



Transmitted via e-mail

April 14, 2021

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City of Richmond
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Richmond, CA 94804

2021-22 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Richmond Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2021 through June 30, 2022 (ROPS 21-22) to the California Department of Finance (Finance) on January 29, 2021. Finance has completed its review of the ROPS 21-22.

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

- Item No. 5 – 2004A Tax Allocation Revenue Bond. The Agency requested \$1,254,672 from Redevelopment Property Tax Trust Funds (RPTTF) and \$795,154 from Reserve Balances, totaling \$2,049,826, in error. According to the debt service schedule provided by the Agency, the July 1, 2021 through December 31, 2021 (ROPS 21-22A) period payment should be \$568,213 and the January 1, 2022 through June 30, 2022 (ROPS 21-22B) period payment should be \$787,456, totaling \$1,355,669. Therefore, to accurately reflect the correct debt service payments, Finance made adjustments in the amounts specified below:

ROPS Period	Reserve Balances Requested	RPTTF Requested	Reserve Balances Adjustment	RPTTF Adjustment	Reserve Balances Approved	RPTTF Approved	Total Approved
A	\$648,093	\$694,157	(\$79,880)	(\$694,157)	\$568,213	\$0	\$568,213
B	147,061	560,515	79,880	0	226,941	560,515	787,456
Total	\$795,154	\$1,254,672	\$0	(\$694,157)	\$795,154	\$560,515	\$1,355,669

- Item Nos. 7 and 12 – 2010A Tax Allocation Refunding Bond and 2004B Tax Allocation Revenue Bond (Housing) in the total outstanding amounts of \$33,437,147 and \$824,988, respectively, have been refunded. It is our understanding upon the successful sale of the 2021A and 2021B Refunding Bonds (new Item Nos. 129 and 130), the requested debt service payments for these items are no longer required. Therefore, with the Agency's concurrence, Finance made the following adjustments:
 - Item No. 7 – 2010A Tax Allocation Refunding Bond. Finance adjusted the requested amounts of \$2,428,684 from RPTTF and \$2,432,659 from Reserve Balances to \$0.
 - Item No. 12 – 2004B Tax Allocation Revenue Bond (Housing). Finance adjusted the requested amounts of \$138,444 from RPTTF and \$121,650 from Reserve Balances to \$0.
- Item No. 125 – Bond Trustee/Disclosure/Other Fees in the total requested amount of \$40,000 in Other Funds is partially allowed. It is our understanding the amount was based on estimates prior to the final sale of the 2021A and 2021B Refunding Bonds. Therefore, with the Agency's concurrence, the requested amount has been adjusted by \$5,000 for a total approved amount of \$35,000 (\$40,000 - \$5,000) in Other Funds.
- Item Nos. 129 and 130 – 2021A and 2021B Refunding Bond in the requested amounts of \$1,067,920 and \$2,085,794, respectively, have been adjusted. The Agency requested RPTTF funding for these items based on estimates prior to the final sale of the bonds. Therefore, with the Agency's concurrence, to accurately reflect the correct debt service payments, Finance made adjustments in the amounts specified below:

Item No.	Item Description	RPTTF Requested	Adjusted	RPTTF Approved
129	2021A Refunding Bond	\$1,067,920	\$624,891	\$1,692,811
130	2021B Refunding Bond	\$2,085,794	(\$1,062,820)	\$1,022,974

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, 2018 through June 30, 2019 (ROPS 18-19) period. The ROPS 18-19 prior period adjustment (PPA) will offset the ROPS 21-22 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 \$10,741,388, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2021 through December 31, 2021 period (ROPS A period), and one distribution for the January 1, 2022 through June 30, 2022 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 21-22 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 does not object to the remaining items listed on the ROPS 21-22. If the Agency disagrees with our determination with respect to any items on the ROPS 21-22, 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 from 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 21-22. 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 21-22 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 21-22 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.

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.

Rita Martinez
April 14, 2021
Page 4

Please direct inquiries to Anna Kyumba, Supervisor, or Rachel Lynch, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Belinda Brown, Finance Director, City of Richmond
Bob Campbell, Auditor-Controller, Contra Costa County

Approved RPTTF Distribution July 2021 through June 2022			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 6,935,940	\$ 7,317,860	\$ 14,253,800
Administrative RPTTF Requested	409,709	0	409,709
Total RPTTF Requested	7,345,649	7,317,860	14,663,509
RPTTF Requested	6,935,940	7,317,860	14,253,800
<u>Adjustment(s)</u>			
Item No. 5	(694,157)	0	(694,157)
Item No. 7	(2,428,684)	0	(2,428,684)
Item No. 12	0	(138,444)	(138,444)
Item No. 129	(26,709)	651,600	624,891
Item No. 130	1,630	(1,064,450)	(1,062,820)
	(3,147,920)	(551,294)	(3,699,214)
RPTTF Authorized	3,788,020	6,766,566	10,554,586
Administrative RPTTF Authorized	409,709	0	409,709
ROPS 18-19 prior period adjustment (PPA)	(222,907)	0	(222,907)
Total RPTTF Approved for Distribution	\$ 3,974,822	\$ 6,766,566	\$ 10,741,388