



## CITY COUNCIL STAFF REPORT

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**TO:** Honorable Mayor and City Council                      **DATE:** January 6, 2020  
**FROM:** Matthew Bronson, City Manager  
**PREPARED BY:** Deanne Purcell, Administrative Services Director  
**SUBJECT:** Annual 2020-21 Recognized Obligation Payment Schedule

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### **RECOMMENDATION**

Adopt the Resolution approving the 2020-21 Recognized Obligation Payment Schedule (ROPS) sitting as the Successor Agency to the Grover Beach Improvement Agency and authorize the City Manager to present the ROPS to the County Oversight Board for its consideration and approval.

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### **BACKGROUND**

The Successor Agency to the Grover Beach Improvement Agency pursuant to State law must review and approve a Recognized Obligation Payment Schedule (ROPS) to submit to the County Oversight Board and, once approved, send the ROPS to the State. The ROPS is produced on an annual basis and each ROPS will now cover an entire fiscal year. This ROPS before the Successor Agency for approval is designated as being from July 1, 2020 to June 30, 2021.

Staff is again working with outside consultant Kelly Wyatt, formerly an employee of the State Department of Finance, to complete the ROPS for submittal to the County Oversight Board and the State.

The deadline established pursuant to AB 1484 to submit the July 1, 2020 to June 30, 2021 ROPS to the County Auditor-Controller and the State Department of Finance is February 1, 2020. The Annual ROPS for FY 2020-21 is scheduled for adoption at the next Regular Meeting of the County Oversight Board scheduled in January.

### **FISCAL IMPACT**

Adoption of the Resolution will allow the Successor Agency to pay the obligations listed on the ROPS. If the ROPS is not received by the Department of Finance by February 1, 2020, then the Successor Agency is subject to a \$10,000 per day fine per Health and Safety Code Section 34177(m).

### **ALTERNATIVES**

The City Council, sitting as the Successor Agency, has the following alternatives to consider:

1. Adopt the Resolution approving the draft Recognized Obligation Payment Schedule, or
2. Do not adopt the Resolution approving the draft Recognized Obligation Payment Schedule and provide alternate direction to staff.

**PUBLIC NOTIFICATION**

The agenda was posted in accordance with the Brown Act.

**ATTACHMENTS**

1. Resolution  
Exhibit A - Annual ROPS 2020-21

**RESOLUTION NO. SA-20-**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED GROVER BEACH IMPROVEMENT AGENCY APPROVING AND ADOPTING A DRAFT OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I)**

**WHEREAS**, consistent with Health and Safety Code Section 34173(d), the City of Grover Beach elected to become the Successor Agency to the dissolved Grover Beach Improvement Agency; and

**WHEREAS**, Assembly Bill 1484, Chaptered on June 27, 2012 requires that Successor Agencies to former Redevelopment Agencies review, approve and forward Recognized Obligation Payment Schedules (ROPS) to the County Oversight Board in order to have the County Oversight Board’s approval of the ROPS prior to January 30, 2020 for submission to the County Auditor-Controller and to the State Department of Finance by no later than February 1, 2020.

**NOW, THEREFORE, BE IT RESOLVED** by the City of Grover Beach City Council, acting as Successor Agency to the dissolved Grover Beach Improvement Agency:

**THAT** the Recognized Enforceable Obligation Payment Schedule for July 1, 2020 to June 30, 2021 is adopted in substantially the form attached to this Resolution as Exhibit A; and

**THAT** the City Manager is hereby directed and authorized to take any action necessary to carry out the purpose of this Resolution and to ensure compliance with the provisions of the Health and Safety Code including, but not limited to, submittal of the ROPS to the County Oversight Board for approval and the County Auditor-Controller and to the State Department of Finance once approved by the County Oversight Board.

On motion by Council Member, seconded by Council Member, and on the following roll-call vote, to wit:

AYES:	Council Members –
NOES:	Council Members –
ABSENT:	Council Members –
ABSTAIN:	Council Members –

the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at a Regular meeting of the City Council of the City of Grover Beach, California this 6<sup>th</sup> day of January 2020.

**\*\*DRAFT\*\***

\_\_\_\_\_  
JEFF LEE, MAYOR

Attest:

\_\_\_\_\_  
WINDI SIMS, CITY CLERK

Exhibit A

**Recognized Obligation Payment Schedule (ROPS 20-21) - Summary  
Filed for the July 1, 2020 through June 30, 2021 Period**

**Successor Agency:** Grover Beach

**County:** San Luis Obispo

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>20-21A Total (July - December)</b>	<b>20-21B Total (January - June)</b>	<b>ROPS 20-21 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 387,033</b>	<b>\$ 373,875</b>	<b>\$ 760,908</b>
F RPTTF	347,033	373,875	720,908
G Administrative RPTTF	40,000	-	40,000
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 387,033</b>	<b>\$ 373,875</b>	<b>\$ 760,908</b>

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

**Grover Beach**  
**Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail**  
**July 1, 2020 through June 30, 2021**

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$4,957,783		\$760,908	\$-	\$-	\$-	\$347,033	\$40,000	\$387,033	\$-	\$-	\$-	\$373,875	\$-	\$373,875
1	Series 2005 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	12/22/2005	08/01/2035	Union Bank of California	Bonds issued to fund non-housing projects (June amount is for the August 1, 2014 put due to Union Bank)	IA One	4,587,713	N	\$390,838	-	-	-	316,963	-	\$316,963	-	-	-	73,875	-	\$73,875
2	Water Fund Loan	City/ County Loan (Prior 06/28/11), Cash exchange	06/06/2011	06/30/2029	Grover Beach Water Fund	Loan for Agency Start-up Costs	IA One	30,070	N	\$30,070	-	-	-	30,070	-	\$30,070	-	-	-	-	-	\$-
3	Wastewater Fund Loan	City/ County Loan (Prior 06/28/11), Cash exchange	06/06/2011	06/30/2023	Grover Beach Wastewater Fund	Loan for Agency costs for W. Grand Avenue Project	IA One	300,000	N	\$300,000	-	-	-	-	-	\$-	-	-	-	300,000	-	\$300,000
4	General Fund Loan	City/ County Loan (Prior 06/28/11), Cash exchange	06/06/2011	06/30/2023	Grover Beach General Fund	Loan for Agency Start-up Costs	IA One	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
8	Administrative Costs	Admin Costs	07/01/2017	06/30/2018	Various Employees and Vendors	Administrative Costs as approved in the Successor Agency Budget.	IA One	40,000	N	\$40,000	-	-	-	-	40,000	\$40,000	-	-	-	-	-	\$-
12	Series 2005 Tax Allocation Bonds	Bonds Issued On or	12/22/2005	08/01/2035	Union Bank of California	Reimbursement for July 2011 debt service	IA One	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-



**Grover Beach**  
**Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances**  
**July 1, 2017 through June 30, 2018**  
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H	
ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)		Fund Sources					Comments	
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF		
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin		
1	<b>Beginning Available Cash Balance (Actual 07/01/17)</b> RPTTF amount should exclude "A" period distribution amount.	290,127		189,333		(110,000)		
2	<b>Revenue/Income (Actual 06/30/18)</b> RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller				140,033	513,011		
3	<b>Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)</b>			74,194		455,243		
4	<b>Retention of Available Cash Balance (Actual 06/30/18)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			115,876	140,000			
5	<b>ROPS 17-18 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC		No entry required				57,343	
6	<b>Ending Actual Available Cash Balance (06/30/18)</b> C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$290,127	\$-	\$(737)	\$33	\$(109,575)		

**Grover Beach**  
**Recognized Obligation Payment Schedule (ROPS 20-21) - Notes**  
**July 1, 2020 through June 30, 2021**

<b>Item #</b>	<b>Notes/Comments</b>
1	A period includes request for \$110,000 RPTTF for unfunded principal payment due 08/01/2016
2	
3	
4	
8	
12	