



Transmitted via e-mail

March 25, 2022

Rod Greek, Interim Administrative Services Director  
City of Lemon Grove  
3232 Main Street  
Lemon Grove, CA 91945

### **2022-23 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Lemon Grove Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) to the California Department of Finance (Finance) on January 25, 2022. Finance has completed its review of the ROPS 22-23.

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

- Item No. 35 – 2019 Tax Allocation Refunding Bonds debt service. The Agency requested \$1,140,620 from Redevelopment Property Tax Trust Fund (RPTTF) in error. According to the debt service schedule provided by the Agency, the amounts requested for the July 1, 2022 through December 31, 2022 (ROPS A) and January 1, 2023 through June 30, 2023 (ROPS B) periods should be \$665,000 in principal and \$244,797 in interest, respectively, totaling \$909,797. Therefore, to accurately reflect the correct debt service payment, Finance made an adjustment in the amount of \$230,823 to decrease the total requested amount of \$1,140,620 to \$909,797.

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, 2019 through June 30, 2020 (ROPS 19-20) period. The ROPS 19-20 prior period adjustment (PPA) will offset the ROPS 22-23 RPTTF distribution. The County Auditor-Controller's review of the PPA form submitted by the Agency resulted in no PPA.

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,842,402, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the ROPS A period, and one distribution for the ROPS B period, based on Finance's approved amounts. Since this determination is for the entire ROPS 22-23 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 approves the remaining items listed on the ROPS 22-23 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 22-23, 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 22-23. 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 22-23 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 22-23 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.

Rod Greek  
March 25, 2022  
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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: Lydia Romero, City Manager, City of Lemon Grove  
Becky Greene, Acting Manager, San Diego County

<b>Approved RPTTF Distribution July 2022 through June 2023</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 1,403,222	\$ 615,003	\$ 2,018,225
Administrative RPTTF Requested	27,500	27,500	55,000
<b>Total RPTTF Requested</b>	<b>1,430,722</b>	<b>642,503</b>	<b>2,073,225</b>
<b>RPTTF Requested</b>	<b>1,403,222</b>	<b>615,003</b>	<b>2,018,225</b>
<u>Adjustment(s)</u>			
Item No. 35	(230,823)	0	(230,823)
<b>RPTTF Authorized</b>	<b>1,172,399</b>	<b>615,003</b>	<b>1,787,402</b>
<b>Administrative RPTTF Authorized</b>	<b>27,500</b>	<b>27,500</b>	<b>55,000</b>
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 1,199,899</b>	<b>\$ 642,503</b>	<b>\$ 1,842,402</b>