



Transmitted via e-mail

April 15, 2020

Frankie Ezzat, Chief Deputy County Executive Officer  
Riverside County  
4080 Lemon Street, 4th Floor  
Riverside, CA 92501

### **2020-21 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Riverside County Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2020 through June 30, 2021 (ROPS 20-21) to the California Department of Finance (Finance) on February 4, 2020. Finance has completed its review of the ROPS 20-21.

Based on a sample of line items reviewed and application of the law, Finance is approving all of the items listed on the ROPS 20-21 at this time. However, Finance notes the following:

Item Nos. 9 and 11 – 2011 Tax Allocation Revenue Bonds Series B and Series B-T in the amount of \$1,311,294 and Series E in the amount \$653,775. The scheduled debt service payments for the 2011 bonds are approved. However, Finance notes the Agency has excess 2011 bond proceeds. Pursuant to HSC section 34191.4 (c) (2) (C), the remaining proceeds that cannot be spent pursuant to HSC section 34191.4 (c) (2) (A) or (B) shall be used at the earliest date permissible under the applicable bond covenants to defease the bonds or purchase those same outstanding bonds on the open market for cancellation. Therefore, Finance encourages the Agency to use remaining 2011 proceeds to defease the 2011 bonds on the earliest date permitted under the indenture to successfully wind-down the Agency.

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, 2017 through June 30, 2018 (ROPS 17-18) period. Reported differences in Redevelopment Property Tax Trust Fund (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 \$43,095,776, as summarized in the Approved RPTTF Distribution table (see Attachment).

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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.

Absent a Meet and Confer, 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.

Please direct inquiries to Todd Vermillion, Supervisor, or Brian Dunham, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER  
Program Budget Manager

cc: Imelda Delos Santos, Principal Management Analyst, Riverside County  
Pam Elias, Chief Accountant Property Tax Division, Riverside County

<b>Approved RPTTF Distribution July 2020 through June 2021</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>ROPS 20-21 Total</b>
RPTTF Requested	\$ 14,142,519	\$ 32,815,674	\$ 46,958,193
Administrative RPTTF Requested	627,142	609,691	1,236,833
<b>Total RPTTF Requested</b>	<b>14,769,661</b>	<b>33,425,365</b>	<b>48,195,026</b>
<b>RPTTF Authorized</b>	<b>14,142,519</b>	<b>32,815,674</b>	<b>46,958,193</b>
<b>Administrative RPTTF Authorized</b>	<b>627,142</b>	<b>609,691</b>	<b>1,236,833</b>
ROPS 17-18 prior period adjustment (PPA)	(5,099,250)	0	(5,099,250)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 9,670,411</b>	<b>\$ 33,425,365</b>	<b>\$ 43,095,776</b>