



Transmitted via e-mail

April 7, 2021

David A. Klug, Redevelopment Manager
City of Pasadena
100 North Garfield Avenue, Room S116
Pasadena, CA 91103

2021-22 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Pasadena Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2021 through June 30, 2022 (ROPS 21-22) to the California Department of Finance (Finance) on January 22, 2021. Finance has completed its review of the ROPS 21-22.

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

- Item No. 4 – 2006 Tax Allocation Bonds debt service in the amount of \$230,513. It is our understanding this is the final debt service payment for this bond. The Agency is requesting \$230,513 in Redevelopment Property Tax Trust Fund (RPTTF) funding for payment of the debt service. Based on documentation provided by the Agency, \$254,660 in Bond Reserves is available for this obligation. Therefore, Finance is reclassifying \$230,513 requested from RPTTF to Reserve Balances.
- Item Nos. 10 and 38 – According to our review, the Agency has approximately \$24,147 from Bond Reserves available to fund enforceable obligations on the ROPS 21-22, following the use of \$230,513 for the final debt service payment for Item No. 4. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funding. These items do not require payment from property tax revenues; therefore, the funding source for the following items has been reclassified in the amounts specified below:

Item No.	Item Name	Total Funding Approved	RPTTF Admin Approved	Reserve Balances Approved
10	Tax Allocation Bonds 2006-Fiscal Agent Fees	\$ 4,000	\$ 0	\$ 4,000
38	Administrative Costs	36,297	16,150	20,147
	Total	\$40,297	\$16,150	\$24,147

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, 2018 through June 30, 2019 (ROPS18-19) period. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved includes the prior period adjustment (PPA) resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency. Total authorized RPTTF is insufficient to allow the entire PPA to be applied this ROPS period, resulting in an excess PPA that should be applied prior to requesting RPTTF on future ROPS.

The Agency's maximum approved RPTTF distribution for the reporting period is \$0, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2021 through December 31, 2021 period (ROPS A period), and one distribution for the January 1, 2022 through June 30, 2022 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 21-22 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the adjusted items, Finance does not object to the remaining items listed on the ROPS 21-22. If the Agency disagrees with our determination with respect to any items on the ROPS 21-22, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from 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/

The Agency must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 21-22. 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 21-22 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 21-22 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.

David A. Klug
April 7, 2021
Page 3

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 Kylie Oltmann, Supervisor, or Michael Painter, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Robert Ridley, Controller, City of Pasadena
Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County

Attachment

Approved RPTTF Distribution July 2021 through June 2022			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 232,513	\$ 2,000	\$ 234,513
Administrative RPTTF Requested	36,297	0	36,297
Total RPTTF Requested	268,810	2,000	270,810
RPTTF Requested	232,513	2,000	234,513
<u>Adjustment(s)</u>			
Item No. 4	(230,513)	0	(230,513)
Item No. 10	(2,000)	(2,000)	(4,000)
	(232,513)	(2,000)	(234,513)
RPTTF Authorized	0	0	0
Administrative RPTTF Requested	36,297	0	36,297
<u>Adjustment(s)</u>			
Item No. 38	(20,147)	0	(20,147)
Administrative RPTTF Authorized	16,150	0	16,150
ROPS 18-19 prior period adjustment (PPA)	(41,421)	0	(41,421)
Excess PPA	25,271	0	25,271
Total RPTTF Approved for Distribution	\$ 0	\$ 0	\$ 0