



Transmitted via e-mail

November 13, 2020

Brad Raulston, Executive Director
National City
1243 National City Boulevard
National City, CA 91950

Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the National City 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 22, 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. 176 - Unforeseen SA Remediation Cost Obligation for the requested adjustment of \$500,000 in Reserve Balances is not allowed. Finance has reviewed the Agency's request to increase funding from \$200,000 to \$700,000. In reviewing the Owner-Contractor Agreement – Paradise Creek Park Site Remediation and Improvements, CIP NO. 18-07 (Owner-Contractor Agreement) provided by the Agency to support this request, we determined the Agency has no outstanding obligations stemming from this agreement, as the City, not the Agency, is a party to the Owner-Contractor Agreement. Additionally, the Owner-Contractor Agreement includes bid items for grading and infrastructure improvements necessary to construct a new 4-acre community park, which are beyond the scope of the Agency's remediation obligation. Therefore, the requested adjustment of \$500,000 in Reserve Balances is not allowed.

Except for the adjustments denied in whole or in part, Finance is not objecting to the remaining adjustments listed on your Amended ROPS 20-21B.

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 \$485,042, 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/>

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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: Tonya Hussain, Executive Secretary, National City
Jon Baker, Senior Auditor and Controller Manager, San Diego County

Attachment

Approved RPTTF Distribution January 2021 through June 2021	
Authorized RPTTF on ROPS 20-21B	\$ 485,042
Authorized Administrative RPTTF on ROPS 20-21B	0
Total Authorized RPTTF on ROPS 20-21B	485,042
Authorized RPTTF 20-21B Adjustment	0
Total Amended ROPS 20-21B RPTTF approved for distribution	485,042

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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