



# *City of Sand City*

## **Staff Report**

**TO:** Oversight Board Members  
**FROM:** Vibeke Norgaard, City Manager  
**DATE:** December 7, 2023 (for January 18, 2024 Oversight Board meeting)  
**SUBJECT:** Resolution Approving the Recognized Obligation Payment Schedule (ROPS 24-25) and Administrative Budget for the period July 1, 2024 - June 30, 2025

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### **Background/Discussion:**

Pursuant to Assembly Bill No. x1 26, enacted on June 28, 2011, and as subsequently amended by AB 1484 enacted on June 27, 2012 and SB 107 enacted September 22, 2015 ("**Dissolution Act**"), the Sand City Redevelopment Agency ("**Former Agency**") was dissolved on February 1, 2012. The City of Sand City elected to serve as the Successor Agency for the Former Agency ("**Successor Agency**") and is vested with all of the authority, rights, powers, duties and obligations of the Former Agency.

As part of the dissolution of the former Redevelopment Agency, Health and Safety Code Section 34177 (added by AB 1X 26, as amended to date) requires the Successor Agency and Consolidated Oversight Board for the County of Monterey ("**Oversight Board**") to adopt a Recognized Obligation Payment Schedule ("**ROPS**") that lists all obligations of the former redevelopment agency that are enforceable within the meaning of subdivision (d) of Section 34167 for each twelve month period of each fiscal year.

### ROPS 24-25

Successor Agency staff has prepared a proposed ROPS for the period of July 1, 2024 through June 30, 2025 ("**ROPS 24-25**"), substantially in the form shown in Attachment "2." The ROPS 24-25 follows the form prescribed by the California Department of Finance ("**DOF**") and incorporates the remaining obligations identified in the previous ROPS. The ROPS 24-25 is separated into two annual periods known as ROPS 24-25A (July 1, 2024-December 30, 2024) and ROPS 24-25B (January 1, 2025 – July 30, 2025).

For the period 24-25A (July – December), the Successor Agency is requesting funding for the following obligations:

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Re: Sand City ROPS 24-25

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Line 3	Sand City Admin. Cost Allowance	\$ 125,000
Line 11	Tax Sharing Agreement (City of Seaside)	\$ 182,261
Line 13	Sand City Redevelopment Project (City Loan)	\$ 400,000
Line 26	Series 2017 Refunding Tax Allocation Bonds	\$ 711,492
Line 27	Fiscal Agent Fees – 2017 Bonds	\$ 2,100
Total Requested RPTTF Funding		\$ 1,046,770
Total coming from Reserves		\$ 355,746
Total from Other Funds		\$ 18,337
<b>Total for ROPS 24-25A</b>		<b>\$ 1,420,853</b>

For the period 24-25B (January – June), the Successor Agency is requesting funding for the following obligations:

Line 3	Sand City Admin. Cost Allowance	\$ 125,000
Line 11	Tax Sharing Agreement (City of Seaside)	\$ 182,261
Line 22	Bond Disclosure Services (HdL)	\$ 5,000
Line 26	2017 Refunding Tax Allocation Bonds	\$ 380,204
Total Requested RPTTF Funding		\$ 692,465
<b>Total for ROPS 24-25B</b>		<b>\$ 692,465</b>

As outlined above, the Successor Agency's primary remaining enforceable obligations are the outstanding bonds and the City of Seaside Agreement. The ROPS 24-25 also requests Redevelopment Property Tax Trust Fund ("**RPTTF**") monies toward repayment of the City Loan (ROPS Item #13) in accordance with the City Loan Repayment Schedule (Seaside) approved by Successor Agency Resolution SA 21-02 and by Oversight Board Resolution No. 2021-09. DOF denied the funding of the City Loan Repayment from RPTTF on ROPS 22-23, however the Successor Agency is requesting funding on ROPS 24-25 for payment under the City Loan in order to preserve its rights under pending litigation. No new enforceable obligations are included in the ROPS 24-25 that were not included in the previously adopted ROPS.

Administrative Budget 24-25

The Successor Agency staff has prepared an administrative budget for the fiscal period commencing on July 1, 2024 and continuing through June 30, 2025 ("FY 24-25 Administrative Budget"), substantially in the form shown in Attachment "3", attached hereto and incorporated herein by this reference.

In compliance with DOF guidance, all administrative costs, including city staff support costs, professional outside services, auditors and other administrative expenses have been combined into one line item. Pursuant to Health and Safety Code Sections 34171(b) and 34183(a)(3) the Successor Agency is entitled to an administrative cost allowance (the "Administrative Cost Allowance") in the amount of \$250,000.

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Oversight Board and Department of Finance (DOF) Review

Pursuant to Section 34177 and 34180(g) of the Health & Safety Code, the ROPS 24-25 and Administrative Budget 24-25 have been submitted to the Oversight Board for consideration and approval. The Successor Agency Board approved both documents at its meeting on December 5, 2023.

Applicable law requires that the ROPS 24-25 be submitted to DOF and the State Controller's office, after approval by the Oversight Board, no later than February 1, 2024. The DOF has until April 15, 2024 to make a determination on the ROPS 24-25.

**Recommendation:**

Staff seeks Oversight Board approval of the attached Resolution approving the Recognized Obligation Payment Schedule (ROPS 24-25) and Administrative Budget for the period July 1, 2024 through June 30, 2025.

Attachments:

1. - Resolution No. 23- \_\_\_\_
2. - ROPS 24-25
3. - Administrative Budget FY 24-25

**BEFORE THE CONSOLIDATED OVERSIGHT BOARD  
FOR THE COUNTY OF MONTEREY, STATE OF CALIFORNIA**

**RESOLUTION NO. 2024-01**

**RESOLUTION OF THE CONSOLIDATED OVERSIGHT BOARD FOR THE COUNTY OF  
MONTEREY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS  
24-25) AND ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2024 THROUGH JUNE  
30, 2025 FOR THE SAND CITY SUCCESSOR AGENCY, MAKING RELATED FINDINGS AND  
DIRECTING THE SUCCESOR AGENCY STAFF TO TAKE ALL ACTIONS NECESSARY TO  
EFFECTUATE REQUIREMENTS ASSOCIATED WITH THIS APPROVAL**

WHEREAS, pursuant to Assembly Bill No. x1 26, enacted on June 28, 2011, and as subsequently amended by AB 1484 enacted on June 27, 2012 and SB 107 enacted September 22, 2015 ("**Dissolution Act**"), the Sand City Redevelopment Agency ("**Redevelopment Agency**") was dissolved on February 1, 2012 and its rights, powers, duties and obligations were transferred to a successor agency; and

WHEREAS, the City Council of the City of Sand City elected to act as the former Redevelopment Agency's successor agency ("**Successor Agency**") under Section 34173 of the Dissolution Act, and, as such, is charged with implementing enforceable obligations and winding down the affairs of the former Redevelopment Agency; and

WHEREAS, the Dissolution Act requires the Successor Agency to prepare and adopt a "Recognized Obligation Payment Schedule" ("**ROPS**") that lists all obligations of the former Redevelopment Agency that are enforceable within the meaning of subdivision (d) of Section 34171 for twelve month periods, including July 2024 through June 2025; and

WHEREAS, applicable law requires that the ROPS for the period July 1, 2024 through June 30, 2025 be submitted to the Department of Finance and the State Controller's Office, after approval by the Consolidated Oversight Board of the County of Monterey ("**Oversight Board**"), no later than February 1, 2024 or be subject to penalties; and

WHEREAS, by Resolution SA 23-03, the Successor Agency approved a proposed ROPS 24-25 attached as Exhibit "A" and incorporated herein by reference and a FY 2024-25 Administrative budget attached as Exhibit "B" and incorporated herein by reference for the fiscal period commencing on July 1, 2024 and continuing through June 30, 2025 and directed the Clerk to submit the ROPS 24-25 and FY 2024-25 Administrative Budget to the Oversight Board for its consideration at its January 20, 2024 meeting; and

WHEREAS, the ROPS 24-25 and the FY 2024-25 Administrative Budget are not considered projects under the California Environmental Quality Act (CEQA) and therefore no environmental analysis is necessary.

NOW, THEREFORE, BE IT RESOLVED by the Consolidated Oversight Board that:

SECTION 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by reference.

SECTION 2. The Oversight Board finds the items on the ROPS 24-25 and the FY 2024-25 Administrative Budget are necessary for the continued administration of the ongoing enforceable obligations and expeditious winding-down of the affairs of the former Redevelopment Agency.

SECTION 3. The Oversight Board hereby approves the attached Recognized Obligation Payment Schedule for the period July 1, 2024 through June 30, 2025 (ROPS 24-25) (Exhibit "A"). Pursuant to Health and Safety Code Section 34173, the Successor Agency's liability, including, but not limited to, its liability for the obligations on the attached schedule, is limited to the total sum of property tax revenues it receives pursuant to Part 1.85 of AB x1 26.

SECTION 4. The Oversight Board hereby approved the attached FY 2024-25 Administrative Budget (Exhibit "B").

SECTION 5. The Oversight Board hereby authorizes and directs the Clerk of the Successor Agency to forward the ROPS 24-25 and the FY 2024-25 Administrative Budget to the County of Monterey Auditor-Controller, State Controller's Office, and the California Department of Finance, to place the ROPS 24-25 and FY 2024-25 Administrative Budget on the Sand City website, and to take such other actions on behalf of the Successor Agency as may be necessary in accordance with applicable law.

SECTION 6. If any provision of this Resolution of the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provision or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 7. This Resolution shall take effect from and after the date of its passage and adoption in accordance with, and subject to, all applicable requirements of the Health and Safety Code.

PASSED AND ADOPTED this 18th day of January 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

APPROVED:

\_\_\_\_\_  
Chairperson, Consolidated Oversight Board for the  
County of Monterey

ATTEST:

By: \_\_\_\_\_  
Clerk of the Consolidated Oversight Board  
for the County of Monterey

**Recognized Obligation Payment Schedule (ROPS 24-25) - Summary  
Filed for the July 1, 2024 through June 30, 2025 Period**

**Successor Agency:** Sand City

**County:** Monterey

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>24-25A Total (July - December)</b>	<b>24-25B Total (January - June)</b>	<b>ROPS 24-25 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ 374,083</b>	<b>\$ -</b>	<b>\$ 374,083</b>
B Bond Proceeds	-	-	-
C Reserve Balance	355,746	-	355,746
D Other Funds	18,337	-	18,337
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 1,046,770</b>	<b>\$ 692,465</b>	<b>\$ 1,739,235</b>
F RPTTF	940,107	567,465	1,507,572
G Administrative RPTTF	106,663	125,000	231,663
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 1,420,853</b>	<b>\$ 692,465</b>	<b>\$ 2,113,318</b>

**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

**Sand City**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail**  
**July 1, 2024 through June 30, 2025**

A	B	C	D	E	F	G	H	I	J	K	M	N	O	P	Q	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 24-25 Total	ROPS 24-25A (Jul - Dec)				24-25A Total	ROPS 24-25B (Jan - Jun)		24-25B Total
											Fund Sources					Fund Sources		
											Reserve Balance	Other Funds	RPTTF	Admin RPTTF		RPTTF	Admin RPTTF	
								\$16,045,893		\$2,113,318	\$355,746	\$18,337	\$940,107	\$106,663	\$1,420,853	\$567,465	\$125,000	\$692,465
2	2008B Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	01/18/2008	11/01/2023	US Bank	Finance Redevelopment Activities	Sand City	-	Y	\$-	-	-	-	-	\$-	-	-	\$-
3	Sand City	Admin Costs	02/01/2012	06/30/2027	City acting as Successor Agency	Administrative Cost Allowance	Sand City	750,000	N	\$250,000	-	18,337	-	106,663	\$125,000	-	125,000	\$125,000
5	City of Sand City	Miscellaneous	04/01/1995	07/20/2037	City of Sand City	COP Reimbursement	Sand City	-	Y	\$-	-	-	-	-	\$-	-	-	\$-
10	McDonald Coastal Project	OPA/DDA/Construction	06/20/2001	07/20/2037	John King - DDA	Contingency Reimbursement	Sand City	1,454,766	N	\$-	-	-	-	-	\$-	-	-	\$-
11	Tax Sharing Agreement	Litigation	05/18/1989	12/31/2027	City of Seaside	Judgment Entered 1-19-2016	Sand City	1,275,824	N	\$364,522	-	-	182,261	-	\$182,261	182,261	-	\$182,261
12	Sand City Redevelopment Project	City/County Loan (Prior 06/28/11), Cash exchange	01/20/1987	07/20/2037	City of Sand City	Repay loans for Staff and Facilities ***	Sand City	3,628,058	N	\$-	-	-	-	-	\$-	-	-	\$-
13	Sand City Redevelopment Project	City/County Loan (Prior 06/28/11), Cash exchange	01/20/1987	07/20/2037	City of Sand City	Repay for Monetary Loans (Seaside) ***	Sand City	6,603,522	N	\$400,000	-	-	400,000	-	\$400,000	-	-	\$-
21	Fiscal Agent Fees	Fees	01/30/2008	11/01/2023	US Bank	Annual Fiscal Agent for bond issues	Sand City	-	Y	\$-	-	-	-	-	\$-	-	-	\$-
22	Bond Disclosure Services	Fees	01/17/2017	11/01/2027	HdL Coren & Cone	Annual continuing disclosure/dissemination services for bond issues	Sand City	15,000	N	\$5,000	-	-	-	-	\$-	5,000	-	\$5,000
26	Subordinate Tax Allocation Refunding Bonds, Series 2017	Bonds Issued After 12/31/10	08/10/2017	11/01/2027	US Bank	Refinance RDA Activities	Sand City	2,312,173	N	\$1,091,696	355,746	-	355,746	-	\$711,492	380,204	-	\$380,204
27	Fiscal Agent Fees	Fees	08/10/2017	11/01/2027	US Bank	Annual Fiscal Agent for bond issues	Sand City	6,550	N	\$2,100	-	-	2,100	-	\$2,100	-	-	\$-
28	Sand City Redevelopment Project	City/County Loan (Prior 06/28/11), Cash exchange	01/20/1987	07/20/2037	City of Sand City	Repay for Monetary Loans (Costco) ***	Sand City	-	Y	\$-	-	-	-	-	\$-	-	-	\$-

**Sand City**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances**  
**July 1, 2021 through June 30, 2022**  
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.							
A	B	C	D	E	F	G	H
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>
1	<b>Beginning Available Cash Balance (Actual 07/01/21)</b> RPTTF amount should exclude "A" period distribution amount.	1,283,728		262,500	96,061	12,994	E: RPTTF Retained from 20-21 as Reserve for ROPS (\$262,500) 21-22 Bond Debt Service (Items 2 and 26) F: Other Funds Retained from 20-21 Reserved for ROPS 22-23 Item 2 (\$77,954) + Ending Other Funds Balance 20-21 (\$376) + PPA 20-21 correction for overreporting actual admin expenses (\$17,731) G: PPA 18-19 applied to ROPS 21-22 (\$12,994)
2	<b>Revenue/Income (Actual 06/30/22)</b> RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller	333			230	1,178,736	F: Interest earned in 21-22 (\$230) G: RPTTF received for ROPS 21-22 (\$1,178,736)
3	<b>Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)</b>	937		262,500		906,820	E: RPTTF Retained from 20-21 as Reserve for ROPS 21-22 Bond Debt Service (\$262,500) G: ROPS 21-22 RPTTF expenditures match PPA, less reserve amount retained for ROPS 22-23 (\$906,820)
4	<b>Retention of Available Cash Balance (Actual 06/30/22)</b> RPTTF amount retained should only include the amounts	1,283,124			77,954	272,500	F: Other Funds Reserved for ROPS 22-23 Item 2 (\$77,954) G: RPTTF Reserve held for



Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>
	distributed as reserve for future period(s)						ROPS 22-23 Debt Service (Items 22 and 26) (\$272,500)
<b>5</b>	<b>ROPS 21-22 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC		<b>No entry required</b>			12,410	G: PPA 21-22 (\$6,489) + PPA 20-21 (\$175) + PPA 19-20 (\$5,746)
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/22)</b> C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$18,337	\$-	<b>F: Other Funds Ending Balance 20-21 (\$376) + Interest earned 21-22 (\$230)+ PPA 20-21 correction for actual admin expenses (\$17,731)</b>

**Sand City**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Notes**  
**July 1, 2024 through June 30, 2025**

Item #	Notes/Comments
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**Recognized Obligation Payment Schedule (ROPS 23-24) - Summary**  
**Filed for the July 1, 2023 through June 30, 2024 Period**

**Successor Agency:** Sand City

**County:** Monterey

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>23-24A Total (July - December)</b>	<b>23-24B Total (January - June)</b>	<b>ROPS 23-24 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ 482,812</b>	<b>\$ -</b>	<b>\$ 482,812</b>
B Bond Proceeds	-	-	-
C Reserve Balance	482,812	-	482,812
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 1,076,134</b>	<b>\$ 696,150</b>	<b>\$ 1,772,284</b>
F RPTTF	951,134	571,150	1,522,284
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 1,558,946</b>	<b>\$ 696,150</b>	<b>\$ 2,255,096</b>

**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

**Sand City**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - ROPS Detail**  
**July 1, 2023 through June 30, 2024**

A	B	C	D	E	F	G	H	I	J	K	M	O	P	Q	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 23-24 Total	ROPS 23-24A (Jul - Dec)			23-24A Total	ROPS 23-24B (Jan - Jun)		23-24B Total
											Fund Sources				Fund Sources		
											Reserve Balance	RPTTF	Admin RPTTF		RPTTF	Admin RPTTF	
								\$20,490,270		\$2,255,096	\$482,812	\$951,134	\$125,000	\$1,558,946	\$571,150	\$125,000	\$696,150
2	2008B Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	01/18/2008	11/01/2023	US Bank	Finance Redevelopment Activities	Sand City	216,038	N	\$216,038	216,038	-	-	\$216,038	-	-	\$-
3	Sand City	Admin Costs	02/01/2012	06/30/2023	City acting as Successor Agency	Administrative Cost Allowance	Sand City	1,000,000	N	\$250,000	-	-	125,000	\$125,000	-	125,000	\$125,000
5	City of Sand City	Miscellaneous	04/01/1995	07/20/2037	City of Sand City	COP Reimbursement	Sand City	1,454,766	N	\$-	-	-	-	\$-	-	-	\$-
10	McDonald Coastal Project	OPA/DDA/Construction	06/20/2001	07/20/2037	John King - DDA	Contingency Reimbursement	Sand City	1,455,000	N	\$-	-	-	-	\$-	-	-	\$-
11	Tax Sharing Agreement	Litigation	05/18/1989	12/31/2027	City of Seaside	Judgment Entered 1-19-2016	Sand City	1,640,345	N	\$364,522	-	182,261	-	\$182,261	182,261	-	\$182,261
12	Sand City Redevelopment Project	City/County Loan (Prior 06/28/11), Cash exchange	01/20/1987	07/20/2037	City of Sand City	Repay loans for Staff and Facilities ***	Sand City	3,628,058	N	\$-	-	-	-	\$-	-	-	\$-
13	Sand City Redevelopment Project	City/County Loan (Prior 06/28/11), Cash exchange	01/20/1987	07/20/2037	City of Sand City	Repay for Monetary Loans (Seaside) ***	Sand City	6,308,552	N	\$500,000	-	500,000	-	\$500,000	-	-	\$-
21	Fiscal Agent Fees	Fees	01/30/2008	11/01/2023	US Bank	Annual Fiscal Agent for bond issues	Sand City	250	N	\$250	-	-	-	\$-	250	-	\$250
22	Bond Disclosure Services	Fees	01/17/2017	11/01/2027	HdL Coren & Cone	Annual continuing disclosure/ dissemination services for bond issues	Sand City	1,400	N	\$1,400	-	-	-	\$-	1,400	-	\$1,400
23	PERS Unfunded Liability-Pension	Unfunded Liabilities	05/18/1989	11/01/2027	Sand City	Unfunded liability due to PERS	Sand City	-	N	\$-	-	-	-	\$-	-	-	\$-
24	PERS Unfunded Liability-OPEB	Unfunded Liabilities	05/18/1989	11/01/2027	Sand City	Unfunded liability due to OBEP	Sand City	-	N	\$-	-	-	-	\$-	-	-	\$-
25	CalPERS	Unfunded Liabilities	01/27/2017	12/31/2017	Bartel Associates, LLC	Acturial Study to determine the Unfunded accrued liability related to CalPers	Sand City	-	N	\$-	-	-	-	\$-	-	-	\$-
26	Subordinate Tax Allocation Refunding Bonds, Series 2017	Bonds Issued After 12/31/10	08/10/2017	11/01/2027	US Bank	Refinance RDA Activities	Sand City	2,877,211	N	\$920,786	266,774	266,773	-	\$533,547	387,239	-	\$387,239
27	Fiscal Agent Fees	Fees	08/10/2017	11/01/2027	US Bank	Annual Fiscal Agent for bond issues	Sand City	8,650	N	\$2,100	-	2,100	-	\$2,100	-	-	\$-

A	B	C	D	E	F	G	H	I	J	K	M	O	P	Q	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 23-24 Total	ROPS 23-24A (Jul - Dec)			23-24A Total	ROPS 23-24B (Jan - Jun)		23-24B Total
											Fund Sources				Fund Sources		
											Reserve Balance	RPTTF	Admin RPTTF		RPTTF	Admin RPTTF	
28	Sand City Redevelopment Project	City/County Loan (Prior 06/28/11), Cash exchange	01/20/1987	07/20/2037	City of Sand City	Repay for Monetary Loans (Costco) ***	Sand City	1,900,000	N	\$-	-	-	-	\$-	-	-	\$-

**Sand City**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - Report of Cash Balances**  
**July 1, 2020 through June 30, 2021**  
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.							
A	B	C	D	E	F	G	H
	<b>ROPS 20-21 Cash Balances (07/01/20 - 06/30/21)</b>	<b>Fund Sources</b>					<b>Comments</b>
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
<b>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/20)</b> RPTTF amount should exclude "A" period distribution amount.	1,283,629		252,500	77,954	73,339	E: Reserve Balance held from ROPS 19-20B RPTTF for ROPS 20-21A debt service F: Other Funds reserved for ROPS 22-23 Item 8 (\$77,954) G: PPA 17-18 (\$60,520) + PPA 18-19 (\$7,073) + PPA 19-20 (\$5,746)
<b>2</b>	<b>Revenue/Income (Actual 06/30/21)</b> RPTTF amount should tie to the ROPS 20-21 total distribution from the County Auditor-Controller	472			376	1,125,031	
<b>3</b>	<b>Expenditures for ROPS 20-21 Enforceable Obligations (Actual 06/30/21)</b>	373		252,500		922,876	
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/21)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	1,283,728			77,954	262,500	F: Other Funds reserved for ROPS 22-23 Item 8 (\$77,954) G: RPTTF Retained for as Reserve Balance for ROPS 21-22 Bond Debt Service
<b>5</b>	<b>ROPS 20-21 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 20-21 PPA form submitted to the CAC		<b>No entry required</b>			12,994	G: PPA 20-21 (\$175) + PPA 18-19 (\$7,073) + PPA 19-20 (\$5,746)
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/21)</b>	\$-	\$-	\$-	\$376	\$-	

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H
	<p align="center"><b>ROPS 20-21 Cash Balances (07/01/20 - 06/30/21)</b></p>	<b>Fund Sources</b>				<b>Comments</b>	
<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>			
<p align="center">Bonds issued on or before 12/31/10</p>		<p align="center">Bonds issued on or after 01/01/11</p>	<p align="center">Prior ROPS RPTTF and Reserve Balances retained for future period(s)</p>	<p align="center">Rent, grants, interest, etc.</p>	<p align="center">Non-Admin and Admin</p>		
	<p><b>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b></p>						



**Sand City**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - Notes**  
**July 1, 2023 through June 30, 2024**

Item #	Notes/Comments
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Transmitted via e-mail

March 24, 2023

Connie Horca, City Clerk  
Sand City  
1 Pendergrass Way  
Sand City, CA 93955

### **2023-24 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Sand City Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2023 through June 30, 2024 (ROPS 23-24) to the California Department of Finance (Finance) on January 30, 2023. Finance has completed its review of the ROPS 23-24.

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

- Item No. 13 – Sand City Redevelopment Project in the total outstanding amount of \$6,308,552 continues to be denied. It is our understanding this item is currently under litigation. OB Resolution Nos. 2021-09 and 2022-09, confirming the reinstatement of a loan agreement between the City of Sand City and the former Sand City Redevelopment Agency as an enforceable obligation and finding the loan was for legitimate redevelopment purposes, were denied in our letters dated October 28, 2021 and March 10, 2022, respectively. During the Meet and Confer held on April 26, 2022, the Agency did not provide any additional documentation to support the loan as enforceable under HSC section 37171 (d) (2) or HSC section 34191.4 (b) (2) (A). Therefore, the line item is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding and the requested amount of \$500,000 is not allowed.
- The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

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, 2020 through June 30, 2021 (ROPS 20-21) period. The ROPS 20-21 prior period adjustment (PPA) will offset the ROPS 23-24 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 \$1,272,109, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2023 through December 31, 2023 period (ROPS A period), and one distribution for the January 1, 2024 through June 30, 2024 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 23-24 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 item, Finance approves the remaining items listed on the ROPS 23-24 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 23-24, 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 Agency must use the RAD App to complete and submit its Meet and Confer request form. The Meet and Confer process and guidelines are available on our website:

[http://dof.ca.gov/Programs/Redevelopment/Meet\\_And\\_Confer/](http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/)

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 23-24. 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 23-24 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 23-24 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.

Connie Horca  
March 24, 2023  
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Please direct inquiries to Todd Vermillion, Supervisor, or Dylan Newton, Staff, at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER  
Program Budget Manager

cc: Suzy Kim, Consultant, RSG, Sand City  
Patty Ruiz, Auditor-Controller Analyst I, Monterey County  
Jennifer Forsyth, Countywide Oversight Board Representative

<b>Approved RPTTF Distribution July 2023 through June 2024</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 951,134	\$ 571,150	\$ 1,522,284
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>1,076,134</b>	<b>696,150</b>	<b>1,772,284</b>
<u>Adjustment(s)</u>			
Item No. 13	(500,000)	0	(500,000)
<b>RPTTF Authorized</b>	<b>451,134</b>	<b>571,150</b>	<b>1,022,284</b>
<b>Administrative RPTTF Authorized</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
ROPS 20-21 Prior Period Adjustment (PPA)	(175)	0	(175)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 575,959</b>	<b>\$ 696,150</b>	<b>\$ 1,272,109</b>