

REPORT TO THE SUCCESSOR AGENCY



DATE: January 29, 2019

TITLE: Recognized Obligation Payment Schedule (ROPS 19-20) for the Period July 1, 2019 - June 30, 2020

Prepared by: Linda Kelly, Finance Director

Reviewed by: Robert J. Lee, Deputy City Attorney

RECOMMENDATION

Adopt a Resolution of the Successor Agency approving the Recognized Obligation Payment Schedule (ROPS 19-20) and administrative budget for the Successor Agency for the period July 1, 2019 through June 30, 2020.

DISCUSSION

On December 4, 2018, the Successor Agency Board approved Recognized Obligation Payment Schedule covering the period July 1, 2019 through June 30, 2020 (“ROPS 19-20”), as described in the Staff Report submitted for such meeting – see attached Staff Report. The Riverside County Oversight Board was slated to review and possibly approve ROPS 19-20 on January 17, 2019 but Successor Agency staff has recently learned of a lawsuit commonly known as Nadine Garcia, et al. v. City of Desert Hot Springs, et al., Case Number PSC1807458, filed with the Palm Springs branch of the Riverside County Superior Court, and now ROPS 19-20 needs to be revised to include an additional \$60,000 for request of payment to cover Successor Agency defense costs for third-party related litigation. The attached Resolution, if approved by the Successor Agency Board, would approve the updated ROPS 19-20, which is attached to the Resolution. There are no other changes to the version of ROPS 19-20 that was approved by the Successor Agency Board on December 4, 2018.

The County Oversight Board will consider and possibly approve the updated ROPS 19-20 during its meeting of January 30, 2019.

FISCAL IMPACT

Funding sources for the expenditures listed in ROPS 19-20 will be paid from the former Redevelopment Agency of the City of Desert Hot Springs tax increment, Successor Agency administrative allowance, rental income, interest earnings, debt reserve accounts, and any loan or grant re-payments, as needed. The total amount of obligations scheduled to be paid during the period July 1, 2019 to June 30, 2020, is \$4,437,296.00. A total of \$3,559,138.00 of such obligations is for debt service principal and interest payments; re-payment for the SERAF payment to the housing fund of \$380,158.00; trustee fees of \$8,000.00; implementation costs associated with the LRPMP totaling \$30,000.00; legal defense fees in the amount of \$60,000.00; property maintenance funding of \$150,000.00 and an amount of \$250,000.00 for RPTTF administrative fees. There are no fiscal impacts to any taxing entities other than the Successor Agency.

EXHIBITS

- 1) Successor Agency Board Staff Report dated December 4, 2018
- 2) Successor Agency Resolution approving the Recognized Obligation Payment Schedule including related Administrative Budget – July 1, 2019, through June 30, 2020.