

Agenda Report

DATE: January 22, 2019

TO: CONTRA COSTA COUNTYWIDE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF WALNUT CREEK

FROM: ADMINISTRATIVE SERVICES DEPARTMENT – FINANCE

SUBJECT: A RESOLUTION APPROVING THE REORGANIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR JULY 1, 2019 THROUGH JUNE 30, 2020

STATEMENT OF ISSUE:

Successor Agency Staff has prepared the attached Recognized Obligation Payment Schedule (ROPS), for the ROPS period from July 1, 2019 through June 30, 2020 (ROPS 19-20). This ROPS is the thirteenth period report prepared for the Successor Agency of the Walnut Creek Redevelopment Agency and is the fourth annual ROPS to be prepared as required by the State Department of Finance (DOF) with passage into law of SB 107 effective September 22, 2015.

RECOMMENDED ACTION:

Approve the attached Resolution authorizing the July 1, 2019 through June 30, 2020, Recognized Obligation Payment Schedule (ROPS 19-20) which includes the administrative budget.

DISCUSSION:

The ROPS includes the debt service payments, administrative costs, and the maximum repayment allowed for the approved reimbursement agreement to repay prior advances. Except where otherwise indicated, the items on this ROPS are the same as those submitted on the ROPS 18-19 (July 1, 2018 – June 30, 2019) which was approved by the Oversight Board on January 10, 2018. The DOF approved each of the items on ROPS 18-19. Full payment of the first (ROPS 18-19A) of two distributions was received during 2018. Redevelopment Property Tax Trust Fund (RPTTF) distribution to the Successor Agency by the County Auditor-Controller for the second (ROPS 18-19B) payment is scheduled for January 2019.

The City of Walnut Creek Successor Agency continues to include the past advances made by the City of Walnut Creek to the former Redevelopment Agency in the amount of \$274,544 (line 23, page 3) as an enforceable obligation on its ROPS, however no amounts are being requested at this time. However, this would not preclude the State of California Department of Finance (DOF) from denying it as an enforceable obligation given the provisions of SB 107 (as previously provided in AB 113) if DOF determined that the loan no longer met new criteria former City-Agency loan Agreements.

Recognized Obligation Payments Schedule July 1, 2019 through June 30, 2020

Per provisions of SB 107 passed into law on September 22, 2015 and effective immediately, beginning with fiscal year July 1, 2016 through at least June 30, 2020, ROPS will be submitted annually on February 1 of each year. DOF will issue determinations on the annual ROPS by April 1. Annual ROPS can only be amended once and no later than October 1. As of July 1, 2018, the local Oversight Board has been replaced with a Countywide Oversight Board.

As required under Health and Safety Code section 34177 and 34180, staff of the Successor Agency to the Walnut Creek Redevelopment Agency has prepared the thirteenth Recognized Obligation Payment Schedule (ROPS 19-20). The deadline for submission of ROPS 19-20 to the DOF is February 1, 2019. Funding will come from property tax apportionment which the County Controller is required to make the Successor Agency by June 2019 and January 2020.

The proposed ROPS includes all obligation for balance needed for the payment of debt service for the entire (fiscal) year of 2019-20, direct staff and legal services costs for performance of those responsibilities through June 2020, the administrative costs to the County Auditor, ongoing payments for Redevelopment Agency projects and contracts that were approved prior to June 30, 2011, including administrative costs directly related to those projects and contracts for a total request of \$296,931.00.

Staff’s calculation for repayment of the advance was zero for this period therefore no amount was included on the ROPS 19-20.

ENVIRONMENTAL REVIEW:

The actions set forth in the recommended accompanying resolution, as summarized above, are exempt under Guideline 15378(b)(4) of the California Environmental Quality Act (CEQA) in that the actions do not constitute a “project,” but instead are required to continue a governmental funding mechanism for enforceable obligations of the former Redevelopment Agency and to perform statutorily mandated unwinding of the assets, liabilities and functions of the former Redevelopment Agency pursuant to the Dissolution Act. A notice of exemption will be filed with the County Clerk in accordance with the CEQA guidelines.

DOCUMENTS:

- Attachment 1: ROPS
- Attachment 2: Resolution Approving ROPS

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE WALNUT CREEK
REDEVELOPMENT AGENCY ACTION RECOMMENDED:**

Approval of the attached Resolution approving the Recognized Obligation Payment Schedule (ROPS) which covers the period of July 1, 2019 through June 30, 2020.

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