



**STAFF REPORT**  
**9/13/2023**

**TO:** Honorable Chair and Board Members of the Successor Agency to the City of Coachella Redevelopment Agency

**FROM:** William Pattison, Interim Finance Director

**SUBJECT:** Resolution No. SA-2023-01, Approving the Last and Final Recognized Obligation Payment Schedule (LFROPS)

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**STAFF RECOMMENDATION:**

Staff recommends that the Board of Directors of the Successor Agency to the City of Coachella Redevelopment Agency adopt Resolution No. SA-2023-01, approving a Last and Final Recognized Obligation Payment Schedule for the period July 1, 2024 through June 30, 2037 pursuant to Health and Safety Code Section 34191.6 and taking certain related actions.

**BACKGROUND:**

Pursuant to AB X1 26, the Successor Agency must prepare a Recognized Obligation Payment Schedule (“ROPS”) for each six-month fiscal period (commencing each January 1 and July 1), listing the payments to be made by the Successor Agency during such period. All ROPS must be approved by the Oversight Board. Furthermore, each Oversight Board-approved ROPS must be submitted to the State Department of Finance (“DOF”) for review.

On June 27, 2012, the Governor signed the State budget trailer bill AB 1484, which became effective immediately. AB 1484 imposed new requirements and deadlines for submission of ROPS. At the same time that the Successor Agency submits a ROPS to the Oversight Board for approval, the Successor Agency must also provide a copy of such ROPS to the DOF, the County Auditor-Controller and the County administrative officer. A copy of the Oversight Board-approved ROPS must be submitted to the DOF, the Office of the State Controller and the County Auditor-Controller and be posted on the Successor Agency’s website. The Successor Agency must submit the ROPS to the DOF electronically in the manner of DOF’s choosing.

On September 22, 2015, the Governor signed State budget trailer bill SB 107, which became effective immediately. Pursuant to SB 107, the Successor Agency must now file an annual ROPS, commencing with the fiscal period from July 1, 2016 to June 30, 2017, and for each fiscal year thereafter.

Pursuant to HSC section 34191.6 (a), beginning January 1, 2016, agencies may submit a Last and Final Recognized Obligation Payment Schedule (LFROPS) if all the following conditions are met:

- The remaining debt is limited to administrative costs and payments pursuant to enforceable obligations with defined payment schedules including, but not limited to, debt service, loan agreements, and contracts.
- All remaining obligations have been previously listed on the ROPS and approved for payment by Finance pursuant to HSC section 34177 (m) or (o).
- The agency is not a party to outstanding/unresolved litigation, except as specified in HSC section 34191.6 (a) (3).

The Successor Agency meets all of the above conditions required to submit a Last and Final ROPS request to the Countywide Oversight Board for approval and submission to the DOF.

Additionally, pursuant to terms of the Indenture of Trust for the Successor Agency's Tax Allocation Refunding Bonds, Series 2016A (the "2016 Bonds"), the Successor Agency must obtain written consent from Assured Guaranty Municipal Corp. ("the Insurer") as the insurer of the 2016 Bonds prior to filing a LFROPS for approval by the Countywide Oversight Board and DOF. The Successor Agency has obtained such written consent from the Insurer.

**FISCAL IMPACT:**

The preparation and submittal of the LFROPS is for the purpose of allowing the Successor Agency to pay its enforceable obligations for the period from July 1, 2024 through June 30, 2037. The LFROPS lists all remaining payments for the 2016 Bonds, annual bond Trustee fees for the 2016 Bonds, and annual administrative expenses of the Successor Agency.

Attachments:

1. Resolution No. SA-2023-01
2. Last and Final Recognized Obligation Payment Schedule
3. Administrative Budget
4. Bond Insurer Consent Letter