



April 3, 2019

Ms. Victoria L. Beatley, Director of Finance/City Treasurer  
City of Seal Beach  
211 8th Street  
Seal Beach, CA 90740-6379

Dear Ms. Beatley:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Seal Beach Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 28, 2019. Finance has completed its review of the ROPS 19-20.

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

- Item No. 1 – 2000 Subordinate Tax Allocation Bonds, Series A, total requested amount of \$658,078. The Agency made the final payment for the 2000 Subordinate Tax Allocation Bonds, Series B (Item No. 2), during the July 1, 2018 through June 30, 2019 period and has cash in its bond reserve account in the amount of \$3,788, which must be used for bond debt service. Therefore, with the Agency's concurrence, Finance is approving Redevelopment Property Tax Trust Fund (RPTTF) funding in the amount of \$654,290 and the use of Reserve Balances in the amount of \$3,788, totaling \$658,078.
- Item Nos. 4 and 6 – Various Professional Services, outstanding obligation amounts totaling \$2,957, are not allowed. Because the 2000 Subordinate Tax Allocation Bonds, Series B, have been paid in full, the related costs (i.e., staff, legal, and other professional services) are also not eligible for funding. Therefore, the requested amount of \$2,957 (\$1,796 + \$1,161) from Administrative RPTTF is not allowed.
- Item No. 7 – Mobile Home Park Revenue Bonds (Seal Beach Mobile Home Park Project) Series 2000 A in the total requested amount of \$180,000. It is our understanding the Agency requested funding from Administrative RPTTF instead of RPTTF in error. Therefore, with the Agency's concurrence, Finance has reclassified the requested amount of \$180,000 from Administrative RPTTF to RPTTF.
- Item No. 10 – City of Seal Beach Loan in the total requested amount of \$230,510. It is our understanding the Agency requested funding from Administrative RPTTF instead of RPTTF in error. Therefore, with the Agency's concurrence, Finance has reclassified the requested amount of \$230,510 from Administrative RPTTF to RPTTF.

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 County Auditor-Controller's review of the prior period adjustment form submitted by the Agency resulted in no prior period adjustment.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of 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/](http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/)

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,100,516 as summarized in the Approved RPTTF Distribution table on Page 3 (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.

Absent a Meet and Confer, 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:

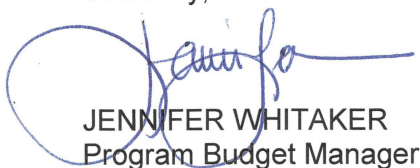
<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

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 the 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 the RPTTF.

Please direct inquiries to Nichelle Jackson, Supervisor, or Veronica Zalvidea, Lead Analyst, at (916) 322-2985.

Sincerely,



JENNIFER WHITAKER  
Program Budget Manager

cc: Ms. Alayna Hoang, Finance Manager, City of Seal Beach  
Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange 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	\$ 639,669	\$ 18,409	\$ 658,078
Administrative RPTTF Requested	246,810	202,373	449,183
<b>Total RPTTF Requested</b>	<b>886,479</b>	<b>220,782</b>	<b>1,107,261</b>
<b>RPTTF Requested</b>	<b>639,669</b>	<b>18,409</b>	<b>658,078</b>
<u>Adjustments</u>			
Item No. 1	(3,788)	0	(3,788)
Item No. 7	0	180,000	180,000
Item No. 10	230,510	0	230,510
	226,722	180,000	406,722
<b>RPTTF Authorized</b>	<b>866,391</b>	<b>198,409</b>	<b>1,064,800</b>
<b>Administrative RPTTF Requested</b>	<b>246,810</b>	<b>202,373</b>	<b>449,183</b>
<u>Adjustments</u>			
Item No. 4	0	(1,796)	(1,796)
Item No. 6	0	(1,161)	(1,161)
Item No. 7	0	(180,000)	(180,000)
Item No. 10	(230,510)	0	(230,510)
	(230,510)	(182,957)	(413,467)
<b>Administrative RPTTF Authorized</b>	<b>16,300</b>	<b>19,416</b>	<b>35,716</b>
<b>Total RPTTF Authorized for Obligations</b>	<b>882,691</b>	<b>217,825</b>	<b>1,100,516</b>
Prior Period Adjustment	0	0	0
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 882,691</b>	<b>\$ 217,825</b>	<b>\$ 1,100,516</b>