

**STAFF REPORT TO THE OVERSIGHT BOARD FOR THE CITY OF HERCULES AS
SUCCESSOR AGENCY TO THE HERCULES REDEVELOPMENT AGENCY**

DATE: January 10, 2018

TO: Oversight Board for the City of Hercules as Successor Agency to the Hercules Redevelopment Agency

SUBMITTED BY: David Biggs, City Manager
Annie To, Director of Finance

SUBJECT: Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19A and ROPS 18-19B)

RECOMMENDED ACTION:

Adopt a Resolution approving the Recognized Obligation Payment Schedule for the period July 1, 2018 through June 30, 2019 (ROPS 18-19A and ROPS 18-19B).

DISCUSSION:

ABx1 26 (Section 34177) requires that Successor Agencies must, amongst other things, prepare a Recognized Obligation Payment Schedule (ROPS) for each upcoming six-month period. A ROPS is the document that sets forth the minimum payment amounts and due dates of payments required by enforceable obligations. Enforceable obligations are defined in Section 34171(d) of ABx1 26 and include the payment of bonds and loans, payments required by the federal government, judgments or settlements, any legally binding agreement or contract, and contracts or agreements necessary for the administration or operation of the successor agency.

Health & Safety Code section 34177(m) (1) requires successor agencies to submit the ROPS electronically and in a manner prescribed by the State of California Department of Finance. The Successor Agencies must continue to submit the Excel ROPS and Oversight Board resolution via e-mail to the County-Auditor Controller and the State Controller's Office.

The ROPS template (excel workbook) used for ROPS 18-19 combined ROPS 18-19A and ROPS 18-19B and includes the following worksheets in the excel workbook:

- 1. Recognized Obligation Payment Schedule Summary**
- 2. Recognized Obligation Payment Schedule – ROPS Detail**
- 3. Recognized Obligation Payment Schedule – Report of Cash Balances** - This worksheet includes a section for ROPS 18-19A (July 1, 2018 through December 31, 2018) and a section for ROPS 18-19B (January 1, 2019 through June 30, 2019).
- 4. Recognized Obligation Payment Schedule – Notes**

Highlights for ROPS 18-19

Included on the ROPS 18-19 is the Summary worksheet which includes ROPS 18-19A and ROPS 18-19B.

ROPS 18-19A

Non-Administrative Costs	\$8,737,623
<u>Administrative Costs</u>	<u>\$ 180,000</u>
Total ROPS 18-19A	\$8,917,623

Details of the amounts for ROPS 18-19A are shown on the ROPS Detail worksheet.

ROPS 18-19B

Non-Administrative Costs	\$3,636,424
<u>Administrative Costs</u>	<u>\$ 180,000</u>
Total ROPS 18-19A	\$3,816,424

Details of the amounts for ROPS 18-19B are also shown on the ROPS Detail worksheet.

The only significant change to the ROPS for this period is the addition of an amount owed to BART under the three party agreement between the Redevelopment Agency, BART and WestCat for operation of the Hercules Transit Center. A new three-party agreement approved in October, 2017, for the prior expired agreement substituted the City in for the Redevelopment Agency. A reconciliation of the finances for the Hercules Transit Center was done as part of that agreement through June 30, 2017, with \$307,812.70 being owed to BART by the Redevelopment Agency from the operating income less expenses.

On the ROPS 18-19 Report of Cash Balance worksheet, the Redevelopment Property Tax Trust Fund (RPTTF) money received for ROPS 15-16 (July 1, 2015 through June 30, 2016) is \$6,079,481

The Recognized Obligation Payment Schedule (ROPS) are posted on the City of Hercules website.

ATTACHMENTS:

1. Resolution (which includes Exhibit A Recognized Obligation Payment Schedule July 1, 2018 through June 30, 2019).