



Transmitted via e-mail

April 14, 2020

Sylvia E. Solis Daniels , Housing Program Manager
City of Vista
200 Civic Center Drive
Vista, CA 92084

2020-21 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Vista Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2020 through June 30, 2021 (ROPS 20-21) to the California Department of Finance (Finance) on January 22, 2020. Finance has completed its review of the ROPS 20-21.

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

- Item No. 65 – City Loan repayment in the amount of \$5,165,994 is partially allowed. HSC section 34191.4 (b) (3) (A) allows repayment to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in the preceding fiscal year and the ROPS residual pass-through distributed to the taxing entities in the fiscal year 2012-13 base year.

According to the San Diego County Auditor-Controller's (CAC) report, the ROPS residual pass-through amount distributed to the taxing entities for fiscal year 2012-13 and 2019-20 are \$0 and \$10,307,740, respectively. Pursuant to the repayment formula, the maximum repayment amount authorized for the ROPS 20-21 period is \$5,153,870. Therefore, of the \$5,165,994 requested, \$12,124 (\$5,165,994 – \$5,153,870) is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding. The Agency may be eligible for additional funding on subsequent ROPS.

- On the ROPS 20-21 form, the Agency reported cash balances and activity for the period July 1, 2017 through June 30, 2018 (ROPS 17-18). According to our review, the Agency has approximately \$677,103 from Other Funds available to fund enforceable obligations on the ROPS 20-21. However, the Agency requests Other Funds in the amounts of \$941,100 and \$639,474 on Item Nos. 6 and 9, respectively, which is more than what is available according to the cash balance form. Therefore, with the Agency's concurrence, the funding source for the following items have been reclassified in the amounts specified on the next page:

Item No.	Item Name	Original RPTTF Requested	RPTTF Adjustment	Total RPTTF Authorized	Original Other Funds Requested	Other Funds Adjustment	Total Other Funds Authorized
6	Relocation Obligations	\$ 0	\$263,997	\$ 263,997	\$ 941,100	\$(263,997)	\$677,103
9	2010 Housing Tax Allocation Bonds	392,097	639,474	1,031,571	639,474	(639,474)	0
	Total	\$392,097	\$903,471	\$1,295,568	\$1,580,574	\$(903,471)	\$677,103

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the 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 CAC's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$11,062,635, 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 (ROPS A period), and one distribution for the 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.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 20-21. If the Agency disagrees with our determination with respect to any items on the ROPS 20-21, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/

The Agency must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, 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 Mindy Patterson, Supervisor, or Dylan Newton, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Amanda Lee, Assistant to the City Manager, City of Vista
Jon Baker, Senior Auditor and Controller Manager, San Diego County

Approved RPTTF Distribution July 2020 through June 2021			
	ROPS A	ROPS B	ROPS 20-21 Total
RPTTF Requested	\$ 8,226,483	\$ 2,968,122	\$ 11,194,605
Administrative RPTTF Requested	125,000	125,000	250,000
Total RPTTF Requested	8,351,483	3,093,122	11,444,605
RPTTF Requested	8,226,483	2,968,122	11,194,605
<u>Adjustment(s)</u>			
Item No. 6	263,997	0	263,997
Item No. 9	639,474	0	639,474
Item No. 65	0	(12,124)	(12,124)
	903,471	(12,124)	891,347
RPTTF Authorized	9,129,954	2,955,998	12,085,952
Administrative RPTTF Authorized	125,000	125,000	250,000
ROPS 17-18 prior period adjustment (PPA)	(1,273,317)	0	(1,273,317)
Total RPTTF Approved for Distribution	\$ 7,981,637	\$ 3,080,998	\$ 11,062,635