

AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH

January 19, 2021

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF LONG BEACH
City of Long Beach
California

RECOMMENDATION:

Approve the draft Recognized Obligation Payment Schedule 21-22, for the period of July 1, 2021 through June 30, 2022. (Citywide)

DISCUSSION

Section 34177(o)(1) of the California Health and Safety Code, as adopted by AB1x 26 (the "Dissolution Act") and amended by Senate Bill (SB) 107, requires the Successor Agency to the Redevelopment Agency of the City of Long Beach (Successor Agency) to prepare a draft Recognized Obligation Payment Schedule (ROPS) covering the period from July 1, 2021 to June 30, 2022, and for each period from July 1 to June 30 thereafter. Each ROPS must list dates, amounts, and payment sources of the former Redevelopment Agency of the City of Long Beach's (Agency) enforceable obligations. The attached draft ROPS represents the anticipated enforceable obligations for the period of July 1, 2021 through June 30, 2022 (Attachment A).

The ROPS is based on the Enforceable Obligation Payment Schedule, a list of the total outstanding debts and obligations of the Agency, which was certified by the California Department of Finance (DOF) on March 30, 2012.

The ROPS must identify the source of payment for each obligation from among the following:

- The Redevelopment Property Tax Trust Fund – RPTTF (maintained by the County);
- Bond Proceeds;
- Reserve Balances;
- Administrative Cost Allowance; and,
- Other revenue sources including rents and interest earnings.

This ROPS also requires approval by the Oversight Board to the Successor Agency, and will be agendized for its review on January 26, 2021. In accordance with SB 107, each annual ROPS must be submitted to the DOF for review and certification no later than February 1, 2021, and each February 1 thereafter.

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Upon certification, the DOF will transmit a copy of the ROPS to the Los Angeles County Auditor-Controller (Auditor-Controller). Prior to July 1, 2021, the Auditor-Controller will distribute property tax revenue to the Successor Agency from the RPTTF for approved payments listed on the ROPS. This distribution will be from property taxes the Auditor-Controller received from former Long Beach redevelopment project areas from January 1, 2021 through April 30, 2021. Another distribution is anticipated on January 1, 2022, from property taxes collected from May 1, 2021 through December 31, 2021.

The ROPS includes the current debt service amount due for the Series 2010 Bonds (2010 bonds). Staff anticipate that the 2010 bonds will be refunded prior to DOF approval of the 2021-2022 ROPS by April 1, 2021. Staff will work closely with the DOF to ensure that the 2021-2022 ROPS is updated to reflect the debt service payments due on the refunding bonds, in lieu of the debt services on the Series 2010 Bonds, during the 2021-2022 ROPS period.

Additionally, pursuant to Section 34171(b)(3) of the Dissolution Act, the Successor Agency is allowed an administrative allowance, subject to Oversight Board approval. The allowance is capped at 3 percent of the actual property tax allocated to the Successor Agency during the prior ROPS period, less that period's administrative allowance. The administrative allowance includes items such as salaries, citywide and departmental overhead for Successor Agency and other City staff carrying out the actions necessary to wind down the Successor Agency's affairs and associated operational costs. The proposed Administrative Budget for the Successor Agency for the period of July 1, 2021 through June 30, 2022 (Attachment B).

This matter was reviewed by Deputy City Attorney Richard F. Anthony and Budget Analysis Officer Julissa José-Murray on December 18, 2020.

TIMING CONSIDERATIONS

Successor Agency action is requested on January 19, 2021, to allow for the transmittal of the ROPS to the Oversight Board for approval on January 26, 2021, and to the DOF prior to the February 1, 2021 deadline for submission.

FISCAL IMPACT

The Proposed Administrative Budget from July 1, 2021 through June 30, 2022 is approximately \$627,135, or 3 percent of \$20,904,512, which represents RPTTF funds remitted for the prior ROPS period less the administrative allowance and City loan repayments made during that same period. The final loan repayment was made during the ROPS 2019-2020 period.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



OSCAR ORCI
DIRECTOR OF DEVELOPMENT SERVICES

ATTACHMENTS: A - DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE (JULY 1, 2021 - JUNE 30, 2022)
B - ADMINISTRATIVE BUDGET (JULY 1, 2021 - JUNE 30, 2022)

APPROVED:


THOMAS B. MODICA
CITY MANAGER

Attachment A

Long Beach Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail July 1, 2021 through June 30, 2022

A	B	F	G	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Payee	Description	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	
				\$614,467,102		\$23,838,745	\$-	\$-	\$506,200	\$-	\$313,567	\$819,767	\$-	\$-	\$993,218	\$217,121,192	\$313,568	\$23,018,978
1	Administrative Costs	Successor Agency	Oversight Board Scheduling/Noticing/Administrative	627,135	N	\$627,135	-	-	-	-	313,567	\$313,567	-	-	-	-	313,568	\$313,568
3	Bond Administration	U.S.Bank	Annual Bond Administration Fees	300,000	N	\$30,000	-	-	15,000	-	-	\$15,000	-	-	15,000	-	-	\$15,000
5	Calpers/Post Ret. Health/WC/Vacation/Severance	City of Long Beach	Unfunded RDA share Liability/Severance Costs/WC/Vacation	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
27	Property Maintenance - Successor Agency	Equity North Investments	Property Maintenance Agency-wide	2,000	N	\$1,000	-	-	500	-	-	\$500	-	-	500	-	-	\$500
28	Property Maintenance - Successor Agency	Overland, Pacific & Cutler	Property Maintenance Agency-wide	2,000	N	\$1,000	-	-	500	-	-	\$500	-	-	500	-	-	\$500
71	Shoreline Gateway	Employees of Agency	Project-Related Employee Costs	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
83	2010 Tax Allocation Bonds	US Bank	Bonds issued to fund North RDA projects	56,279,270	N	\$1,076,213	-	-	-	-	-	\$-	-	-	-	1,076,213	-	\$1,076,213
95	BKBIA	Bixby Knolls Business Improvement Association	Business Improvement District	40,000	N	\$40,000	-	-	40,000	-	-	\$40,000	-	-	-	-	-	\$-
112	2002 Tax Allocation Bonds	U.S.Bank	Bonds issue to fund RDA projects due this period	56,301,810	N	\$973,118	-	-	-	-	-	\$-	-	-	973,118	-	-	\$973,118
119	Project Area Administration	BLX	Bond Reporting	76,400	N	\$3,600	-	-	3,600	-	-	\$3,600	-	-	-	-	-	\$-
123	Long Range Property Management Plan	Laurain & Associates	Appraisal Services	5,300	N	\$1,000	-	-	1,000	-	-	\$1,000	-	-	-	-	-	\$-
124	Long Range Property	Lidgard & Associates	Appraisal Services	58,000	N	\$1,000	-	-	1,000	-	-	\$1,000	-	-	-	-	-	\$-

A	B	F	G	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Payee	Description	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	
	Management Plan																	
125	Property Maintenance - Successor Agency	Southern California Edison	Utility Costs for Agency-Owned parcels	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
161	1669 W. Anaheim Street	Mearns Consulting Corp.	Site Assessment & Ground Water Monitoring - Agency-owned property	60,000	N	\$40,500	-	-	40,500	-	-	\$40,500	-	-	-	-	-	\$-
162	1669 W. Anaheim Street	Employees of Agency	Project-Related Employee Costs	7,000	N	\$4,200	-	-	2,100	-	-	\$2,100	-	-	2,100	-	-	\$2,100
164	5301 Long Beach Blvd.	Employees of Agency	Soil testing and related remediation work	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
180	Deukmejian Courthouse	State Administrative Office of the Courts/ Long Beach Judicial Partners	Reimbursement for off-site improvements	3,250,000	N	\$250,000	-	-	250,000	-	-	\$250,000	-	-	-	-	-	\$-
193	Long Range Property Management Plan	Overland, Pacific & Cutler	5301 Long Beach Blvd Site Remediation	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
194	Long Range Property Management Plan	Rutan & Tucker	Legal Services	6,000	N	\$2,000	-	-	1,000	-	-	\$1,000	-	-	1,000	-	-	\$1,000
197	Project Area Administration	Employees of Agency	RDA-owned property inspections	6,000	N	\$2,000	-	-	1,000	-	-	\$1,000	-	-	1,000	-	-	\$1,000
202	North Library Utility Negotiations	Hahn & Hahn/OPC	Negotiations to maintain costs of utility improvements	150,000	N	\$150,000	-	-	150,000	-	-	\$150,000	-	-	-	-	-	\$-
207	Atlantic and Vernon	Assisted Living America	Return of Good Faith Deposit	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
211	Shoreline Gateway	Current Living, LP (formerly Shoreline Gateway, LLC)	OPA required costs	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
227	2015 Tax Allocation Bonds	U.S.Bank	Debt Service on Refunded Bonds	197,240,544	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
231	2002 Tax Allocation Bonds	U.S.Bank	Prefunded Debt Service due Next Period	55,328,692	N	\$11,018,117	-	-	-	-	-	\$-	-	-	-	11,018,117	-	\$11,018,117

A	B	F	G	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Payee	Description	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	
	Prefunding																	
232	2010 Tax Allocation Bonds Prefunding	U.S.Bank	Prefunded Debt Service due Next Period	55,203,057	N	\$1,901,212	-	-	-	-	-	\$-	-	-	-	1,901,212	-	\$1,901,212
233	2015 Tax Allocation Bonds Prefunding	U.S.Bank	Prefunded Debt Service due Next Period	189,523,894	N	\$7,716,650	-	-	-	-	-	\$-	-	-	-	7,716,650	-	\$7,716,650

Attachment A

Long Beach 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
	ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		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	
1	Beginning Available Cash Balance (Actual 07/01/18) RPTTF amount should exclude "A" period distribution amount.	14,415,104	-	1,851,723	8,764,495	3,510,907	
2	Revenue/Income (Actual 06/30/19) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller	1,800	-	4,851	3,625,109	38,397,833	
3	Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)	-	-	1,000,000	2,955,371	14,701,217	
4	Retention of Available Cash Balance (Actual 06/30/19) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	13,771,725	-			21,125,980	
5	ROPS 18-19 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 18-19 PPA form submitted to the CAC		No entry required			1,959,288	
6	Ending Actual Available Cash Balance (06/30/19) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$645,179	\$-	\$856,574	\$9,434,233	\$4,122,255	

Attachment B
Long Beach Annual ROPS 21-22
Administrative Budget

Attachment B

Project Name / Debt Obligation	Payee	Description	Amount Funded with RPTTF Administrative Allowance
EMPLOYEE COSTS	Employees of Agency	Payroll for Employees	\$ 21,323
Total Employee Costs			\$ 21,323
City Department Services			
Commercial Services, City Clerk, City Auditor	City of Long Beach	Commercial Services and City Auditor MOUs & est. City Clerk charges	\$ 5,285
Department Admin & Finance	City of Long Beach	Departmental Overhead	\$ 130,153
Total City Department services			\$ 135,438
City Indirect Cost Allocation			
City Department Costs	City of Long Beach	Indirect Cost Allocation	\$ 249,996
Tech Svcs MOU	City of Long Beach	Customer Support, Business Information Svcs, and Infrastructure Svcs	\$ 50,135
Civic Center Rent	City of Long Beach	Civic Center Complex Rental	\$ 150,439
Workers' Compensation	City of Long Beach	Workers' Compensation	\$ 9,584
Employee Parking	City of Long Beach	Employee Parking	\$ 1,620
Total City Indirect Cost Allocation			\$ 461,774
Operating Expenses			
Project Area Administration	Foster Hooper	Storage space rental - RDA	\$ 4,500
Project Area Administration	United Parcel Services (UPS)	Overnight shipping services	\$ 100
Total Operating Expenses			\$ 4,600
Prof & Specialized Services			
Project Area Administration	Rutan & Tucker	SA Legal Services	\$ 2,000
Project Area Administration	Weststar Loan Servicing	Loan Servicing Fees	\$ 2,000
Total Prof. And Specialized Services			\$ 4,000
		Total	\$ 627,135