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Tuesday, September 15, 2020 – 1:00 PM

Please standby…

OCII Commission

Recognized Obligation Payment Schedule Amendment Workshop

ROPS 20-21

September 15, 2020

Background

- AB26
  - Required Successor Agencies to create Recognized Obligation Payment Schedule (“ROPS”), payments required by “enforceable obligations”
- SB107
  - Revised ROPS time period from 2 six-month ROPS periods per fiscal year to 1 twelve-month period
  - Moved ROPS submission date to February 1 of each year
  - Authorized the Oversight Board to amend the ROPS once per twelve-month period, no later than October 1, effective January 1 to June 30 i.e. “B period”
  - Required DOF to approve/deny ROPS amendments 15 days prior to January 1 distribution

Schedule

- 2/1 ROPS 20-21 Submission to DOF
- 4/15 ROPS 20-21 Approval by DOF
- 9/15 ROPS 20-21 Amendment Commission Workshop
- 9/28 ROPS 20-21 Amendment Oversight Board Workshop & Action
- 9/30 ROPS 20-21 Amendment Submission to DOF

Funding Sources

• **Bond Proceeds**	Includes Prior & Anticipated
• **Reserve Balances**	DDR Balances, unexpended Property Tax received in a prior period
• **Other**	Developer Payments, Grants, etc.
• **Property Tax Non-Admin**	Property Tax expended on enforceable obligations
• **Property Tax Admin**	Administrative Cost Allowance (max. 3% of prior year Property Tax expenditure)

Proposed Amendment Sources

Proposed amendments reflect property tax roll finalized by Assessor in August 2020

Source	Approved ROPS 20-21	Proposed ROPS 20-21	Change
Bond Proceeds	$183.1M	$183.1M	-
Reserve Balance	$36.0M	$36.0M	-
Other Funds	$45.7M	$45.7M	-
Property Tax Non-Admin	$150.6M	$163.5M	+$12.9M
Property Tax Admin	$4.5M	$4.5M	-
Total	**$419.9M**	**$432.8M**	**+$12.9M (3.1% increase)**

Proposed Amendment by Project Area

Additional property tax will be expended in HPSY2/CP and Transbay

Project Area	ROPS Line	Approved ROPS 20-21	Proposed ROPS 20-21	Change
HPSY2/CP	49	$1.0M	$3.0M	*+$2.1M*
Transbay	102	$21.1M	$31.9M	*+$10.8M*
Total				***$12.9M***

Note: Numbers slightly off due to rounding

Proposed Amendment Use Detail

HPSY2/CP

- Developer submitted request for reimbursement invoice in the amount of $51.7M in June 2019
- OCII has paid $1.6M to date
- Property Tax request will be applied toward the remaining outstanding balance of $50.1M

Transbay

- TJPA issued Bonds in the aggregate principal amount of $271.2M in June 2020
- The Bonds allowed for mandatory redemption from excess pledged revenues
- Property Tax request will pay down a mandatory redemption obligation of $16.0M

Impact to Taxing Entities and Budget

Taxing Entities

- Taxing entities receive their normal share of pledged property tax

Budget

- Budget Resolution authorized OCII to accept and expend any pledged tax increment in the project areas in excess of budgeted amounts, consistent with the approved ROPS

Calendar and Next Steps

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ROPS 20-21: Amendment

Questions?

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PUBLIC COMMENT CALL-IN:

Dial: 1(408) 418-9388 **Access Code:** 146 642 8927

Press #, then # again

- You will automatically be muted when you get on the line.
- When prompted, dial "*" then "3" to be added to the speaker queue.
- Please listen for the prompt indicating that "***Your line has been unmuted***".
- This will be your opportunity to speak. You will have 3 minutes. Please speak clearly and slowly.

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