Monday, September 14, 2020 – 11:00 AM

You are watching a Live meeting of the Oversight Board

Please standby…
Recognized Obligation
Payment Schedule Amendment Workshop
ROPS 20-21

September 14, 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
- 9/14  ROPS 20-21 Amendment Oversight Board Workshop
- 9/15  ROPS 20-21 Amendment Commission Workshop
- 9/28  ROPS 20-21 Amendment Oversight Board Action
- 9/30  ROPS 20-21 Amendment Submission to DOF
Funding Sources

- **Bond Proceeds**: Includes Prior & Anticipated
- **Reserve Balances**: DDR 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 property tax roll finalized by Assessor in August 2020

<table>
<thead>
<tr>
<th>Source</th>
<th>Approved ROPS 20-21</th>
<th>Proposed ROPS 20-21</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Proceeds</td>
<td>$183.1M</td>
<td>$183.1M</td>
<td>-</td>
</tr>
<tr>
<td>Reserve Balance</td>
<td>$36.0M</td>
<td>$36.0M</td>
<td>-</td>
</tr>
<tr>
<td>Other Funds</td>
<td>$45.7M</td>
<td>$45.7M</td>
<td>-</td>
</tr>
<tr>
<td>RPTTF Non-Admin</td>
<td>$150.6M</td>
<td>$163.5M</td>
<td>+$12.9M</td>
</tr>
<tr>
<td>RPTTF Admin</td>
<td>$4.5M</td>
<td>$4.5M</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$419.9M</td>
<td>$432.8M</td>
<td>+$12.9M (3.1% increase)</td>
</tr>
</tbody>
</table>
### Proposed Amendment by Project Area

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

<table>
<thead>
<tr>
<th>Project Area</th>
<th>ROPS Line</th>
<th>Approved ROPS 20-21</th>
<th>Proposed ROPS 20-21</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>HPSY2/CP</td>
<td>49</td>
<td>$1.0M</td>
<td>$3.0M</td>
<td>+$2.1M</td>
</tr>
<tr>
<td>Transbay</td>
<td>102</td>
<td>$21.1M</td>
<td>$31.9M</td>
<td>+$10.8M</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$21.1M</strong></td>
<td><strong>$31.9M</strong></td>
<td><strong>+$12.8M</strong></td>
</tr>
</tbody>
</table>

*Note: Numbers slightly off due to rounding*
HPSY2/CP
• Developer submitted request for reimbursement invoice in the amount of $51.7M in June 2019
• OCII has paid $1.6M to date
• RPPTF 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
• RPPTF 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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