

**REPORT TO THE  
SALINAS SUCCESSOR AGENCY**  
*City of Salinas, California*

DATE: September 9, 2014

FROM: Matt N. Pressey, CPA, Finance Director

SUBJECT: **RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SIX MONTHS ENDING JUNE 30, 2015 (ROPS 14-15B)**

**RECOMMENDATION:**

It is recommended that the Salinas Successor Agency adopt a resolution of the Salinas Successor Agency approving the Recognized Obligation Payment Schedule for the six months ending June 30, 2015 (ROPS 14-15B).

**DISCUSSION:**

The California State Legislature enacted Assembly Bill x1 26 (the "Dissolution Act") and AB1484 to dissolve redevelopment agencies formed under the Community Redevelopment Law. Since then, the City accepted the role of "Successor Agency" and helped establish an "Oversight Board" to review the activities of the Successor Agency as provided for in the dissolution laws.

One priority of the Successor Agency is to prepare and submit "Recognized Obligation Payment Schedules" (or "ROPS") for every six-month period beginning January 1, 2012 to the time in which all obligations have been met. The ROPS is a list and tally of the obligations to be paid on behalf of the former redevelopment agency, including debt obligations and other contractual agreements. The items listed on the ROPS have to first be approved by the Successor Agency. The Oversight Board (OB) will then approve Successor Agency actions by resolution, (they can also question or deny these actions) and submit these approved actions to the Department of Finance (DOF). DOF then has 30-days to review these actions, and either approve, question or deny them.

ROPS 14-15B presented in this report includes continuing obligations previously approved by the DOF.

**ISSUE:**

Shall the Salinas Successor Agency adopt a resolution approving the Recognized Obligation Payment Schedule (ROPS 14-15B) for the six months ending June 30, 2015?

**FISCAL IMPACT:**

Adoption of the ROPS for the six months ending June 30, 2015 will facilitate the ability of the Successor Agency to continue payment of the enforceable obligations of the former Redevelopment

Agency and is among the reasonable measures required to be taken to avoid triggering an event of default under any enforceable obligation.

**ENVIRONMENTAL REVIEW:**

The actions set forth in the recommended accompanying resolution, as summarized above, are exempt under Guideline 15378(b)(4) of the California Environmental Quality Act (CEQA) in that the actions do not constitute a “project,” but instead are required to continue a governmental funding mechanism for enforceable obligations of the former Redevelopment Agency and to perform the statutorily mandated unwinding of the assets, liabilities, and functions of the former Redevelopment Agency pursuant to the Dissolution Act. A notice of exemption will be filed with the County Clerk in accordance with the CEQA guidelines.

**TIME CONSIDERATION:**

To maintain compliance with the law, the Successor Agency will bring the ROPS to the Oversight Board for approval on September 10, 2014 and submit this version of the ROPS to the County Auditor-Controller and Department of Finance by October 1, 2014.

**ALTERNATIVES:**

1. Accept ROPS14-15B as attached.
2. Modify ROPS14-15B as deemed appropriate.

**CITY COUNCIL GOALS:**

The ability of the Successor Agency to pay financial obligations implements the Council Goal of “Organizational Effectiveness”.

**CONCLUSION:**

Staff recommends approval of the attached ROPS payment schedule for the six months ending June 30, 2015, to comply with the Dissolution Act and AB1484.

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Resolution  
ROPS 14-15B, for the period ending June 30, 2015