DEPARTMENT OF FINANCE
OFFICE OF THE DIRECTOR

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April 15, 2019

Ms. Lisa Fall, Bureau Manager
City of Long Beach
333 West Ocean Boulevard, 3rd Floor
Long Beach, CA 90802

Dear Ms. Fall:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

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

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

- Item No. 202 – North Library Utility Negotiations in the total outstanding amount of $105,000 is not allowed. The Agency did not provide documentation to support the requested amount. Therefore, it is unclear whether this item is an enforceable obligation and the requested amount of $105,000 is not eligible for Bond Proceeds. To the extent the Agency can provide documentation to support the requested amount, the item may be considered on a future ROPS.

- Item No. 207 – Atlantic and Vernon Good Faith Deposit in the total outstanding amount of $5,000 is not allowed. The Agency confirmed this item has been retired and this funding is no longer needed. Therefore, with the Agency's concurrence, the requested amount of $5,000 in Other Funds has been adjusted to zero.

- Item No. 228 – Los Altos Sharing Agreement Deferral in the total outstanding amount of $5,497,994. Based on the Item's description, this item appears to be for deferred County pass-through payments. Pursuant to HSC section 34183 (a) (1), the County Auditor-Controller (CAC) shall make the required pass-through payments for any pass-through agreement between the former Redevelopment Agency (RDA) and a taxing entity entered into prior to January 1, 1994 that would be in force during that fiscal year, had the RDA existed at that time. This pass-through agreement between the former Long Beach RDA, the City of Long Beach, the County of Los Angeles, and the Los Angeles County Flood Control District was entered into on January 21, 1992. Although the Agency is requesting $250,000, the CAC is responsible for determining amounts owed and making payments under this pass-through agreement. As such, it is not necessary to place this obligation on the ROPS.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in Redevelopment Property Tax Trust Fund (RPTTF) are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 4 includes the prior period adjustment resulting from the CAC's review of the prior period adjustment form submitted by the Agency.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, 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's maximum approved RPTTF distribution for the reporting period is $29,719,496 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. 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 denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

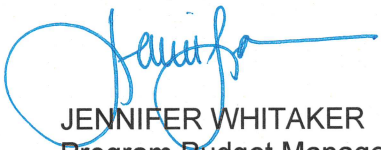
http://dof.ca.gov/Programs/Redevelopment/ROPS/

This determination is effective for the ROPS 19-20 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 RPTTF is the same as the amount of property tax increment available prior to the enactment of 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 RPTTF.

Please direct inquiries to Kylie Oltmann, Supervisor, or Daisy Rose, Lead Analyst, at (916) 322-2985.

Sincerely,



JENNIFER WHITAKER
Program Budget Manager

cc: Mr. Kjell Stava, Administrative Analyst, City of Long Beach
Ms. Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County

Attachment

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020			
	ROPS A Period	ROPS B Period	ROPS 19-20 Total
RPTTF Requested	$ 3,671,888	$ 28,015,283	$ 31,687,171
Administrative RPTTF Requested	377,724	377,724	755,448
Total RPTTF Requested	**4,049,612**	**28,393,007**	**32,442,619**
RPTTF Requested	3,671,888	28,015,283	31,687,171
Adjustment			
Item No. 228	0	(250,000)	(250,000)
RPTTF Authorized	**3,671,888**	**27,765,283**	**31,437,171**
Administrative RPTTF Authorized	**377,724**	**377,724**	**755,448**
Total RPTTF Authorized for Obligations	**4,049,612**	**28,143,007**	**32,192,619**
Prior Period Adjustment	(2,473,123)	0	(2,473,123)
Total RPTTF Approved for Distribution	**$ 1,576,489**	**$ 28,143,007**	**$ 29,719,496**