



Legislation Text

File #: 17-010SA, **Version:** 1

Recommendation to approve the draft Amended Recognized Obligation Payment Schedule 17-18B, for the period of January 1, 2018 through June 30, 2018. (Citywide)

Section 34177(o)(1) of the California Health and Safety Code, as adopted by AB1x 26 (the "Dissolution Act") and most recently amended by Senate Bill (SB) 107, requires the Successor Agency to the Redevelopment Agency of the City of Long Beach (Successor Agency) to prepare an annual Recognized Obligation Payment Schedule (ROPS) covering the period from July 1, 2017 to June 30, 2018. A successor agency may request an amendment to the annual ROPS once during that year as long as the amended ROPS is submitted to the California Department of Finance (DOF) prior to October 1 and the Oversight Board makes a finding that a revision is necessary for the payment of approved enforceable obligations. The attached draft Amended ROPS 17-18B represents the anticipated additional funding ("Requested Adjustments") needed to meet the enforceable obligations for the period of January 1, 2018 through June 30, 2018 (Exhibit A). Two adjustments are being requested: (1) Increase the Successor Agency's loan repayment to the City to the maximum annual amount, and (2) reallocate funding to minimize the use of former tax increment funds.

The Amended 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 DOF on March 30, 2012.

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

- The Redevelopment Property Tax Trust Fund (former tax increment, which is also referred to as RPTTF and is maintained by the County)
- Bond Proceeds
- Reserve Balances
- Administrative Cost Allowance
- Other revenue sources including rents, interest earnings, land sale proceeds, and loan repayments

This Amended ROPS requires the Oversight Board to the Successor Agency of the City of Long Beach approval as well, and will be agendized for its review on September 11, 2017.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on August 1, 2017 and by Budget Management Officer Rhutu Amin Gharib on August 4, 2017.

Successor Agency action is requested on August 22, 2017, to allow for the transmittal of the Amended ROPS to the Oversight Board for approval on September 11, 2017, and to the DOF prior to the October 1, 2017 deadline for submission.

The Requested Adjustments make use of a \$6.3 million loan repayment received in July 2017. Approximately \$4.0 million will be used for the Successor Agency's loan repayment to the City and the remaining approximate \$2.3 million will be used for debt service payments, which would have otherwise been paid from RPTTF.

Approve recommendation.

AMY J. BODEK, AICP
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:

PATRICK H. WEST
CITY MANAGER