

Orange Countywide Oversight Board

Agenda Item No. 6a

Date: 1/17/2023

From: Successor Agency to the Fountain Valley Agency for Community Development

Subject: Resolution of the Countywide Oversight Board Approving the Fountain Valley Last and Final Recognized Obligation Payment Schedule (“ROPS”)

Recommended Action:

Adopt resolution approving the Fountain Valley Successor Agency Last and Final Recognized Obligation Payment Schedule for Fiscal Years (“FY”) 2023-24 through 2026-27.

The Successor Agency to the Fountain Valley Agency for Community Development (“Successor Agency”) requests approval of its Last and Final Recognized Obligation Payment Schedule for FY 2023-24 through 2026-27 (“Last and Final ROPS”) subject to submittal to and review by the State Department of Finance (“DOF”).

Pursuant to Health and Safety Code section 34191.6, successor agencies may submit a Last and Final ROPS for approval at any time if all of the following conditions are met:

- 1) the remaining debt is limited to administrative costs and payments pursuant to enforceable obligations with defined payment schedules,
- 2) all remaining obligations have been previously listed on a ROPS and approved for payment by DOF pursuant to HSC Section 34177, and
- 3) the Successor Agency is not party to outstanding or unresolved litigation.

The Fountain Valley Successor Agency meets all the conditions to submit a Last and Final ROPS.

A Last and Final ROPS is beneficial to the Successor Agency as it provides an avenue for the near automation of the ROPS process. Agencies that submit and receive approval for a Last and Final ROPS no longer have to undergo the annual ROPS process, which reduces the administrative burden on the Successor Agency, Oversight Board, County Auditor Controller, and DOF. However, the Annual ROPS 23-24 must be submitted concurrently with the Last and Final ROPS. This ensures the Successor Agency receives funding for the next period in the event the Last and Final ROPS is not approved.

Accompanying the attached resolution is the Successor Agency’s proposed Last and Final ROPS. Since dissolution began, the Successor Agency has retired several previous enforceable obligations, resulting in three remaining items listed on the annual ROPS 23-24 request. The Last and Final ROPS seeks funding for only one of these. Specifically, the proposed Successor Agency Last and Final ROPS lists the following:

- *Palm Island Development Agreement:* The Palm Island Development Agreement is an enforceable obligation pursuant to an Owner Participation Agreement (“OPA”) with Fountain Valley Senior Housing, LLC entered into prior to dissolution. According to section 3(a) of the OPA, the Successor Agency must request \$100,000 every ROPS. These payments will continue until the OPA retires on November 16, 2026, per the agreement. Over the next three ROPS periods the Successor Agency will be requesting a total of \$400,000 in RPTTF for this agreement.

Although every successor agency may receive an administrative cost allowance, the formula under the Dissolution Law may not allow funds for this purpose to be distributed in FY 2023-24 through 2026-27. The administrative allowance cannot exceed 50 percent (50%) of RPTTF distributed in the prior fiscal year, excluding the administrative allowance and any City/Former Agency loan repayments. The Successor Agency will not receive any administrative allowance in FY 2023-24 and 2024-25 as a result of the formula and may not receive any RPTTF in 2025-26 and 2026-27 due to excess RPTTF funds held by the Successor Agency. As a result, no administrative allowance is being requested.

Impact on Taxing Entities

The proposed Last and Final ROPS will reduce the RPTTF distribution to all other taxing entities by \$100,000 in the FY 2023-24 through 2026-27 period.

Staff Contact

Ryan Smith, Finance Director, is the primary staff contact on this item and can be contacted via email at ryan.smith@fountainvalley.org.

Attachments

1. Orange Countywide Oversight Board Resolution Approving the Last and Final ROPS
2. Exhibit A: Last and Final Recognized Obligation Payment Schedule
3. Successor Agency Resolution Approving Last and Final ROPS

ORANGE COUNTYWIDE OVERSIGHT BOARD RESOLUTION NO. _____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT APPROVING THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD OF JULY 1, 2023 TO JUNE 30, 2027, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE STATE DEPARTMENT OF FINANCE PURSUANT TO DISSOLUTION LAW, AND AUTHORIZING POSTING AND TRANSMITTAL THEREOF

WHEREAS, the Fountain Valley Agency for Community Development (“Former Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Fountain Valley (“City”); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

WHEREAS, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and politic the Successor Agency to the Fountain Valley Agency for Community Development (“Successor Agency”) administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

WHEREAS, pursuant to Section 34179(j) of the Dissolution Law, in every California county there shall be only one oversight board that is staffed by the county’s auditor-controller; and

WHEREAS, as of and after July 1, 2018, the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

WHEREAS, every oversight board, both the prior local oversight board and this Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

WHEREAS, pursuant to Health and Safety Code Section 34191.6 successor agencies may submit a Last and Final Recognized Obligated Payment Schedule (“ROPS”) for approval if all of the following conditions are met: 1) the remaining debt is limited to administrative costs and payments pursuant to enforceable obligations with defined payment schedules, 2) all remaining obligations have been previously listed on a ROPS and approved for payment by DOF pursuant to HSC Section 34177, and 3) the Successor Agency is not party to outstanding or unresolved litigation; and

WHEREAS, the Agency meets the conditions required to submit a Last and Final ROPS, and

WHEREAS, the Agency has evaluated the implications of preparing a Last and Final ROPS and has determined that it reduces the administrative burden for dissolving the former Fountain Valley Agency for Community Development; and

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that a Last and Final ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance (“DOF”); and

WHEREAS, the Last and Final ROPS, in draft form, is attached as Exhibit A and is fully incorporated by this reference; and

WHEREAS, the Oversight Board held a regular meeting on January 17, 2023; and

WHEREAS, the Oversight Board has reviewed and considered the Successor Agency’s Last and Final ROPS and desires to approve it and authorize and direct the Successor Agency staff to transmit the Last and Final ROPS to the DOF, with copies to the County Administrative Officer (“CAO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law.

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT:

Section 1 □ The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2 □ The Oversight Board hereby approves the Last and Final ROPS submitted therewith and incorporated by this reference.

Section 3 □ The Oversight Board authorizes transmittal of the Last and Final ROPS to the DOF, with copies to the CAO, the CAC, and the SCO.

Section 4 □ The City of Fountain Valley’s Finance Director/Treasurer or his authorized designee is directed to post this Resolution, including the Last and Final ROPS, on the City/Successor Agency website pursuant to the Dissolution Law.

Section 5 □ Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Orange Countywide Oversight Board’s action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

Section 6 □ The Clerk of the Board shall certify to the adoption of this Resolution.

EXHIBIT A

**SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY
DEVELOPMENT LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT
SCHEDULE**

**Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary
Filed for the July 1, 2023 through June 30, 2027 Period**

Successor Agency: Fountain Valley
County: Orange
Initial ROPS Period: 23-24A
Final ROPS Period: 26-27B

Requested Funding for Enforceable Obligations		Total Outstanding Obligation
A	Enforceable Obligations Funded as Follows (B+C)	\$-
B	Bond Proceeds	-
C	Other Funds	-
D	Redevelopment Property Tax Trust Fund (RPTTF) (E+F)	\$400,000
E	RPTTF	400,000
F	Administrative RPTTF	-
G	Total Outstanding Obligations (A+D)	\$400,000

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/ _____
Signature Date

Fountain Valley
Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary by ROPS Period
July 1, 2023 through June 30, 2027

A Period July - December					
ROPS Period	Fund Sources				Six-Month Total
	Bond Proceeds	Other Funds	RPTTF	Admin RPTTF	
	\$-	\$-	\$400,000	\$-	\$400,000
ROPS 23-24A	-	-	100,000	-	\$100,000
ROPS 24-25A	-	-	100,000	-	\$100,000
ROPS 25-26A	-	-	100,000	-	\$100,000
ROPS 26-27A	-	-	100,000	-	\$100,000

B Period January - June						Twelve-Month Total
ROPS Period	Fund Sources				Six-Month Total	
	Bond Proceeds	Other Funds	RPTTF	Admin RPTTF		
	\$-	\$-	\$-	\$-	\$-	\$400,000
ROPS 23-24B	-	-	-	-	\$-	\$100,000
ROPS 24-25B	-	-	-	-	\$-	\$100,000
ROPS 25-26B	-	-	-	-	\$-	\$100,000
ROPS 26-27B	-	-	-	-	\$-	\$100,000

Fountain Valley
Last and Final Recognized Obligation Payment Schedule (ROPS) - ROPS Detail
July 1, 2023 through June 30, 2027
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation
								\$400,000
6	OPA - Fry's	OPA/DDA/Construction	07/06/1993	07/14/2025	Fry's Electronics Inc.	Assistance for development of site	Industrial Area	-
9	Palm Island Dev. Agreement	OPA/DDA/Construction	02/02/1999	11/16/2026	Fountain Valley Senior Housing, LLC	Financial assistance for retirement community	Industrial Area	400,000
10	Successor Agency Administration	Admin Costs	02/01/2012	11/16/2026	City, Attorneys, Consultants	Salary, benefits, insurance, contract services	Industrial Area	-

A	L	T	AB	AJ
	23-24A (Jul-Dec)	24-25A (Jul-Dec)	25-26A (Jul-Dec)	26-27A (Jul-Dec)
Item #	RPTTF	RPTTF	RPTTF	RPTTF
	\$100,000	\$100,000	\$100,000	\$100,000
6	-	-	-	-
9	100,000	100,000	100,000	100,000
10	-	-	-	-

EXHIBIT A
RECOGNIZED OBLIGATION PAYMENT WORKSHEET 23-24

Fountain Valley
Recognized Obligation Payment Schedule (ROPS 23-24) - Last & Final Worksheet

Period	Non-RPTTF			RPTTF			Total Obligations	NOTES
	Bond Proceeds	Reserve Balance	Other Funds	N/A	N/A	Admin RPTTF		
23-24A	-	-	-	100,000	100,000	100,000	100,000	100,000
23-24B	-	-	-	-	-	-	-	-
24-25A	-	-	-	100,000	100,000	100,000	100,000	100,000
24-25B	-	-	-	-	-	-	-	-
25-26A	-	-	-	100,000	100,000	100,000	100,000	100,000
25-26B	-	-	-	-	-	-	-	-
26-27A	-	-	-	100,000	100,000	100,000	100,000	100,000
26-27B	-	-	-	-	-	-	-	-
27-28A	-	-	-	-	-	-	-	-
27-28B	-	-	-	-	-	-	-	-
Total	-	-	-	400,000	400,000	400,000	400,000	400,000

SUCCESSOR AGENCY RESOLUTION NO. 30

RESOLUTION OF THE SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT APPROVING THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD OF JULY 1, 2023 TO JUNE 30, 2027 SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD AND THE STATE DEPARTMENT OF FINANCE PURSUANT TO DISSOLUTION LAW; AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF

WHEREAS, the Fountain Valley Agency for Community Development ("Former Agency") was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code ("HSC") Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Fountain Valley ("City"); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (together, the "Dissolution Law"); and

WHEREAS, as of February 1, 2012 the Former Agency was dissolved under the Dissolution Law, and as a separate public entity, corporate and politic the Successor Agency to the Fountain Valley Agency for Community Development ("Successor Agency") administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member oversight board; and

WHEREAS, pursuant to Section 34179(j) of the Dissolution Law, in every California county there shall be one oversight board that is staffed by the county's auditor-controller; and

WHEREAS, the applicable consolidated oversight board overseeing this Successor Agency is called the Orange Countywide Oversight Board ("Oversight Board"); and

WHEREAS, every oversight board, both the prior local oversight board and this Oversight Board, has fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

WHEREAS, pursuant to HSC Section 34191.6 successor agencies may submit a Last and Final Recognized Obligated Payment Schedule ("ROPS") for approval if all of the following conditions are met: 1) the remaining debt is limited to administrative costs and payments pursuant to enforceable obligations with defined payment schedules, 2) all remaining obligations have been previously listed on a ROPS and approved for payment by DOF pursuant to HSC Section 34177, and 3) the Successor Agency is not party to outstanding or unresolved litigation; and

WHEREAS, the Agency meets the conditions required to submit a Last and Final ROPS, and

WHEREAS, the Agency has evaluated the implications of preparing a Last and Final ROPS and has determined that it reduces the administrative burden for dissolving the former Fountain Valley Agency for Community Development; and

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that a Last and Final ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance ("DOF"); and

WHEREAS, the Last and Final ROPS, in draft form, is attached as Exhibit A and is fully incorporated by this reference; and

WHEREAS, the Successor Agency has reviewed the Last and Final ROPS and desires to approve this schedule and to authorize and direct Successor Agency staff to transmit the Last and Final ROPS to the Oversight Board, with copies to the Orange County Administrative Officer ("CAO"), Orange County Auditor-Controller ("CAC"), the State Controller's Office ("SCO") and DOF as required by Dissolution Law.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. The Successor Agency hereby approves the Last and Final ROPS submitted herewith and fully incorporated by this reference.

Section 3. The Successor Agency hereby authorizes and directs transmittal of the Last and Final ROPS to the Oversight Board and then to the DOF and other bodies as required by law.

Section 4. The Director of Finance/Treasurer of the Successor Agency or their authorized designee is directed to post this Resolution, including the Last and Final ROPS, on the Successor Agency website pursuant to the Dissolution Law, and to take such other actions required under the Dissolution Law, including Sections 34177 and 34179.


Section 5. The Secretary of the Successor Agency shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 20th day of December 2022.

Ayes: Bui, Cunneen, Grandis, Constantine
Nays: None
Absent: Harper
Abstain: None



Kim Constantine, Chair
Successor Agency to the Fountain Valley Agency for Community
Development

ATTEST: 

Rick Miller, Secretary
Successor Agency to the Fountain Valley Agency for Community
Development

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF FOUNTAIN VALLEY)

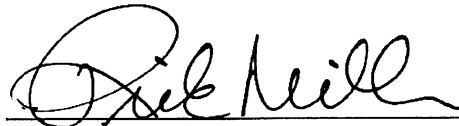
I, Rick Miller, Secretary of the Successor Agency to the Fountain Valley Agency for Community Development, hereby certify that the foregoing resolution was duly adopted by the Successor Agency at a regular meeting held on the 20th day of December 2022, and that it was so adopted by the following vote:

AYES: Bui, Cunneen, Grandis, Constantine

NOES: None

ABSENT: Harper

ABSTAIN: None



Rick Miller, Secretary
Successor Agency to the Fountain Valley Agency
for Community Development

(SEAL)

EXHIBIT A

LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE

EXHIBIT A
RECOGNIZED OBLIGATION PAYMENT WORKSHEET 23-24

Fountain Valley
Recognized Obligation Payment Schedule (ROPS 23-24) - Last & Final Worksheet

Period	Non-RPTTF			RPTTF			Total Obligations	NOTES
	Bond Proceeds	Reserve Balance	Other Funds	N/A	N/A	Admin RPTTF		
23-24A	-	-	-	100,000	100,000	100,000	100,000	100,000
23-24B	-	-	-	-	-	-	-	-
24-25A	-	-	-	100,000	100,000	100,000	100,000	100,000
24-25B	-	-	-	-	-	-	-	-
25-26A	-	-	-	100,000	100,000	100,000	100,000	100,000
25-26B	-	-	-	-	-	-	-	-
26-27A	-	-	-	100,000	100,000	100,000	100,000	100,000
26-27B	-	-	-	-	-	-	-	-
27-28A	-	-	-	-	-	-	-	-
27-28B	-	-	-	-	-	-	-	-
Total	-	-	-	400,000	400,000	400,000	400,000	400,000

EXHIBIT B

FISCAL YEAR 23-24 ADMINISTRATIVE BUDGET

**EXHIBIT B
FISCAL YEAR 23-24 ADMINISTRATIVE BUDGET**

**SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT
ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2023-24**

DIRECT PERSONNEL COSTS						
Employee Classification	Department	Annual	Successor		Administrative Allocation	
		Cost of Salaries & Benefits	Hourly Rate	Agency Hours	% Percentage	\$ Amount
Finance Director	Finance	\$234,000	\$112.50	8	0.38%	\$900
Accounting Manager	Finance	184,000	88.46	8	0.38%	708
Budget Analyst	Finance	184,000	88.46	6	0.29%	531
TOTAL DIRECT PERSONNEL COSTS						2,139
<u>Primary Responsibilities:</u>						
<ul style="list-style-type: none"> • Process payments for enforceable obligations • Maintain documentation of Agency financial and other records • Coordinate with consultant to answer questions and provide documentation as requested by Oversight Board, County Auditor-Controller, and Department of Finance • Coordinate with auditors to audit the Successor Agency • Coordinate and hold Successor Agency meetings • Prepare staff reports, resolutions and the administrative budget 						
OTHER DIRECT COSTS						
Contract Services						1,500
<u>Primary Responsibilities:</u>						
<ul style="list-style-type: none"> • Prepare ROPS and PPA • Coordinate with and answer questions for the Oversight Board, County Auditor-Controller, and Department of Finance • Monitor and project cash flow to ensure sufficient revenues for obligations and inform Agency staff of expected revenues 						
Successor Agency Audit Services						3,000
<u>Primary Responsibilities:</u>						
<ul style="list-style-type: none"> • Audit the Successor Agency's financial statements, which is performed by an independent certified public accounting firm in accordance with <i>generally accepted auditing standards</i> and the standards applicable to financial audits contained in <i>Government Auditing Standards</i>, issued by the Comptroller General of the United States 						
Successor Agency Legal Services						3,500
<u>Primary Responsibilities:</u>						
<ul style="list-style-type: none"> • Review staff reports and resolutions • Provide legal services as needed 						
TOTAL OTHER DIRECT COSTS						8,000
TOTAL ADMINISTRATIVE BUDGET						\$10,139



Transmitted via e-mail

March 26, 2021

Jennifer Lampman, Finance Director
City of Fountain Valley
10200 Slater Avenue
Fountain Valley, CA 92708

2021-22 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fountain Valley 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 27, 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:

- On the ROPS 21-22 form, the Agency reported cash balances and activity for the period July 1, 2018 through June 30, 2019 (ROPS 18-19). According to our review, the Agency has approximately \$103,189 from Reserve Balances and \$4,966 from Other Funds, totaling \$108,155, available to fund enforceable obligations on the ROPS 21-22. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting Redevelopment Property Tax Trust Fund (RPTTF) funding. These items do not require payment from property tax revenues; therefore, with the Agency's concurrence, the funding sources for the following items have been reclassified in the amounts specified below:
 - Item No. 6 – Owner Participation Agreement - Fry's obligation in the amount of \$20,000 is partially reclassified. Finance is approving RPTTF in the amount of \$11,845, the use of Reserve Balances in the amount of \$3,189, and the use of Other Funds in the amount of \$4,966, totaling \$20,000.
 - Item No. 9 – Palm Island Development Agreement in the requested amount of \$100,000 is reclassified from RPTTF to Reserve Balances.

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 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. Total authorized RPTTF is insufficient to allow the entire PPA to be applied this ROPS period, resulting in an excess PPA that should be applied prior to requesting RPTTF on future ROPS.

The Agency's maximum approved RPTTF distribution for the reporting period is \$0, 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.

Jennifer Lampman
March 26, 2021
Page 3

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

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Margaret Stanko, RSG (Consultant), City of Fountain Valley
Wendy Tsui, Administrative Manager I, Property Tax Unit, Orange County

Approved RPTTF Distribution July 2021 through June 2022			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 100,000	\$ 20,000	\$ 120,000
Administrative RPTTF Requested	0	0	0
Total RPTTF Requested	100,000	20,000	120,000
RPTTF Requested	100,000	20,000	120,000
<u>Adjustment(s)</u>			
Item No. 6	0	(8,155)	(8,155)
Item No. 9	(100,000)	0	(100,000)
	(100,000)	(8,155)	(108,155)
RPTTF Authorized	0	11,845	11,845
Administrative RPTTF Authorized	0	0	0
ROPS 18-19 prior period adjustment (PPA)	0	(140,218)	(140,218)
Excess PPA	0	128,373	128,373
Total RPTTF Approved for Distribution	\$ 0	\$ 0	\$ 0



Transmitted via e-mail

March 11, 2022

Jennifer Lampman, Finance Director
City of Fountain Valley
10200 Slater Avenue
Fountain Valley, CA 92708

2022-23 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fountain Valley Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) to the California Department of Finance (Finance) on January 19, 2022. Finance has completed its review of the ROPS 22-23.

Based on a sample of line items reviewed and application of the law, Finance approves all of the items listed on the ROPS 22-23 at this time.

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, 2019 through June 30, 2020 (ROPS 19-20) period. The ROPS 19-20 prior period adjustment (PPA) will offset the ROPS 22-23 Redevelopment Property Tax Trust Fund (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. Total authorized RPTTF is insufficient to allow the entire PPA to be applied this ROPS period, resulting in an excess PPA that should be applied prior to requesting RPTTF on future ROPS.

The Agency's maximum approved RPTTF distribution for the reporting period is \$0, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2022 through December 31, 2022 period (ROPS A period), and one distribution for the January 1, 2023 through June 30, 2023 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 22-23 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 22-23. 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 22-23 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 22-23 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.

Please direct inquiries to Zuber Tejani, Supervisor, or Dylan Newton, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Alex Lawrence, RSG (Consultant), City of Fountain Valley
Christopher Ranftl, Administrative Manager I, Property Tax Unit, Orange County

Attachment

Approved RPTTF Distribution July 2022 through June 2023			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 100,000	\$ 0	\$ 100,000
Administrative RPTTF Requested	0	0	0
Total RPTTF Requested	100,000	0	100,000
RPTTF Authorized	100,000	0	100,000
Administrative RPTTF Authorized	0	0	0
ROPS 19-20 prior period adjustment (PPA)	(100,000)	(101,651)	(201,651)
Excess PPA	0	101,651	101,651
Total RPTTF Approved for Distribution	\$ 0	\$ 0	\$ 0