



Transmitted via e-mail

April 12, 2021

Daniel Peterson, Director of Public Works
Yuba County
915 8th Street, Suite 123
Marysville, CA 95901

2021-22 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Yuba County 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 February 23, 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. 1 – Olivehurst Avenue Storm Drain Project loan repayment in the amount of \$85,329 is partially allowed. HSC section 34191.4 (b) (3) (A) allows repayment to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in the preceding fiscal year and the ROPS residual pass-through distributed to the taxing entities in the fiscal year 2012-13 base year.

According to the Yuba County, County Auditor-Controller's (CAC) report, the ROPS residual pass-through amount distributed to the taxing entities for fiscal year 2012-13 and 2020-21 are \$0 and \$136,439, respectively. Pursuant to the repayment formula, the maximum repayment amount authorized for the ROPS 21-22 period is \$68,220. Therefore, of the \$85,329 requested, \$17,109 is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding. The Agency may be eligible for additional funding on subsequent ROPS.

The CAC did not provide its review of the Agency's reported differences between actual payments and past estimated obligations for the July 1, 2018 through June 30, 2019 (ROPS 18-19) period as required by HSC section 34186. However, on the ROPS 21-22 form, the Agency reported cash balances and activities for the ROPS 18-19 period. Therefore, we reviewed ROPS 18-19 expenditures.

According to our review, the Agency has no prior period adjustment but does have approximately \$3,849 from Other Funds available to fund enforceable obligations on the ROPS 21-22. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funding. Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amount specified below:

- Item No. 1 – Olivehurst Avenue Storm Drain Project in the amount of \$68,220 is partially reclassified from RPTTF to Other Funds. Finance is approving RPTTF in the amount of \$20,207, Other Funds in the amount of \$3,849, and Reserve Balances in the amount of \$44,164, totaling \$68,220.

Total adjustments to Item No. 1 equals \$20,958 (\$17,109 + \$3,849)

The Agency's maximum approved RPTTF distribution for the reporting period is \$20,207, 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 item, 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/>

Daniel Peterson
April 12, 2021
Page 3

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.

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 Joshua Mortimer, Supervisor, or Daniel Cervantes, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Richard Eberle, Yuba County Auditor/Controller, Yuba County

Approved RPTTF Distribution July 2021 through June 2022			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 41,165	\$ 0	\$ 41,165
Administrative RPTTF Requested	0	0	0
Total RPTTF Requested	41,165	0	41,165
RPTTF Requested	41,165	0	41,165
<u>Adjustment(s)</u>			
Item No. 1	(20,958)	0	(20,958)
RPTTF Authorized	20,207	0	20,207
Administrative RPTTF Authorized	0	0	0
Total RPTTF Approved for Distribution	\$ 20,207	\$ 0	\$ 20,207