



Transmitted via e-mail

May 15, 2020

Stacey Shokri, Finance Manager
City of Anaheim
201 South Anaheim Boulevard, Suite 1003
Anaheim, CA 92805

2020-21 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 14, 2020. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Anaheim Successor Agency (Agency) submitted an annual ROPS for the period of July 1, 2020 through June 30, 2021 (ROPS 20-21) to Finance on January 31, 2020. 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 23, 2020.

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 Nos. 114, 115, and 117 – Avon Dakota Revitalization and External Project Costs in the total requested amounts of \$4,300,500, \$640,000, and \$100,000, respectively. Finance previously denied a portion of the amounts requested as the documentation provided did not support the Agency's total request. During the Meet and Confer, the Agency provided additional documentation, including a revised memorandum dated April 15, 2020 from the Executive Director of the Housing Authority, to support the total request. As a result, Finance approves the entire amount as requested on the ROPS totaling \$2,170,500 in Redevelopment Property Tax Trust Fund (RPTTF) and \$2,870,000 in Other Funds.

In addition, per Finance's letter dated April 14, 2020, we continue to make the following determination not contested by the Agency during the Meet and Confer review:

On the ROPS 20-21 form, the Agency reported cash balances and activity for the period July 1, 2017 through June 30, 2018 (ROPS 17-18). According to our review, the Agency has approximately \$4,705,791 from Other Funds available to fund enforceable obligations on the ROPS 20-21. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funds. 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 on the following page:

Item No. 193 – 2018 Refunding Bonds Series A in the amount of \$7,461,625 for the January 1, 2021 through June 30, 2021 period (ROPS 20-21B) is partially reclassified. Finance is approving RPTTF in the amount of \$2,755,834 and the use of Other Funds in the amount of \$4,705,791, totaling \$7,461,625.

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 17-18 period. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF authorized includes the prior period adjustment (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 \$10,556,590, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2020 through December 31, 2020 period (ROPS A period), and one distribution for the January 1, 2021 through June 30, 2021 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 20-21 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 20-21. 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 deemed denied until the matter is resolved.

The ROPS 20-21 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 20-21 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 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.

Stacey Shokri
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Please direct inquiries to Joshua Mortimer, Supervisor, or Carla Villa, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: John Woodhead, Executive Director, City of Anaheim
Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Approved RPTTF Distribution July 2020 through June 2021			
	ROPS A	ROPS B	ROPS 20-21 Total
RPTTF Requested	\$ 4,366,372	\$ 10,426,810	\$ 14,793,182
Administrative RPTTF Requested	318,500	318,500	637,000
Total RPTTF Requested	4,684,872	10,745,310	15,430,182
RPTTF Requested	4,366,372	10,426,810	14,793,182
<u>Adjustment(s)</u>			
Item No. 193	0	(4,705,791)	(4,705,791)
RPTTF Authorized	4,366,372	5,721,019	10,087,391
Administrative RPTTF Authorized	318,500	318,500	637,000
ROPS 17-18 prior period adjustment (PPA)	(167,801)	0	(167,801)
Total RPTTF Approved for Distribution	\$ 4,517,071	\$ 6,039,519	\$ 10,556,590