



Transmitted via e-mail

May 17, 2022

Greg Folsom, City Manager  
Suisun City  
701 Civic Center Boulevard  
Suisun City, CA 94585

### **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 13, 2022. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Suisun Successor Agency (Agency) submitted an annual ROPS for the period of 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 April 26, 2022.

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

- Item No. 4 - Marina Construction Loan totaling \$1,001,132 continues to be partially approved. It is our understanding this item is related to the Loan and Operation Contract executed on July 27, 1992 between the Suisun City Redevelopment Agency, Suisun City, and the California Department of Boating and Waterways. The Agency requested \$1,001,132 for the loan payment and maintenance costs related to the Marina Project. However, the documentation provided by the Agency indicates that \$549,062 was for maintenance costs from the ROPS 19-20 period which has already been funded. In addition, the loan repayment amount was overstated by \$16. During the Meet and Confer, the Agency provided several accounting records and spreadsheets to show the amounts expended; however, these were insufficient to support amounts beyond those already allowed by the County Auditor-Controller on the ROPS 19-20 prior period adjustment (PPA) form. Therefore, the requested amount of \$1,001,132 continues to be reduced by \$549,078 to \$452,054 (\$1,001,132 - \$549,062 - \$16) in Redevelopment Property Tax Trust Fund (RPTTF) funding.

In addition, per Finance's letter dated April 13, 2022 we continue to make the following determinations not contested by the Agency during the Meet and Confer review:

- Item No. 11 - Marina Lease in the total outstanding amount of \$20,000 is not allowed. The Marina Lease will expire April 30, 2022. Therefore, this item is not an enforceable obligation for ROPS 22-23 and the requested amount of \$20,000 from Other Funds is not allowed.

- On the ROPS 22-23 form, the Agency reported cash balances and activity for the period July 1, 2019 through June 30, 2020 (ROPS 19-20). According to our review, the Agency has approximately \$154,362 from Other Funds available to fund enforceable obligations on the ROPS 22-23. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funding. The item below does not require payment from property tax revenues, therefore, with the Agency's concurrence, the funding source has been reclassified in the amount specified below:
  - Item No. 5 – Marina Expansion Loan in the amount of \$268,000 is partially reclassified. Finance is approving RPTTF in the amount of \$113,638 and the use of Other Funds in the amount of \$154,362, totaling \$268,000.

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 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 \$5,123,503, 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 items, 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.

Greg Folsom  
May 17, 2022  
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 Zuber Tejani, Supervisor, or Michael Barr, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER  
Program Budget Manager

cc: Elizabeth Luna, Accounting Services Manager, Suisun City  
Rosemary Bettencourt, Deputy Auditor-Controller, Solano County

<b>Approved RPTTF Distribution July 2022 through June 2023</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 3,964,707	\$ 2,224,187	\$ 6,188,894
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>4,089,707</b>	<b>2,349,187</b>	<b>6,438,894</b>
<b>RPTTF Requested</b>	<b>3,964,707</b>	<b>2,224,187</b>	<b>6,188,894</b>
<u>Adjustment(s)</u>			
Item No. 4	(549,078)	0	(549,078)
Item No. 5	(154,362)	0	(154,362)
	(703,440)	0	(703,440)
<b>RPTTF Authorized</b>	<b>3,261,267</b>	<b>2,224,187</b>	<b>5,485,454</b>
<b>Administrative RPTTF Authorized</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
ROPS 19-20 prior period adjustment (PPA)	(611,951)	0	(611,951)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 2,774,316</b>	<b>\$ 2,349,187</b>	<b>\$ 5,123,503</b>