DEPARTMENT OF FINANCE

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November 13, 2019

Ms. Joan Ryan, Director of Finance
City of Escondido
201 North Broadway
Escondido, CA 92025

Dear Ms. Ryan:

Subject: Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the City of Escondido Successor Agency (Agency) submitted an Amended Recognized Obligation Payment Schedule for the period January 1, 2020 through June 30, 2020 (Amended ROPS 19-20B) to the California Department of Finance (Finance) on September 20, 2019. Finance has completed its review of the Amended ROPS 19-20B.

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

> Item No. 7 – Loan Repayment to Traffic Impact Fund. The Agency was approved funding in the amount of $953,953 in Other Funds for this item on the Annual ROPS 19-20. The Agency is requesting a $903,953 reduction in authorized Other Funds for a revised authorized amount of $50,000. To be eligible to request an amendment to the ROPS under HSC section 34177 (o) (1) (E), the request must be to make a necessary payment on an approved enforceable obligation in the second half of the ROPS period. Since this request is not necessary for the payment of this item, the requested amendment is not approved.

Since no adjustments were requested for Redevelopment Property Tax Trust Fund (RPTTF), the Agency's maximum approved RPTTF distribution for the ROPS 19-20B period remains at $125,000 as summarized in the Approved RPTTF Distribution table (see Attachment).

Please refer to the ROPS 19-20B 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 19-20B. Please note there is not a Meet and Confer option for the Amended ROPS process, so 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 Michael Painter, Lead Analyst, at (916) 322-2985.

Sincerely,

Cheryl L. McCormick

for JENNIFER WHITAKER
Program Budget Manager

cc: Ms. Christina Holmes, Assistant Finance Director, City of Escondido
Mr. Jon Baker, Senior Auditor and Controller Manager, San Diego County

Attachment

Approved RPTTF Distribution January 2020 through June 2020	
Authorized RPTTF on ROPS 19-20B	$ 0
Authorized Administrative RPTTF on ROPS 19-20B	125,000
Total Authorized RPTTF on ROPS 19-20B	**125,000**
Total Finance Authorized 19-20B RPTTF Adjustments	**0**
Total Amended ROPS 19-20B RPTTF approved for distribution	**125,000**