OCII Commission

Recognized Obligation Payment Schedule Amendment Workshop

ROPS 21-22

September 21, 2021

OCII

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 21-22 Submission to DOF
- 4/14 ROPS 21-22 Approval by DOF
- 9/13 ROPS 21-22 Amendment Oversight Board Workshop
- 9/21 ROPS 21-22 Amendment Commission Workshop
- 9/27 ROPS 21-22 Amendment Oversight Board Action
- 9/30 ROPS 21-22 Amendment Submission to DOF

Funding Sources

- **Bond Proceeds** Includes Prior & Anticipated
- **Reserve Balances** Unexpended Redevelopment Property Tax Trust Fund (“RPTTF”) received in a prior period
- **Other** Developer Payments, Grants, etc.
- **RPTTF Non-Admin** Redevelopment Property Tax Trust Fund
- **RPTTF Admin** Administrative Cost Allowance (max. 3% of prior year’s approved RPTTF expenditure)

Proposed Amendment Sources

Proposed amendments reflect delays in construction and billing

Source	Approved ROPS 21-22	Proposed ROPS 21-22	Change
Bond Proceeds	$259,767,076	$260,902,068	$1,134,992
Reserve Balance	$48,675,396	$48,675,396	$0
Other Funds	$91,138,075	$91,662,299	$524,224
RPTTF Non-Admin	$144,027,169	$144,085,415	$58,246
RPTTF Admin	$4,264,575	$4,264,575	$0
Total	**$547,872,291**	**$549,589,753**	**$1,717,462 (0.3% change)**

Proposed Amendment by Project Area

Funds will be expended in CP-HPSY2 and Transbay

Project Area	ROPS Line	Approved ROPS 21-22	Proposed ROPS 21-22	Difference
CP-HPSY2	62	$3,228,972	$3,811,441	*$582,469*
Transbay	107	$1,000,000	$2,134,992	*$1,134,992*
Total				*$1,717,462*

Proposed Amendment Use Detail

HPSY2/CP Building 101 Stabilization/Improvements

- Building 101 is an artist studio building at the Shipyard owned by OCII; OCII is using federal EDA grants and RPTTF to fund improvements to the building
- MOU with Public Works (DPW) to do improvements:
  - DPW work delayed due to building material and labor supply issues
  - Not able to invoice full amount expected in prior Fiscal Year
  - Insufficient ROPS authority in this Fiscal Year to pay remaining contract balances
- DPW requesting approximately $582k in prior year expenditure authority be carried forward to this Fiscal Year
- Does not increase the total contract obligation

Proposed Amendment Use Detail

Transbay Folsom Streetscape Improvement Project

- Improvements to Folsom St part of the Transbay Streetscape Plan
- MOU with Public Works (DPW) to do improvements:
  - DPW work delayed due to manufacturer delays, slowing procurement of traffic signals and poles
  - Not able to invoice full amount expected in prior Fiscal Year
  - Insufficient ROPS authority in this Fiscal Year to pay remaining contract balances
- DPW requesting approximately $1.1M in prior year expenditure authority be carried forward to this Fiscal Year
- Does not increase the total contract obligation

Impact to Taxing Entities and Budget

Taxing Entities

- Minimal impact to taxing entities, because local grant match for Building 101, paid by RPTTF, is a 0.3% change to overall RPTTF request in ROPS 21-22

Budget

- No budget adjustment necessary, because construction budgets are carried forward year-over-year.

Calendar and Next Steps

- 2/1 ROPS 21-22 Submission to DOF
- 4/14 ROPS 21-22 Approval by DOF
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ROPS 21-22: Amendment

Questions?

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