



Transmitted via e-mail

November 9, 2020

John Downs, Finance Director
City of Lynwood
11330 Bullis Road
Lynwood, CA 90262

Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the City of Lynwood Successor Agency (Agency) submitted an Amended Recognized Obligation Payment Schedule for the period January 1, 2021 through June 30, 2021 (Amended ROPS 20-21B) to the California Department of Finance (Finance) on September 29, 2020. Finance has completed its review of the Amended ROPS 20-21B.

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

Item No. 6 – 2011 Tax Allocation Bonds Series A (2011 Bonds) for the requested adjustment of \$800,000 in bond proceeds is not allowed. The Agency has requested an amendment for an adjustment to the ROPS item used for debt service payment of their 2011 Bonds. It is our understanding the requested amount is for the use of excess 2011 bond proceeds in accordance with HSC section 34191.4 (c) (2) (A). The request for use of excess proceeds is not an eligible request under the amendment process. HSC section 34177 (o) (1) (E) only permits the Agency to request a revision if the revision is necessary for the payment of approved enforceable obligations. A revision is not necessary to fund this obligation. Therefore, the request to use excess bond proceeds through the amended ROPS process is not allowed. The agency should list the use of excess bond proceeds separately on a subsequent annual ROPS for Finance's review. Please note that pursuant to HSC section 34191.4 (c) (1) (A), excess bond proceed obligations shall be listed separately on the ROPS.

Since no adjustments were requested for Redevelopment Property Tax Trust Fund (RPTTF), the Agency's maximum approved RPTTF distribution for the ROPS 20-21B period remains at \$2,242,023, as summarized in the Approved RPTTF Distribution table (see Attachment).

Please refer to the ROPS 20-21B schedule used to calculate the total RPTTF approved for distribution:

<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This is Finance's determination related to the funding of enforceable obligations reported on your Amended ROPS 20-21B. Please note there is not a Meet and Confer option for the Amended ROPS process; therefore, Finance's determination is final. This determination is effective for this time period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied, even if it was not denied on this Amended 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 statutes. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Todd Vermillion, Supervisor, or Daisy Rose, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Bruno Naulls, Senior Projects Manger, City of Lynwood
Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County

Attachment

Approved RPTTF Distribution January 2021 through June 2021	
Authorized RPTTF on ROPS 20-21B	\$ 2,117,023
Authorized Administrative RPTTF on ROPS 20-21B	125,000
Total Authorized RPTTF on ROPS 20-21B	2,242,023

ICC: Rose, Vermillion, Stacy, McAllister, McCormick, Whitaker

Final Path: J:\Audits and Review\ROPS 20-21 Letters\Amended ROPS 20-21 PDF

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