



Transmitted via e-mail

May 17, 2022

Juan J. Lopez, Finance Director  
City of Marina  
211 Hillcrest Avenue  
Marina, CA 93933

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

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 15, 2022. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Marina Successor Agency (Agency) submitted an annual ROPS for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) to Finance on January 31, 2022. The Agency requested a Meet and Confer on one or more of the determinations made by Finance. The Meet and Confer was held on May 3, 2022.

Based on a review of additional information and documents provided to Finance during the Meet and Confer process, Finance has completed its review of the specific determinations being disputed:

- Item No. 7 – Dunes Disposition and Development Agreement (DDA) including the 2nd Implementation Agreement in the amount of \$20,000,000 in Bond Proceeds, \$143,282 in Other Funds, and \$2,286,718 in Redevelopment Property Tax Trust Fund (RPTTF), for a total of \$22,430,000. Finance no longer partially denies this item. It is our understanding the Agency entered into a DDA with Marina Community Partners (Developer) on May 31, 2005, for the development of approximately 290 acres of the former Fort Ord Army Base. The DDA was amended by an Implementation Agreement on September 6, 2006 and by a Second Implementation Agreement on August 5, 2008. The Agency also entered into a Tax Increment Financing Plan and Agreement on August 5, 2008. These agreements allow the Developer to request the Agency to issue bonds, from time to time, if feasible under the circumstance.

A request for a new bond issuance has been made by the Developer pursuant to the agreements. Finance has approved Oversight Board Resolution No. 2022-11 approving the new bond issuance, pursuant to our determination letter dated May 16, 2022. Therefore, funding in the amount of \$20,000,000 in Bond Proceeds, \$143,282 in Other Funds, and \$2,286,718 in RPTTF, for a total of \$22,430,000 is approved. Finance reserves the right to evaluate future bond issuance proposals to ensure that contract funding limits are not exceeded pursuant to the Financing Plan.

- Item No. 38 – Bond issuance costs in the total outstanding amount of \$65,000. Finance no longer denies this item. It is our understanding these costs are related to Item No. 7. The Agency is authorized, as provided in HSC section 34177.5 (f), to recover its costs related to the issuance of bonds when authorized to issue such bonds. As noted above, the Agency has been authorized to issue such bonds. Therefore, the costs related to issuing the bonds are allowable, and the requested amount of \$65,000 from RPTTF is approved.

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 amount of RPTTF authorized includes the 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 \$2,894,258, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2022 through December 31, 2022 period (ROPS A period), and one distribution for the January 1, 2023 through June 30, 2023 period (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.

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.

Juan J. Lopez  
May 17, 2022  
Page 3

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 Zuber Tejani, Supervisor, or Michael Painter, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER  
Program Budget Manager

cc: Layne Long, City Manager, City of Marina  
Jennifer Forsyth, Auditor-Controller Analyst, Monterey County

<b>Approved RPTTF Distribution July 2022 through June 2023</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 1,477,618	\$ 2,607,700	\$ 4,085,318
Administrative RPTTF Requested	191,000	0	191,000
<b>Total RPTTF Requested</b>	<b>1,668,618</b>	<b>2,607,700</b>	<b>4,276,318</b>
<b>RPTTF Authorized</b>	<b>1,477,618</b>	<b>2,607,700</b>	<b>4,085,318</b>
<b>Administrative RPTTF Authorized</b>	<b>191,000</b>	<b>0</b>	<b>191,000</b>
ROPS 19-20 prior period adjustment (PPA)	(1,382,060)	0	(1,382,060)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 286,558</b>	<b>\$ 2,607,700</b>	<b>\$ 2,894,258</b>