

**THE CITY OF HERCULES AS SUCCESSOR AGENCY TO THE HERCULES
REDEVELOPMENT AGENCY**

DATE: January 8, 2019

TO: The City of Hercules as Successor Agency to the Hercules
Redevelopment Agency

SUBMITTED BY: David Biggs, City Manager/Executive Director

SUBJECT: Recognized Obligation Payment Schedule for the period of July 1, 2019
through June 30, 2020 (ROPS 19-20A and ROPS 19-20B)

RECOMMENDED ACTION:

Adopt a resolution approving the Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020 (ROPS 19-20A and ROPS 19-20B).

DISCUSSION:

AB X1 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 AB X1 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(1) requires successor agencies to submit the ROPS electronically and in a manner prescribed by the State of California Department of Finance. 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 the ROPS 19-20 includes the ROPS 19-20A and ROPS 19-20B and includes the following worksheets in the excel workbook:

- 1. Recognized Obligation Payment Schedule Summary**
- 2. Recognized Obligation Payment Schedule – ROPS Detail** - This worksheet includes a section for ROPS 19-20 A (July 1, 2019 through December 31, 2019) and a section for ROPS 19-20 B (January 1, 2020 through June 30, 2020).
- 3. Recognized Obligation Payment Schedule – Report of Cash Balances**
- 4. Recognized Obligation Payment Schedule – Notes**

Highlights for ROPS 19-20

Included on the ROPS 19-20 is the Summary worksheet which includes ROPS 19-20A and ROPS 19-20B. Enforceable Obligations for ROPS 19-20A is \$58,412,609. Details of the amounts for ROPS 19-20A are on the ROPS Detail worksheet. The bulk of the request is a \$50,496,029 loan repayment owed under a Cooperation Agreement between the City and former Redevelopment Agency. Its repayment is subject to review and approval by the Department of Finance.

Also, included on the ROPS 19-20 Summary worksheet is ROPS 19-20B. Enforceable Obligations for ROPS 19-20B is \$4,768,617. Details of the amounts for ROPS 19-20B are on the ROPS Detail worksheet.

The ROPS 19-20 Report of Cash Balance worksheet shows the Redevelopment Property Tax Trust Fund (RPTTF) money received for ROPS 16-17 (July 1, 2016 through June 30, 2017), which totals \$11,673,425 and was fully expended. The Cash balance worksheet also reflects a ROPS 16-17 bond proceed balance of \$1,487,547, which is restricted as bond reserves by the bond covenants.

The Recognized Obligation Payment Schedule (ROPS) are posted on the City of Hercules website (www.ci.hercules.ca.us).

ATTACHMENTS:

1. Resolution (which includes Exhibit A Recognized Obligation Payment Schedule July 1, 2019 through June 30, 2020).