

**PLEASANT HILL REDEVELOPMENT  
SUCCESSOR AGENCY STAFF REPORT  
TO THE COUNTYWIDE OVERSIGHT BOARD  
CONTRA COSTA COUNTY**

**Meeting Date: January 24, 2022**

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**TO: COUNTYWIDE OVERSIGHT BOARD MEMBERS**

**SUBJECT: PLEASANT HILL RECOGNIZED OBLIGATION PAYMENT SCHEDULE  
(ROPS) AND ADMINISTRATIVE BUDGET FOR JULY 1, 2022 THROUGH  
JUNE 30, 2023**

**SYNOPSIS**

The City of Pleasant Hill Redevelopment Successor Agency (Successor Agency) is required to prepare a Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for each twelve-month fiscal period. The documents must be submitted to and approved by the Countywide Oversight Board of Contra Costa County (Oversight Board) and the California Department of Finance (DOF). Approval of the ROPS is required to receive property tax increment revenues to pay down approved enforceable obligations and administrative costs. The Successor Agency requests the Oversight Board's adoption of the attached resolution approving the ROPS and Administrative Budget for the period of July 1, 2022 through June 30, 2023.

**DISCUSSION**

**Recognized Obligation Payment Schedule**

Summary

The Successor Agency estimates that its costs for July 2022 through June 2023 will total \$2,900,209 of which \$2,650,209 would be paid against its enforceable obligations and \$250,000 would be for administrative costs. All obligations are requested to be paid with RPTTF revenues.

ROPS Detail

Items 2 through 7 are obligations that must be paid according to set debt service schedules or developer reimbursement agreements entered by the former Agency. The Successor Agency is requesting \$2,070,374 in total for these items.

## RESOLUTION APPROVING ROPS 22-23

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Item 13 relates to required deposits into the former Agency's Low- and Moderate-Income Housing Fund that the former Agency deferred to finance other Agency priorities. The former Agency deferred a total of \$1,161,749 in Housing Set-Aside deposits between FYs 1985-86 and 1991-92. A total of \$522,792 was repaid between FYs 2002-03 and 2003-04, leaving a remaining balance of \$638,957 at June 30, 2011. The Dissolution Act permits the deferred deposits to be placed on the ROPS as an enforceable obligation to deposit repayments into the Housing Asset Fund. The ROPS 21-22 made a \$66,122 payment toward this obligation. The ROPS 22-23 requests the remaining balance owed of \$572,835.

The Dissolution Act sets a maximum annual repayment amount for Item 13 based on the amount of Residual RPTTF distributed in the prior fiscal year. The maximum repayment calculation for fiscal year 2022-23 is an estimated \$727,959:

$$\$1,701,026 - \$245,109 = \$1,455,917 / 2 = \$727,959$$

The \$572,835 requested for Item 13 is less than the \$727,959 maximum. The former local Oversight Board to the Pleasant Hill Successor Agency and DOF approved the repayment of the housing loan via Resolution No. 18-26.

Item 24 is the Administrative Allowance that the Successor Agency is entitled to claim to support its wind-down activities. The Successor Agency is requesting \$250,000 for the ROPS 21-22.

Items 26 through 29 are required bond trustee and disclosure payments related to ROPS items 1 and 2, the Tax Allocation Refunding Bonds and the Downtown CFD #1 Bonds. The Successor Agency is requesting a total of \$7,000 for these items on the ROPS 21-22.

Items 1, 10, and 25 were paid off in the ROPS 21-22 period and have been marked as retired.

### Report of Cash Balances

The Report of Cash Balances identifies any cash balances of the Successor Agency remaining from prior fiscal years.

Column C reports bond reserve funds for the Tax Allocation Refunding Bonds, which are not available to fund enforceable obligations.

Column F reports "Other Funds" revenues of \$60,211 in the ROPS 19-20 period, which it earned through interest income and loan repayments.

Column G reports that all RPTTF received for the ROPS 19-20 period was spent except for a \$122,374 Prior Period Adjustment. The final Prior Period Adjustment amount is pending County Auditor-Controller review and will be adjusted if necessary during DOF's review of the ROPS.

**Administrative Budget**

The Dissolution Act provides that the Successor Agency is allowed an annual Administrative Budget of up to \$250,000. An Administrative Budget for the twelve-month period is attached as Exhibit B to the accompanying resolution.

**FISCAL IMPACT**

Approval of the ROPS is required to pay fiscal year 2022-23 Successor Agency enforceable obligations totaling an estimated \$2.9 million.

**RECOMMENDED BOARD ACTION**

Successor Agency staff recommends that the Oversight Board adopt resolutions approving the ROPS and corresponding Administrative Budget of the Pleasant Hill Redevelopment Successor Agency for July 1, 2022 through June 30, 2023.

**ALTERNATIVES TO RECOMMENDED ACTION**

Alternatives include not approving the proposed ROPS or revising the identified line items or funding amounts.

Prepared by: Danielle Habr, Principal Management Analyst/City Clerk

Attachments: Proposed Resolution of the Countywide Oversight Board of Contra Costa County Approving the Recognized Obligation Payment Schedule and Administrative Budget of the City of Pleasant Hill Redevelopment Successor Agency for the Period July 1, 2022 through June 30, 2023

Exhibit A      Pleasant Hill Redevelopment Successor Agency Recognized Obligation Payment Schedule July 1, 2022 through June 30, 2023 (ROPS 22-23)

Exhibit B      Pleasant Hill Redevelopment Successor Agency Administrative Budget July 1, 2022 through June 30, 2023