



Transmitted via e-mail

May 15, 2020

Troy Grunklee, Director of Administrative Services
City of La Puente
15900 East Main Street
La Puente, CA 91744

2020-21 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 14, 2020. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of La Puente Successor Agency (Agency) submitted an annual ROPS for the period of July 1, 2020 through June 30, 2021 (ROPS 20-21) to Finance on January 28, 2020. 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 22, 2020.

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 Nos. 15 through 21 – City of La Puente (City) loans in the total outstanding amount of \$10,881,803. Finance no longer denies these items. These loans were originally denied due to insufficient evidence that an exchange of cash occurred. During the Meet and Confer, the Agency provided additional information and support to demonstrate an exchange of cash occurred. For Item No. 15, we note the Agency could only support \$72,500 was a loan due to an exchange of cash. However, upon further review, the remaining amount of \$1,697,500 is supported by a transfer of real property interest to the former redevelopment agency pursuant to HSC section 34191.4 (b) (2) (B). Therefore, the requested amounts totaling \$307,290 from Redevelopment Property Trust Tax Fund (RPTTF) for the ROPS 20-21 period 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, 2017 through June 30, 2018 (ROPS 17-18) period. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF authorized includes the prior period adjustment (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 \$707,552, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2020 through December 31, 2020 period (ROPS A period), and one distribution for the January 1, 2021 through June 30, 2021 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 20-21 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

This is our final determination regarding the obligations listed on the ROPS 20-21. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

The ROPS 20-21 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 20-21 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 not denied 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.

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

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Alexander Merkel-Medina, Principal Accountant, City of La Puente
Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County

Approved RPTTF Distribution July 2020 through June 2021			
	ROPS A	ROPS B	ROPS 20-21 Total
RPTTF Requested	\$ 542,824	\$ 68,900	\$ 611,724
Administrative RPTTF Requested	48,637	48,637	97,274
Total RPTTF Requested	591,461	117,537	708,998
RPTTF Authorized	542,824	68,900	611,724
Administrative RPTTF Authorized	48,637	48,637	97,274
ROPS 17-18 prior period adjustment (PPA)	(1,446)	0	(1,446)
Total RPTTF Approved for Distribution	\$ 590,015	\$ 117,537	\$ 707,552