

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

## Staff Report – Item 8

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

**FROM:** Rebecca Robertson, Finance Manager, West Sacramento Redevelopment Successor Agency

**SUBJECT:** Consideration of Oversight Board Resolution 2021-02 Approving the Recognized Obligation Payment Schedule (ROPS) for the West Sacramento Redevelopment Successor Agency for Fiscal Year 2021-22

**DATE:** January 26, 2021

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### **OBJECTIVE:**

The purpose of this report is to recommend that the West Sacramento Redevelopment Successor Agency Oversight Board (Oversight Board) approve the Fiscal Year 2021-22 Recognized Obligation Payment Schedule (2021-22 ROPS) for the period of July 1, 2021 through June 30, 2022.

### **RECOMMENDATIONS:**

- 1) adopt OB Resolution 2021-02, approving the Fiscal Year 2021-22 Recognized Obligation Payment Schedule (ROPS) covering the period of July 1, 2021 through June 30, 2022, and direct staff to transmit the Fiscal Year 2021-22 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 2021-22 referenced in OB Resolution 2021-02 includes payments that will be funded by the June 2021 and January 2022 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 2021-22 ROPS must be approved by the Oversight Board and submitted to the State and County

Auditor-Controller no later than February 1, 2021. After that date, the DOF has until April 15, 2021 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 2021-22 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 2021-22 ROPS attached to OB Resolution 2021-02 that staff is recommending for approval at the Oversight Board meeting.

Total enforceable obligations for 2020-21 period	\$ 9,070,166
<u>Administrative Allowance</u>	<u>\$ 250,000</u>
Total obligations (for twelve-month period)	\$ 9,320,166

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, 2016 to June 30, 2017 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 2021-22 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:

- A. Resolution 2021-04
- B. West Sacramento ROPS 21-22

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

**RESOLUTION NO. 2021-04**

**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 1<sup>st</sup> 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, 2021 through June 30, 2022, 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, 2021 through June 30, 2022, 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 26<sup>th</sup> day of January 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

\_\_\_\_\_  
Chairperson

APPROVED AS TO FORM:



\_\_\_\_\_  
Oversight Board Counsel

**Recognized Obligation Payment Schedule (ROPS 21-22) - Summary  
Filed for the July 1, 2021 through June 30, 2022 Period**

**Successor Agency:** West Sacramento

**County:** Yolo

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>21-22A Total (July - December)</b>	<b>21-22B Total (January - June)</b>	<b>ROPS 21-22 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ 56,187</b>	<b>\$ -</b>	<b>\$ 56,187</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	56,187	-	56,187
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 7,177,436</b>	<b>\$ 2,086,543</b>	<b>\$ 9,263,979</b>
F RPTTF	7,052,436	1,961,543	9,013,979
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 7,233,623</b>	<b>\$ 2,086,543</b>	<b>\$ 9,320,166</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

**West Sacramento**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail**  
**July 1, 2021 through June 30, 2022**

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 21-22 Total	ROPS 21-22A (Jul - Dec)					21-22A Total	ROPS 21-22B (Jan - Jun)					21-22B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
							\$98,422,474			\$9,320,166	\$-	\$-	\$56,187	\$7,052,436	\$125,000	\$7,233,623	\$-	\$-	\$-	\$1,961,543	\$125,000	\$2,086,543
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	2,639,854	N	\$945,000	-	-	-	472,500	-	\$472,500	-	-	-	472,500	-	\$472,500
9	Local Baseball Agreement	OPA/DDA/ Construction	04/30/1999	06/30/2037	River City Baseball	Owner Participation Agreement	West Sac	2,553,772	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	1,146,717	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	3,864,120	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	-	-	-	-	-	\$-
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 Allocation Refunding Bonds	Revenue Bonds Issued After 12/31/10	09/16/1998	09/01/2029	Union Bank	Tax Allocation Refunding Bonds	West Sac	48,526,228	N	\$5,358,955	-	-	56,187	4,578,496	-	\$4,634,683	-	-	-	724,272	-	\$724,272
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	13,140,383	N	\$394,240	-	-	-	207,699	-	\$207,699	-	-	-	186,541	-	\$186,541
36	2016 Subordinate	Revenue Bonds Issued	07/07/2016	09/01/2046	Union Bank	Tax Allocation Refunding	WS Project	26,265,275	N	\$1,645,275	-	-	-	1,240,325	-	\$1,240,325	-	-	-	404,950	-	\$404,950



**West Sacramento**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances**  
**July 1, 2018 through June 30, 2019**  
(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
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)</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 07/01/18)</b> RPTTF amount should exclude "A" period distribution amount.				650,161	27,154	Other funds starting balance due to River Cats property tax settlement. Funds were utilized in ROPS 19-20 A&B expenditures. RPTTF starting balance was reduced from the ROPS 19-20 A&B revenue.
2	<b>Revenue/Income (Actual 06/30/19)</b> RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller				116,838	10,077,401	Other funds amount includes interest and investment earnings.
3	<b>Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)</b>				60,651	10,058,133	Other funds expenditures includes \$34,025 for EO #7 and \$20,898 for EO #9 and \$5,728 for admin costs.
4	<b>Retention of Available Cash Balance (Actual 06/30/19)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	<b>ROPS 18-19 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 18-19 PPA form submitted to the CAC		<b>No entry required</b>				



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>ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)</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>6</b>	<b>Ending Actual Available Cash Balance (06/30/19) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$706,348</b>	<b>\$46,422</b>	<b>\$650,161 utilized in ROPS 19-20 and \$56,187 is being utilized in ROPS 21-22.</b>

**West Sacramento**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - Notes**  
**July 1, 2021 through June 30, 2022**

Item #	Notes/Comments
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