

COUNTY-WIDE SUCCESSOR AGENCY OVERSIGHT BOARD OF THE COUNTY OF YOLO

Staff Report – Item 9

TO: County-Wide Successor Agency Oversight Board of the County of Yolo

FROM: Rebecca Robertson, Senior Finance Analyst, West Sacramento Redevelopment Successor Agency

SUBJECT: Consideration of Oversight Board Resolution 2020-002 Approving the Recognized Obligation Payment Schedule (ROPS) for the West Sacramento Redevelopment Successor Agency for Fiscal Year 2020-21

DATE: January 28, 2020

OBJECTIVE:

The purpose of this report is to recommend that the West Sacramento Redevelopment Successor Agency Oversight Board (Oversight Board) approve the Fiscal Year 2020-21 Recognized Obligation Payment Schedule (2020-21 ROPS) for the period of July 1, 2020 through June 30, 2021.

RECOMMENDATIONS:

It is respectfully recommended that the County-Wide Oversight Board adopt OB Resolution 2020-002, approving the Fiscal Year 2020-21 Recognized Obligation Payment Schedule (ROPS) covering the period of July 1, 2020 through June 30, 2021, and direct staff to transmit the Fiscal Year 2020-21 ROPS to the Yolo County Auditor-Controller, the State Department of Finance (DOF), and the State Controller's Office.

BACKGROUND & DISCUSSION:

The ROPS serves as both a budget for the Successor Agency and an "invoice" between the Successor Agency and the Yolo County Auditor-Controller, which determines how much property tax will be released by the County to the Successor Agency. Beginning July 1, 2016, the ROPS was established to budget on a full fiscal year basis, consistent with the City's fiscal year process. The Successor Agency will prepare an annual fiscal year ROPS payment schedule until debts and obligations of the Redevelopment Agency are retired, which is currently until March 2037.

The proposed ROPS 2020-21 referenced in OB Resolution 2020-002 includes payments that will be funded by the June 2020 and January 2021 disbursement of property tax revenue by the County from the Redevelopment Property Tax Trust Fund (RPTTF). As required by the State DOF ROPS procedures, the 2020-21 ROPS must be approved by the Oversight Board and submitted to the State and County

Auditor-Controller no later than February 1, 2020. After that date, the DOF has until April 15, 2020 to review and approve the payment schedule; however, staff is reasonably confident that these payments have been vetted with the DOF and should be approved without undue delay and/or modifications.

The sources of funding for the ROPS continues to include three categories: 1) the RPTTF funding sources; 2) non-RPTTF sources including bond proceeds and reserve balances; and 3) other funds (e.g., proceeds from the sale of property). The 2020-21 ROPS continues to include an administrative allowance to compensate successor agencies for the costs associated with dissolving the Redevelopment Agency. This allowance is based on the total amount of enforceable obligations that were paid from the RPTTF in the previous fiscal year, but not more than \$250,000.

The ROPS numbering system includes gaps due to the deletion of past enforceable obligations that were either denied or retired. The remaining obligations have not been renumbered so the original item number is shown with non-consecutive numbering. Twenty-six (26) past ROPS items have been removed from the template or remain shown but are inactive, leaving a total of ten (10) active enforceable obligations.

The following table summarizes the proposed 2020-21 ROPS attached to OB Resolution 2020-002 that staff is recommending for approval at the Oversight Board meeting.

Total enforceable obligations for 2020-21 period	\$ 9,057,743
<u>Administrative Allowance</u>	<u>\$ 250,000</u>
Total obligations (for twelve-month period)	\$ 9,307,743

ANALYSIS

The following summarizes active enforceable obligations:

Item	Payee	Description	End date
6	Various	Post-bond issuance compliance	2037
7	Raley's Corp	Raley's Landing Owner Participation Agreement	2037
9	River City Baseball	Local Baseball Agreement – Raley Field	2037
10	RMC Pacific	Cemex rail relocation agreement	11/20/2027
12	River City Baseball	CFD 12 special tax reimbursements	9/1/2029
15	WSAFCA	Flood assessments Successor Agency property	N/A
24	City of West Sacramento	City administrative expenses	N/A
29	Union Bank	Series 2014 Refunding Bonds	09/01/2029
33	Union Bank	Series 2014 Subordinate Refunding Bonds	09/01/2035
36	Union Bank	Series 2016 Subordinate Tax Refunding Bonds	09/01/2036

Legislative changes enacted as of January 1, 2016 establish specific timelines for the adoption and submittal of the annual ROPS well in advance of the next fiscal year in order to allow the DOF substantial time to complete their reviews and to authorize the respective county auditors-controllers to make specific RPTTF distribution amounts to the Successor Agencies. Pursuant to Health and Safety (H&S) Code Section 34177(o)(1), commencing with the ROPS covering the period from July 1, 2019 to June 30, 2020 and thereafter, agencies shall submit an Oversight Board approved annual ROPS to the State by February 1st. The ROPS must identify the source of payment for each such obligation from among various sources, including the RPTTF, bond proceeds, reserve balances, the administrative cost allowance, and other sources. As noted above, the RPTTF, established by the County Auditor-Controller, is the primary source of funding for the 2020-21 ROPS.

The ROPS must be submitted concurrently to the County Auditor-Controller, the State DOF, and the State Controller's Office. The draft ROPS must also be submitted to these same entities at the time the document is transmitted to the Oversight Board, but in draft form. In addition, DOF requires that the draft ROPS be submitted electronically to check for errors prior to approval by the Oversight Board. Once the error free ROPS is approved by the Oversight Board, the approved ROPS must be posted on the Successor Agency's website and transmitted to the County Auditor-Controller, the State Controller and the State DOF.

Attachments:

Resolution 2020-002

West Sacramento ROPS 20-21

COUNTY-WIDE SUCCESSOR AGENCY OVERSIGHT BOARD OF YOLO COUNTY

RESOLUTION NO. 2020-002

WHEREAS, pursuant to Resolution 12-7, adopted by the City Council of the City of West Sacramento on February 1, 2012, the City of West Sacramento (the City) agreed to serve as the Successor Agency to the Redevelopment Agency of the City of West Sacramento (the Successor Agency) commencing upon dissolution of the Redevelopment Agency of the City of West Sacramento (the Redevelopment Agency) on February 1, 2012, pursuant to Assembly Bill X1 26; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l), by February 1st prior to each fiscal year, the successor agency to a dissolved redevelopment agency is required to adopt a draft Recognized Obligation Payment Schedule (ROPS) that lists all of the obligations that are enforceable obligations within the meaning of Health and Safety Code Section 34177, and which identifies a source of payment for each such obligation from among (i) the Low and Moderate Income Housing Fund, (ii) bond proceeds, (iii) reserve balances, (iv) the administrative cost allowance, (v) revenues from rents, concessions, interest earnings, and asset sales, and (vi) the Redevelopment Property Tax Trust Fund established by the County Auditor-Controller to the extent no other source of funding is available or payment from property tax is contractually or statutorily required; and

WHEREAS, the draft ROPS must be concurrently submitted to the County Administrative Officer, the County Auditor-Controller, the State Department of Finance, and the Oversight Board established to review Successor Agency actions; and

WHEREAS, once the ROPS is approved by the County’s Consolidated Oversight Board, the ROPS must be posted on the County’s website and transmitted to the County Auditor-Controller, the State Controller and the State Department of Finance; and

WHEREAS, the Successor Agency has submitted its ROPS and administrative budget for July 1, 2020 through June 30, 2021, to the Consolidated Oversight Board as required; and

WHEREAS, the Consolidated Oversight Board has likewise examined the remainder of the ROPS proposed by the Successor Agency and desires to also approve the enforceable obligations listed on it.

NOW, THEREFORE, BE IT RESOLVED, by the County-Wide Successor Agency Oversight Board of Yolo County, resolves that:

1. The Consolidated Oversight Board finds that the foregoing is true and correct.
2. The ROPS and the administrative budget for July 1, 2020 through June 30, 2021, as presented to the Consolidated Oversight Board and attached to this Resolution, are hereby approved.
3. Staff is directed to transmit the ROPS and this Resolution to the County Administrative Officer, the County Auditor-Controller, the State Controller and the State Department of Finance.
4. Staff is directed to comply with all other legal requirements, including, without limitation, the reformatting of the ROPS as required by the Department of Finance, and the posting of the ROPS on the Successor Agency’s website.

The foregoing Resolution was passed and adopted this 28th day of January 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

Chairperson

**Recognized Obligation Payment Schedule (ROPS 20-21) - Summary
Filed for the July 1, 2020 through June 30, 2021 Period**

Successor Agency: West Sacramento

County: Yolo

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	20-21A Total (July - December)	20-21B Total (January - June)	ROPS 20-21 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 7,135,967	\$ 2,171,776	\$ 9,307,743
F RPTTF	7,010,967	2,046,776	9,057,743
G Administrative RPTTF	125,000	125,000	250,000
H Current Period Enforceable Obligations (A+E)	\$ 7,135,967	\$ 2,171,776	\$ 9,307,743

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

West Sacramento
Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail
July 1, 2020 through June 30, 2021

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$85,273,807		\$9,307,743	\$-	\$-	\$-	\$7,010,967	\$125,000	\$7,135,967	\$-	\$-	\$-	\$2,046,776	\$125,000	\$2,171,776
3	2004 (B) Revenue Bonds	Revenue Bonds Issued On or Before 12/31/10	12/15/2004	09/01/2019	Union Bank	Tax Allocation Bonds	West Sac	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
6	Bond Trustee and Disclosures	Fees	01/01/2009	09/01/2037	UBOC, ABAG, Willdan, Fraser	Annual Debt Service Disclosure/ Trustee Acct. Fees	West Sac	36,100	N	\$36,100	-	-	-	18,050	-	\$18,050	-	-	-	18,050	-	\$18,050
7	Raley's Landing OPA- Raley's Corp	OPA/DDA/ Construction	07/01/1987	06/30/2037	Raley's Corp	Owner Participation Agreement	West Sac	3,563,714	N	\$923,860	-	-	-	461,930	-	\$461,930	-	-	-	461,930	-	\$461,930
9	Local Baseball Agreement	OPA/DDA/ Construction	04/30/1999	06/30/2037	River City Baseball	Owner Participation Agreement	West Sac	2,864,232	N	\$310,460	-	-	-	155,230	-	\$155,230	-	-	-	155,230	-	\$155,230
10	CEMEX Rail Relo Agreement	Improvement/ Infrastructure	07/12/2006	11/07/2027	RMC Pacific	Infrastructure Financing Agreement/ Rail Relocation	West Sac	1,286,318	N	\$191,054	-	-	-	191,054	-	\$191,054	-	-	-	-	-	\$-
12	CFD 12 Bond Payments	Bonds Issued On or Before 12/31/10	08/30/1999	09/01/2029	RCBB Trust Account/ COWS	Community Facilities Bond/ River City Stadium	West Sac	4,053,177	N	\$189,057	-	-	-	189,057	-	\$189,057	-	-	-	-	-	\$-
15	Flood Assessments	Property Maintenance	07/16/2009	09/01/2037	West Sac Area F.C. Agency	Flood Improvements Annual Assessments	West Sac	25	N	\$25	-	-	-	25	-	\$25	-	-	-	-	-	\$-
22	Retiree Health Insurance	Unfunded Liabilities	07/01/1987	09/01/2037	CalPERS	Health insurance premium / Retired RDA Employees	West Sac	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
24	Successor Agency Admin Allow	Admin Costs	02/01/2011	09/01/2037	COWS Successor Agency	Admin Allowance for Successor Agency	West Sac	250,000	N	\$250,000	-	-	-	-	125,000	\$125,000	-	-	-	-	125,000	\$125,000
29	2014 Tax	Revenue	09/16/	09/01/2029	Union	Tax Allocation	West	44,573,474	N	\$5,361,580	-	-	-	4,562,326	-	\$4,562,326	-	-	-	799,254	-	\$799,254

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total	
											Fund Sources						Fund Sources						
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
	Allocation Refunding Bonds	Bonds Issued After 12/31/10	1998		Bank	Refunding Bonds	Sac																
33	2014 Subordinate Refunding Bonds	Bonds Issued After 12/31/10	09/01/2014	09/01/2035	Union Bank	Tax Allocation Refunding Bonds	West Sac	8,696,767	N	\$394,257	-	-	-	207,270	-	\$207,270	-	-	-	186,987	-	\$186,987	
36	2016 Subordinate Tax Allocation Refunding Bonds	Revenue Bonds Issued After 12/31/10	07/07/2016	09/01/2046	Union Bank	Tax Allocation Refunding Bonds	WS Project Area 1	19,950,000	N	\$1,651,350	-	-	-	1,226,025	-	\$1,226,025	-	-	-	425,325	-	\$425,325	

West Sacramento
Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances
July 1, 2017 through June 30, 2018
(Report Amounts in Whole Dollars)

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
	ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		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	
1	Beginning Available Cash Balance (Actual 07/01/17) RPTTF amount should exclude "A" period distribution amount.						
2	Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller				650,161	10,098,128	Other fund due to River Cats property tax settlement. These funds were utilized in the ROPS 19-20 A & B expenditures.
3	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)				-	10,070,974	
4	Retention of Available Cash Balance (Actual 06/30/18) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC		No entry required				
6	Ending Actual Available Cash Balance (06/30/18) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$650,161	\$27,154	

West Sacramento
Recognized Obligation Payment Schedule (ROPS 20-21) - Notes
July 1, 2020 through June 30, 2021

Item #	Notes/Comments
3	Active: These bonds were issued through the Association of Bay Area Government in 2004; \$300k applied against payment from land sales.
6	Active: Administrative costs of servicing debt include payments to Willdan Financial, Union Bank, US Bank, Fraser and associates, among others.
7	Active: Beginning in fiscal year 2015, 100% of the pass through payments go to Raley's, pursuant to the Money Store Settlement Agreement.
9	Active: This Item and Item #12 below represent to components of the RDA financial assistance to help finance the Raley Field Ball Park. Amount varies annually.
10	Active: This is related to the relocation of the Cemex facility and rail line from the Bridge District.
12	Active: This is a fixed payment associated with Item #9, pursuant to the Local Baseball Agreement.
15	Active: This pays for a City-wide flood assessment on one RDA property still held by the Successor Agency.
22	Active: This is to pay fo retireee health benefits of former employees of the West Sacramento Redevelopment Agency.
24	Active: 3% of RPTTF funded enforceable obligations; not less than \$250,000.
29	Active: The 2014 Tax Allocation Refunding Bonds were issued in January 2014; payoff of all of Item #1 and a portion of #2.
33	Active: The 2014 RDA Subordinate Refunding Bonds were issued in July 2014.
36	Active: These refunding bonds were issued on July 7, 2016 to refund the Series 2007 A bonds (see No. 4 above).