, 2019

Ms. Sajuti Rahman, Economic Development Analyst  
Suisun City  
701 Civic Center Boulevard  
Suisun City, CA 94585

Dear Ms. Rahman:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 15, 2019. 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, 2019 through June 30, 2020 (ROPS 19-20) to Finance on January 22, 2019. 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 22, 2019.

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 determinations being disputed:

- Item No. 6 – Supplemental Educational Revenue Augmentation Fund (SERAF) loan, total outstanding obligation amount of \$6,901,505. Finance no longer objects to this item. Finance previously denied this item because the Agency had not submitted an Oversight Board (OB) action to Finance approving a repayment schedule. Pursuant to HSC section 34171 (d) (1) (G), amounts owed to the Low and Moderate Income Housing Fund are enforceable obligations provided the Agency's OB approved a repayment schedule.

The Agency submitted Resolution No. OB 2019-6 to Finance on April 22, 2019, approving a repayment schedule. Based on our review of OB 2019-6 as referenced in our May 3, 2019 determination letter, the requested amount of \$690,150 in Redevelopment Property Tax Trust Fund (RPTTF) for the ROPS 19-20 period is approved.

In addition, per Finance's letter dated April 15, 2019, we continue to make the following determinations not contested by the Agency during the Meet and Confer review:

- Item No. 4 – Marina Construction Loan totaling \$5,475,877 is partially approved. It is our understanding that the item is related to the Loan and Operation Contract (Contract) between the Suisun City Redevelopment Agency, Suisun City, and the California Department of Boating and Waterways, fully executed on July 27, 1992. The Agency requested \$5,475,877 for the loan repayment and the maintenance costs related to the Marina project; however, documentation provided by the Agency indicates \$1,424,645 was already paid from other available funds. Therefore, with the Agency's concurrence, the requested amount of \$5,475,877 is reduced by \$1,424,645 to \$4,051,232 (\$5,475,877 – \$1,424,645).

- Item No. 33 – Marina East Restoration and Marina Promenade Extension Plan in the requested amount of \$62,000 is not allowed. The Agency is requesting the funds to complete a biological assessment and a wetland delineation study to enhance the City's promenade. According to the Agency, this item is related to Small Craft Harbor Loan and Operation Contract (Contract), which is an existing enforceable obligation included on the ROPS as Item No. 4. However, the Contract does not specify a biological assessment or a wetland delineation study is part of the project scope. Therefore, this item is not an enforceable obligation and the requested amount of \$62,000 from RPTTF is not allowed.
- Item No. 34 – Parking Implementation Plan in the total outstanding obligation amount of \$72,000. This item is related to the Fourth Amendment to Disposition and Development Agreement (DDA) entered between the Agency and the Main Street West Partners, LLC (Developer) on April 29, 2016. According to the DDA, both parties agree that a parking study must be performed to identify a potential solution to a possible parking shortage. The Developer agrees to pay the Agency \$10,000 towards the parking study concurrent with the sale of the first residential parcel. The Agency confirmed it received the \$10,000 from the Developer in October 2018. Since the Agency has \$10,000 available for the parking study, \$10,000 of the \$72,000 will be reclassified from RPTTF to Other Funds.
- On the ROPS 19-20 form, the Agency reported cash balances and activity for the period July 1, 2016 through June 30, 2017 (ROPS 16-17). According to our review, the Agency has approximately \$21,576 from Other Funds, available to fund enforceable obligations on the ROPS 19-20. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amount specified below:
  - Item No. 12 – Main Street West Disposition and Development Agreement in the amount of \$21,576 is reclassified from RPTTF to Other Funds. This item does not require payment from property tax revenues and the Agency has \$21,576 in available Other Funds. Therefore, Finance is approving RPTTF in the amount of \$103,194 and the use of Other Funds in the amount of \$21,576, totaling \$124,770.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 4 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

The Agency's maximum approved distribution for the reporting period is \$9,286,516 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 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 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 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 19-20 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied 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 RPTTF is the same as the amount of property tax increment available prior to the enactment of 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 RPTTF.

Please direct inquiries to Nichelle Jackson, Supervisor, or Chikako Takagi-Galamba, Manager, at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER  
Program Budget Manager

cc: Ms. Elizabeth Luna, Accounting Services Manager, Suisun City  
Ms. Rosemary Bettencourt, Deputy Auditor-Controller, Solano County

**Attachment**

<b>Approved RPTTF Distribution</b>			
<b>For the period of July 1, 2019 through June 30, 2020</b>			
	<b>ROPS A Period</b>	<b>ROPS B Period</b>	<b>ROPS 19-20 Total</b>
RPTTF Requested	\$ 8,578,987	\$ 2,149,485	\$ 10,728,472
Administrative RPTTF Requested	100,000	100,000	200,000
<b>Total RPTTF Requested</b>	<b>8,678,987</b>	<b>2,249,485</b>	<b>10,928,472</b>
<b>RPTTF Requested</b>	<b>8,578,987</b>	<b>2,149,485</b>	<b>10,728,472</b>
<u>Adjustments</u>			
Item No. 4	(1,424,645)	0	(1,424,645)
Item No. 12	(21,576)	0	(21,576)
Item No. 33	(62,000)	0	(62,000)
Item No. 34	(10,000)	0	(10,000)
	(1,518,221)	0	(1,518,221)
<b>RPTTF Authorized</b>	<b>7,060,766</b>	<b>2,149,485</b>	<b>9,210,251</b>
<b>Administrative RPTTF Authorized</b>	<b>100,000</b>	<b>100,000</b>	<b>200,000</b>
<b>Total RPTTF Authorized for Obligations</b>	<b>7,160,766</b>	<b>2,249,485</b>	<b>9,410,251</b>
Prior Period Adjustment	(123,735)	0	(123,735)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 7,037,031</b>	<b>\$ 2,249,485</b>	<b>\$ 9,286,516</b>