



City of Grass Valley City Council Agenda Action Sheet

Title: Recognized Obligation Payment Schedule (ROPS 24-25) for July 2024 through June 2025

Recommendation: It is recommended that the Successor Agency adopt Resolution No. SA 2024-01 approving the Recognized Obligation Payment Schedule (ROPS 24-25) for the time period July 1, 2024 through June 30, 2025

Prepared by: Andy Heath

Council Meeting Date: 01/09/2024

Date Prepared: 12/21/2023

Agenda: Consent

Background Information: The Grass Valley Redevelopment Agency was dissolved on February 1, 2012 pursuant to ABx1 26. On January 10, 2012, the City Council elected to become the Successor Agency to the Redevelopment Agency in order to ensure that projects underway at the time of dissolution were completed, to retain control over the disposition of assets, and to make obligation payments identified in a Recognized Obligation Payment Schedule (ROPS). The ROPS serves to identify all of the enforceable obligations of the former RDA including debt service payments, loans, contracts, projects, employee and other administrative costs, etc. Each ROPS is prepared by the Successor Agency and presented to the City Council and the Oversight Board for approval. The ROPS is then submitted to the State of California Department of Finance (DOF) for approval.

Pursuant to Health and Safety Code Section 34179.7(o)(1), the Successor Agency must submit an Oversight Board-approved annual ROPS to DOF and the County Auditor Controller by February 1st of each year for the following fiscal year. Upon submitting and obtaining ultimate approval of the ROPS, fund distributions to pay enforceable obligations are made by the County in January and June each year.

The ROPS 24-25 has been prepared by staff and provides a list of obligations and amounts due for the period July 1, 2024 through June 30, 2025. The estimated twelve-month funding requirement from the Redevelopment Property Tax Trust Fund (RPTTF) to satisfy identified obligations is \$568,351.

Obligations listed on the ROPS 24-25 include required debt service for the refunded bonds from late FY 2019-20 and a \$50,000 administrative allocation. Upon approval of ROPS 24-25 by the Successor Agency and Oversight Board, the ROPS 24-25 will be submitted to the DOF and County Auditor Controller for review and approval.

Once the ROPS 24-25 is approved by the State DOF (expected by April 2024), staff will submit a “Last and Final ROPS” to both the Successor Agency and the DOF for final approval of all future ROPS obligations through FY 2038-39, when the final bond issue fully matures. Submission of a “Last and Final ROPS” is possible when all that remains to be paid off from a former redevelopment agency are approved debt issues and administrative costs.

Council Goals/Objectives: The approval of the ROPS 24-25 executes a portion of the work tasks towards achieving Economic Development and Vitality; and High Performance Government and Quality Service.

Fiscal Impact: Approval and submittal of the ROPS 24-25 has no adverse fiscal impact to Successor Agency Funds or the City’s General Fund. When approved by the DOF, the ROPS serves as the vehicle pursuant to which property taxes (former redevelopment tax increment) are allocated to the Successor Agency for payment of enforceable obligations.

Funds Available: N/A

Account #: N/A

Reviewed by: City Manager

Attachments:

Resolution SA 2024-01 - A resolution approving the ROPS for July 1, 2024 - June 30, 2025
Exhibit A - ROPS 24-25 for July 2024 - June 2025